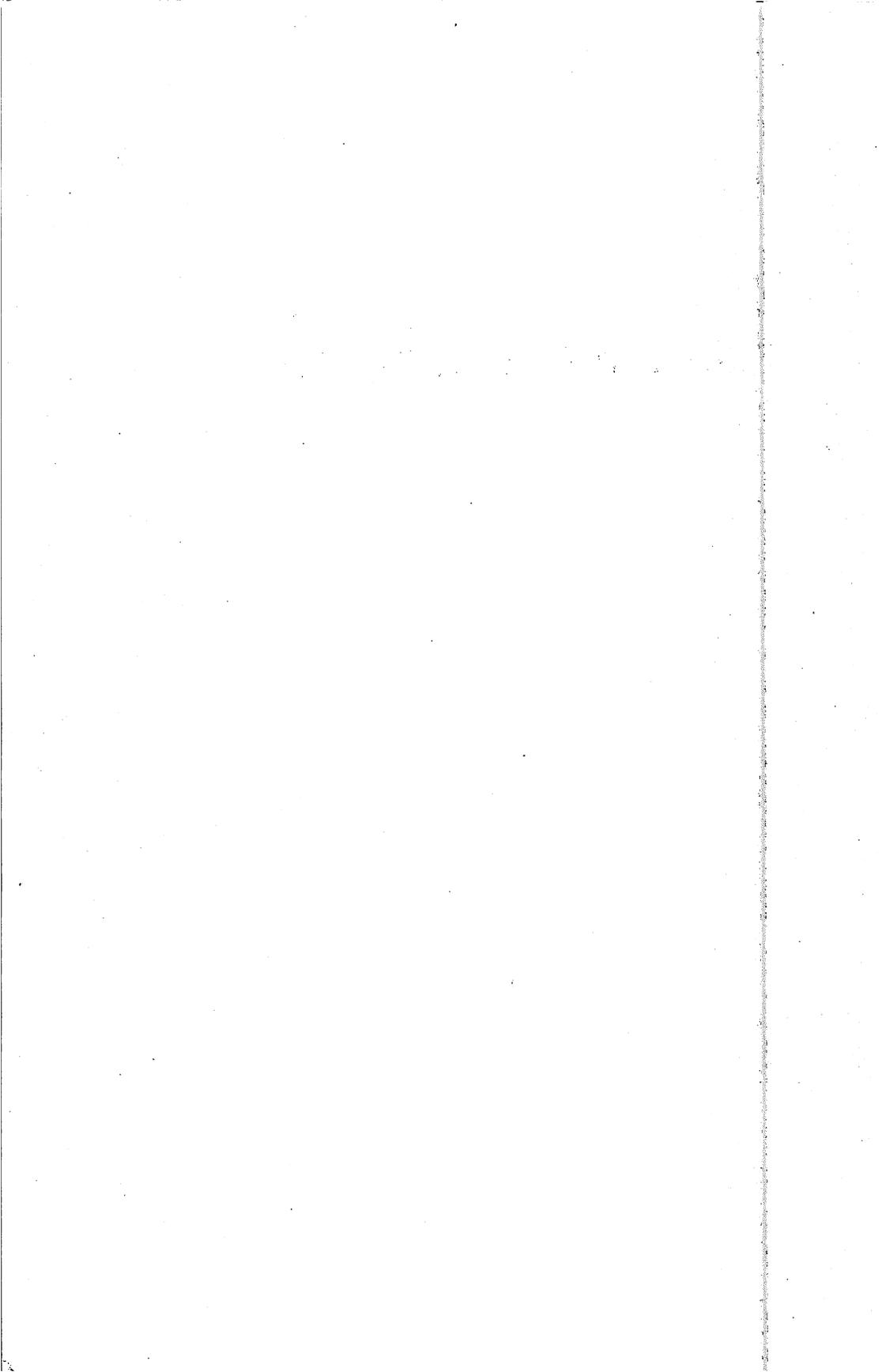


# **Pakistan-U.S. Relations**



# **Pakistan-U.S. Relations**

## **Social, Political, and Economic Factors**

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EDITED BY

**Noor A. Husain and Leo E. Rose**



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# Preface

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The Second Pakistan-United States Bilateral Forum met at the Institute of Strategic Studies, Islamabad, October 27–30, 1986, as a follow-up of the first forum at the Institute of East Asian Studies, University of California at Berkeley, held December 10–13, 1984. Both forums were co-sponsored and funded by The Asia Foundation, whose assistance is greatly appreciated. The agenda, themes, and sessions, which had been decided earlier in the year at a meeting of the directors of the two institutes, generally conformed to the agenda of the first forum, with some variations.

Seven sessions extending over four days were scheduled. The first session covered security relations, as in the first forum. Pakistan's viewpoint was presented by a new speaker, that of the United States by the same scholar as in the first forum. Both the discussants were new; the U.S. discussant was the assistant to the vice-president for national security affairs.

In the second session, devoted to examining U.S.-USSR-Pakistan relations, both sides were represented by new speakers and discussants.

The third session covered the aid relationship—both economic and military—in the public sector. Economic relations in the private sector were covered in detail in a separate session in which issues of trade, investment, and technology transfer were discussed by officials, businessmen, and scholars from the two countries.

Two sessions discussed South Asia, West Asia, the Afro-Asian (Indian) Ocean, the People's Republic of China, nonproliferation, and demilitarization.

To ensure the structure of a disciplined discussion in depth, the first six sessions were restricted generally to the speakers, discussants, and some selected participants. The last session, covering mutual perceptions, was an open session; it was attended by about 250 participants representing a cross-section of the intelligentsia of the country. The conference concluded with a panel discussion in which selected panelists analyzed the impact of their respective countries' perceptions and policies on each other and then invited questions from the audience.

The U.S. team consisted of seventeen participants—chairmen, speakers, and discussants—of whom eleven had not participated in the first forum. Of the twenty-one participants from the Pakistan side, fifteen were new to the second forum. From the Pakistan side, as a matter of the

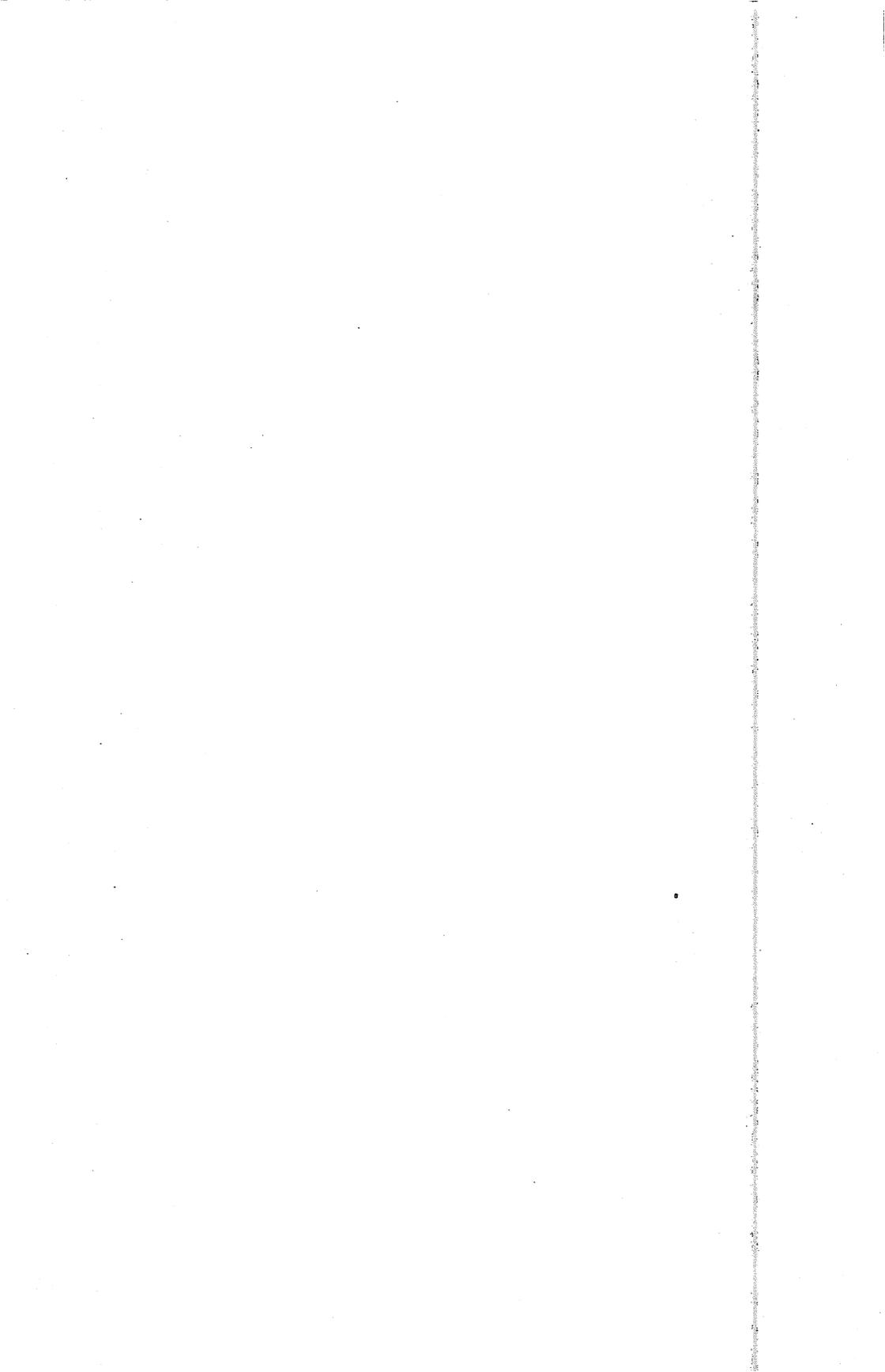
Institute's policy, younger scholars, officials, businessmen, media representatives, and analysts representing a cross-section of the country and society were exposed to the forum. Since invitations had been extended to writers/specialists six to eight months in advance, the papers were objective, in depth, and reflected survey, data, and content analyses of various themes, as this publication reflects.

On the whole, the second forum, like the first, was a rewarding and fruitful get-together for both sides; it helped clear some misconceptions and undoubtedly promoted greater goodwill and understanding between the two old allies. The U.S. participants were thereafter taken along the Karakoram Highway to some of Pakistan's strategic northern areas, including Gilgit, Hunza, and the Khunjerab Pass, as guests of the Institute of Strategic Studies.

NOOR A. HUSAIN

**PART ONE**

**The Security Relationship**



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# 1. Pakistan-U.S. Security Relations: Pakistani Perceptions of Key Issues

HASAN-ASKARI RIZVI

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Perceptions of the regional and international environment that are held by the dominant elites play an important role in shaping foreign policy and in the disposition of security matters. An assessment of the security pressures caused by foreign policy goals, military power, and the economic potential of the adversary is an important determinant in defining a situation and in influencing responses. Historically, such perceptions evolve from the traditional view of a nation, political experience with it, geographic location of both parties, their educational systems, the media, and many other factors.

A perceptual framework of values and beliefs, whether or not it is based on a dispassionate study and concrete calculations, serves as a screen through which policymakers observe the dynamics of the international system and decide policy options. As these perceptions are self-justifying, they resist change, although some adjustments are made according to the changing environment.

The changing pattern of Pakistan-U.S. security relations and Pakistan's goals and strategies in its interaction with the United States can be appreciated with reference to Pakistani perceptions of its regional environment and security milieu and its perceived advantages or disadvantages of such a relationship. The difficulties that arise in this relationship can be traced to divergent perceptions regarding Pakistan's security. Pakistan complains about America's indifference to its concerns, especially security threats arising from within South Asia. The United States thinks that Pakistan is trying to drag it into regional conflicts, which are peripheral to its global interests.

## **Perceptions of the Security Environment**

Pakistan's worldview is shaped by a deep sense of insecurity that is caused by what the dominant elite describe as a hostile regional environment. Serious external threats to Pakistan's independence and ter-

ritorial integrity emanate primarily from India and secondarily from Afghanistan. Pakistan's perception soon after independence that these two neighboring states were hostile toward it and wanted to "undo" it created a siege mentality among its policymakers, which influenced both Pakistan's foreign and domestic policies.

Indo-Pakistan relations have been characterized by mutual distrust and sharp differences in their perspectives on international and regional problems. The roots of these differences can be traced to the preindependence period when the Congress Party and the Muslim League advocated two diametrically opposite concepts of nationhood. For the Muslim League, the demand for Pakistan was a natural consequence of basic historical antagonism in South Asia. For the Congress Party, the demand for Pakistan ran counter to their ideals and the philosophy of Ghandi and Nehru. Pakistan was a country that ought not to have come into existence. This legacy of distrust and antagonism carried over to the postindependence period and was transformed into hostility between the two states. This was reinforced by the disputes that developed in the early years of independence when the Pakistani leadership was confronted with the uphill task of building an administrative structure for the new state.<sup>1</sup> India's seizure of Hyderabad and Junagadh was perceived as a threat by the Pakistani leadership. The first Indo-Pakistan war in Kashmir (1947-48) accentuated Pakistan's insecurity. Subsequent developments, especially the Indo-Pakistan wars of 1965 and 1971, intensified the syndrome.

Pakistan's security problem is also caused by the divergent perspectives on the regional power structure in South Asia. India pursues what can be described as the dominance model—India playing a leadership role in South Asia because of its size, population, technological advancement, and military power. Though the concept of India as a regional power goes back to the days of Nehru, it was presented in a forceful manner after Pakistan's military debacle in 1971. India demonstrated its military superiority over its traditional adversary and wanted formal recognition from Pakistan and other international actors. Statements by senior U.S. officials, including the president, indicated that the United States recognized India's preeminence in South Asia and gave a boost to India's dominance power model. Describing India's role in the region, a retired

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<sup>1</sup>Major Indo-Pakistan disputes during the early years of independence centered on the influx of refugees, communal riots, division of the assets of the former Indian government and armed forces, the evacuee property issue, the treatment of minorities, the canal water dispute, suspension of bilateral trade between India and Pakistan, and the concentration of Indian troops on its borders in 1950-51.

Indian lieutenant general wrote: "We have to live up to the dictates of history, geography, population, and resources. We cannot abdicate our responsibilities flowing from these considerations. These demand that India be the dominant power between Suez and Singapore and, eventually, along with the USA, USSR, and China, one of the four leading powers of the world."<sup>2</sup>

Advocates of the dominance model argue that regional stability can be ensured by acknowledging "India's dominant status in the subcontinent and [by] working with India [rather] than against it"<sup>3</sup> Such a model implies that the states of South Asia should harmonize their foreign policies with India's priorities. They should adopt no posture that conflicts with India's foreign policy framework. India should act as the gatekeeper of South Asia and should oversee, if not regulate, the interaction of the South Asian states with the rest of the world. In the case of any intrastate conflict in a South Asian state, India should reserve the right to have a say in the settlement. India's dominance model is anathema to Pakistan.

Pakistan's threat perceptions were also shaped by Afghanistan's irredentist claims on Pakistani territory and the intermittent border clashes between the two countries in the fifties and the sixties. What perturbed Pakistan most was India's support of Afghanistan's claims, which were later endorsed by the Soviet Union. Nonetheless, Pakistan viewed Afghanistan as an irritant rather than as a military threat.

The situation changed dramatically with the Soviet military intervention in Afghanistan in December 1979. This watershed made the South Asian region vulnerable to Soviet penetration.<sup>4</sup> The continued presence of Soviet troops in Afghanistan has brought the Soviet Union very close to Pakistan's border. Afghanistan could no longer be treated as a buffer between South Asia and the Soviet Union. Many in Pakistan and elsewhere viewed the Soviet move as part of the Soviet "grand design" to reach the warm waters of the Gulf region. It was also interpreted as a communist threat to Islam and the "free world." Pakistani official circles, the media, and a number of political groups played up this theme in 1980-81, but in subsequent years the focus shifted to other ramifications of Soviet

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<sup>2</sup>S. K. Sinha, "Threat Facing Us, Pakistan, and Those Nearer Home," *The Statesman*, May 30, 1984.

<sup>3</sup>Baldev Raj Nayer, "Treat India Seriously," *Foreign Policy*, no. 18 (Spring 1975):133-54.

<sup>4</sup>A. R. Siddiqi, "Afghanistan: A Geopolitical Watershed," *Defence Journal*, June-July 1982, pp. 1-8; M. B. Naqvi, "Pakistan's Dilemma over Afghanistan," *Defence Journal*, June-July 1982, pp. 23-27.

military intervention, although a section of public opinion continued to harp on this theme.

The spillover of the civil strife in Afghanistan is causing security problems for Pakistan. Insurgent groups in Afghanistan maintain ethnic, linguistic, tribal, and ideological linkages with several Pakistani groups, which serve as channels of political and material support, including some arms supply, for the insurgent groups. Pakistan is either unable or unwilling to check these transborder interactions, which might provide a convenient excuse for Soviet and Afghan authorities to resort to ground attacks and air raids on Pakistani border areas and especially on Afghan refugee camps in an attempt to intimidate Pakistan. The frequency and intensity of such military operations have increased since 1984, causing heavy damage to property and killing many Afghan refugees and Pakistani nationals. What worries Pakistan is that these cross-border reprisals may escalate into a bigger conflict.

Another spillover of the Afghanistan crisis, with security ramifications for Pakistan, is the presence of about 3 million Afghan refugees in Pakistan.<sup>5</sup> This influx has put enormous social, economic, and political strains on the North-West Frontier Province (NWFP) and Baluchistan. A number of refugee groups have developed ties with local political groups and provided mostly armed manpower to facilitate the advancement of their goals. A good number of refugees have moved out of the camps into places of their choice in the four provinces. If this type of migration is allowed to go unchecked, their repatriation to Afghanistan will become difficult, if not impossible. The refugees have also been linked to bomb explosions and drug trafficking, although their leaders deny such charges. Ambushes and mine or bomb explosions are common phenomena in the NWFP and Baluchistan.<sup>6</sup> Some of the weapons available to the insurgents have found their way into the interior of Pakistan. AK-47s, rocket launchers, and other deadly weapons have proliferated and are often used by rival groups for settling feuds. The dacoits and other antisocial ele-

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<sup>5</sup>For a detailed study, see Hasan-Askari Rizvi, "Afghan Refugees in Pakistan: Influx, Humanitarian Assistance, and Implications," *Pakistan Horizon* 37(1) (1984):40-61.

<sup>6</sup>According to official information from the government of Pakistan, there were 263 reported bomb explosions, killing forty and injuring 298 people in Pakistan's tribal areas during January 1985 and July 1986 (*Daily Nawa-e-Waqt* [Lahore], September 30, 1986). These statistics do not include bomb explosions in the settled areas of the NWFP, Baluchistan, and other parts of Pakistan.

ments are making full use of these weapons. Thus, the government faces the problem of internal security, in addition to cross-border reprisals, because of the influx of Afghan refugees.

The Soviet Union could cultivate the alienated sections of the population in Baluchistan, Sind, and the NWFP and encourage them to assert their identity and challenge the authority of the national elite, thus straining the Pakistani body politic. The Soviet Union could apply pressure—political and military—through India. With India and the Soviet Union having grievances against Pakistan, they could coordinate their military moves, thus posing a serious threat to Pakistan's security.

Geographic factors and constraints on resources also contribute to the accentuation of security problems. Pakistan's territory lacks depth, with no natural barriers on its border with India. Its main communication lines run parallel to the border, and some of its major cities are situated very close to the border. The establishment of Bangladesh in 1971 was not to Pakistan's advantage. In fact, security problems were aggravated in several respects. Since Bangladesh came into existence with the active support of India, its troops, once deployed on the East Pakistan border, could be transferred to the Pakistan-India border. Even after the 1975 coup in Bangladesh and the new government's policy of asserting its identity, it was too weak to pose any serious military threat to India. Thus, there was an increase in defense pressures on Pakistan. Moreover, India enjoys a clear margin over Pakistan in military power, defense production, and industrial development. Pakistan's industrial base and especially its defense-related industries are weak and cannot sustain a large-scale military operation spread over time without acquiring weapons and military hardware from external sources.

### **Perceptions of Security and Peace**

Given these serious external threats, it is not surprising that Pakistan developed a deep sense of insecurity or that the search for security emerged as the cardinal concern of its foreign and defense policy. Pakistan adopted measures to meet the challenge from its neighboring adversaries, especially India. It tried to increase its military power by maximizing the mobilization of its domestic resources and by seeking the cooperation of other states. These efforts were buttressed by diplomatic strategies to counterbalance India's preponderance in South Asia. Pakistan's ties with the Muslim world and the support it enjoyed among these states contributed to improving its diplomatic clout in a regional context.

The Pakistani leadership is averse to the Indian dominance model and believes that the model cannot serve as a basis for a durable peace. A New Delhi-centered regional system lacks the flexibility to accommodate the divergent perceptions of peace and security held by the various states in the region. Its insensitivity toward the smaller states of South Asia can jeopardize the prospects of peace, cooperation, and stability in the region.

Pakistan envisages a pluralistic and decentralized model as the basis for a durable peace and for security in South Asia. Instead of a powerful actor steam-rolling diversity dictating policy to smaller states, the alternate model not only recognizes but accommodates the existing discontinuities and divergent perspectives. The aim is to identify the overlapping interests and gradually to harmonize differences through voluntary cooperation and the adoption of confidence-building measures. This is going to be a slow, even painful, process, but if the South Asian states (especially India) practice accommodation and tolerance toward one another, it can serve as the basis of a durable peace. Such a peace model in no way compromises the sovereign entity of any state. Rather, it provides greater security to entities by acknowledging the right of every state to determine its policies—external and domestic.

### **Security Relations**

Pakistan-U.S. security relations can be understood within the context of Pakistan's security dilemma and its efforts to create a pluralistic and decentralized regional system for South Asia by counterbalancing India's military superiority.

Perceived threats from India and especially the first Indo-Pakistan war on the Kashmir question underlined an imperative to strengthen Pakistan's defense arrangements. Thus, it adopted a policy of allocating the largest share of the national budget to defense; however, its resources were inadequate to meet the requirements of modernizing its defense arrangements. When Pakistan looked for external support and cooperation to enhance its defensive capability, the United States was willing to provide assistance, but only if Pakistan joined an alliance system that was part of the U.S. global strategy to contain the Soviet Union. Pakistan did not consider this to be a high price in view of the urgency to strengthen its defenses.

Moreover, the power elite in Pakistan were oriented toward the West. Their experience with the British and the Western notions of democracy, equality, and liberty, which they cherished, created a natural inclination toward the West. Some of the elite were educated in Britain and main-

tained personal contacts with the British. With no direct contacts with the Soviet Union during the preindependence period, Pakistani's considered the Soviets far behind the Western countries in modern technology. It was therefore natural for the Pakistani elite to respond positively to overtures from familiar quarters.

In 1954 Pakistan and the United States signed the Mutual Defense Assistance Treaty, which facilitated arms transfers to Pakistan and military training for its personnel by American experts in the United States and Pakistan. Then Pakistan was admitted to SEATO in September 1954 and the Baghdad Pact in September 1955, later renamed CENTO. In 1959, Pakistan and the United States signed the Mutual Security Pact—an executive arrangement not formally confirmed by the U.S. Congress. It declared that the “government of the United States of America regards as vital to its national interests and to world peace the preservation of the independence and integrity of Pakistan.”<sup>7</sup>

Despite cooperation in security affairs, Pakistan and the United States did not fully share each other's perspectives. Pakistan's security interests were regional whereas the United States' were global. For the United States, the major concern was containment of the Soviet Union and the People's Republic of China (PRC); for Pakistan, India was the major adversary. The United States was obsessed with communism and wanted to hold back its impact on Asian states. Pakistan wanted to offset India's substantial qualitative and quantitative advantage in military power. Thus, the two countries needed each other but for diverse goals.

The United States was able to include Pakistan in its containment policy and provided military facilities there to pursue its global objectives. Pakistan secured several advantages from these arrangements. First, Pakistan received military aid in the form of grants, military sales, and credit to purchase weapons from commercial sources. It received military grant assistance valued at \$650 million, defense support assistance of \$619 million, and credit facilities worth \$55 million.<sup>8</sup> Pakistan also obtained, *inter alia*, tanks, artillery pieces, other arms and ammunition, armored personnel carriers, and transport for the army; aircraft including F-104, B-57, F-86, and C-130 for the air force; material for naval defense; and radar and

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<sup>7</sup>For the full text of the agreement, see K. Arif, ed., *America-Pakistan Relations: Documents*, vol. 1 (Lahore: Vanguard, 1984), pp. 156–58.

<sup>8</sup>Noor A. Husain, “Pakistan-U.S. Security Relations, Arms Sales, Bases, and Nuclear Issues,” in Leo E. Rose and Noor A. Husain, eds., *United States-Pakistan Relations* (Berkeley: Institute of East Asian Studies, University of California, 1985), pp. 1–14, esp. p. 4.

communications equipment. Training facilities were provided, and joint naval and air exercises were held, thus contributing to modernizing Pakistan's defense services.

Second, liberal economic assistance gave a boost to Pakistan's faltering economy in the mid-fifties. Third, the fact that Pakistan enjoyed the support of a powerful ally was viewed as a welcome development and a source of strength for a country suffering from an insecurity syndrome.

Pakistan was thus aligned with the United States not because it apprehended a Soviet-Chinese onslaught but because of an Indian threat perception. The divergence in Pakistani and U.S. goals produced strains in their relations at the beginning of the pact era. Pakistan entertained some doubts about the reliability of the U.S. commitment as early as 1956. Similarly, questions were raised in the United States in 1957 about the advisability of relying on Pakistan as a defender of American interests vis-à-vis the Soviet Union.<sup>9</sup> However, the two sides neither endeavored to harmonize their divergent perspectives nor attempted to clarify ambiguities in their relations. They played down their differences and continued to cooperate with each other for different reasons.

### **Arms Sales**

Modernization of the Pakistani military entails a large-scale induction of arms and technology from external sources because its own arms industry is underdeveloped. It can supply only small arms and related equipment. The latest sophisticated equipment, including air and naval defense systems and communications gear, has to be obtained from the advanced states. Thus, arms transfer forms a core part of Pakistan's security relations with the United States. There is enough evidence available to suggest that the U.S. ability to influence Pakistan is correlated with the quality and quantity of arms supplies.<sup>10</sup> Any change in arms transfer policy influences the overall pattern of interaction between the two countries.

The shift in America's arms transfer policy following the outbreak of the Sino-Indian border conflict in 1962 adversely affected Pakistan-U.S. relations. Global considerations led the United States to undertake a large-scale supply of arms and equipment to India, ostensibly to build India as a bulwark against Chinese "expansionism." Pakistan viewed this shift in America's arms transfer policy within the backdrop of its regional secu-

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<sup>9</sup>Shirin Tahir-Kheli, *The United States and Pakistan: The Evolution of an Influence Relationship* (New York: Praeger, 1982), p. 6.

<sup>10</sup>Ibid.

rity perspective: Its regional adversary, which already enjoyed a military edge, was being supplied more weapons in complete disregard of the sensitivities of an ally, that is, Pakistan. The Pakistani leadership argued that India had no intention of fighting the PRC. It was using the Chinese bogey to obtain as much Western weaponry as possible to use against Pakistan. President Ayub Khan outlined his concerns in a letter to President Kennedy in November 1962:

I am very grateful for the assurance you have given that the arms you are now supplying to India will not be used against us. This is very generous of you, but knowing the sort of people you are dealing with, whose history is a continuous tale of broken pledges, I would not ask a friend like you to place yourself in an embarrassing situation. . . . Our belief is that the arms now being obtained by India from you for use against China will undoubtedly be used against us at the very first opportunity.<sup>11</sup>

Pakistan began to diversify its interaction in the international system by improving ties with the socialist countries. This process was accelerated when the United States imposed an arms embargo on South Asia after the outbreak of the 1965 Indo-Pakistan war.

The discontinuation of arms transfers seriously undermined Pakistan's combat effectiveness because its defense procurement was almost entirely dependent upon the United States. Pakistan's security relations with the United States declined, and it became conscious of the inherent dangers of a heavy reliance on one source of supply for weapons.

With its traditional sources of supply cut off, Pakistan looked for new sources of arms procurement in the PRC, France, the Soviet Union (1968–69), and European markets. Pakistan also obtained military hardware through Turkey and Iran. Notwithstanding the easing of the embargo in 1966–67 and the supply of some military hardware by the United States in 1970–71, Pakistan-U.S. security ties did not recover from the setback it suffered in 1965. Reimposition of a total embargo in 1971 reinforced the growing alienation from the United States among Pakistani policymakers. The lifting of the embargo in 1975 did not improve the situation because the U.S. demand of cash payment for all defense purchases was a serious constraint on Pakistan's ability to purchase new equipment.<sup>12</sup>

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<sup>11</sup>Mohammad Ayub Khan, *Friends Not Masters* (Karachi: Oxford University Press, 1967), p. 143.

<sup>12</sup>For a detailed study of U.S. arms policy, see Stephen P. Cohen, "U.S. Weapons and South Asia: A Policy Analysis," *Pacific Affairs*, Spring 1976, pp. 49–69.

### **The Current Situation**

Pakistan-U.S. relations, which reached their lowest point in the spring of 1979, took an upward turn after the Soviet military intervention in Afghanistan in December 1979. Since the Soviet adventure took place within less than one year of the overthrow of the staunchly pro-U.S. government of Reza Shah in Iran by the Islamic revolutionaries led by Ayatollah Khomeini, the United States viewed this as a Soviet attempt to position itself squarely for any future advance toward the Gulf and the Indian Ocean. American leaders felt that if the Soviet action was allowed to go unpunished and the United States did not back up the pro-America regimes in the region, its long-term interests might suffer irreparable damage. President Carter outlined American policy on Afghanistan in his address to the joint session of Congress in January 1980: "Any attempt by an outside force to gain control of the Persian Gulf region will be repelled by any means necessary, including military force."<sup>13</sup>

This enhanced Pakistan's relevance for the U.S. policy of checkmating the Soviets in Afghanistan. The United States also realized that, in view of Pakistan's proximity to and linkages with the Gulf region, it could be instrumental in implementing American security policy in that region. Therefore, the United States offered categorical security guarantees to Pakistan. The American ambassador to Pakistan declared in an interview that "our major interest and preoccupation is to prevent an extension of Soviet power. . . . The Soviet move in Afghanistan has changed the strategic environment in this part of the world. Pakistan is now a frontline state, under direct threat from the Soviet Union."<sup>14</sup>

The reinvigoration of Pakistan-U.S. security ties in the wake of a shared perception of the implications of the Soviet presence in Afghanistan resurrected American arms sales to Pakistan. From Pakistan's standpoint, arms sales are key to its security because India's overwhelming military superiority has been accentuated by the awesome presence of Soviet troops in Afghanistan. In addition, the increase of arms transfers from the Soviet Union to India during 1980-86 enhanced India's military advantage in South Asia. Pakistan's ruling elite looks upon arms sales from the United States as an important measure to improve its security capability in a belligerent environment.

Just like the Pakistan-U.S. security relationship during the fifties, the military is the major beneficiary of the new arrangement. It has obtained

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<sup>13</sup>For the full text of the statement, see *U.S. News & World Report*, February 4, 1980, pp. 73-76.

<sup>14</sup>*Mag Weekly* (Karachi), February 18-24, 1982, p. 4.

a wide variety of modern arms and equipment. By 1985, Pakistan was fourth among the recipients of U.S. security assistance. The quality and quantity of arms supplies acquired salience in their interaction. That is why Pakistan declined to accept the first delivery of F-16 aircraft when it learned that the latest electronic warfare equipment was not fitted in these aircraft. Later, the dispute was settled to Pakistan's satisfaction.<sup>15</sup> These military sales contributed to the modernization of the military and helped to fill in the gaps in security arrangements caused by past disruptions in the arms supplied by the West and especially the United States.

Pakistan also obtained U.S. economic assistance as part of an aid package. In addition, economic assistance was made available by the World Bank, the IMF, and Aid to Pakistan Club, all of which stimulated the Pakistani economy and lessened economic pressures on the political system.

Pakistan is now obtaining U.S. assistance without entering into a defense treaty. No bases or military facilities have been provided, which distinguishes this relationship from the security ties during the fifties. The current relationship "is more informal and flexible," which makes it "more durable and credible than the old one."<sup>16</sup> It has also diluted the United States' overt opposition to Pakistan's nuclear program.

Despite the current overlap in Pakistan and U.S. interests, one cannot be oblivious to the divergencies that persist in their perceptions and goals. Pakistan is important for the United States to the extent that it helps to contain Soviet influence and protects American interests in the Gulf region. Any redefinition of U.S. interests or settlement of the Afghan problem will minimize Pakistan's relevance to U.S. policy in the Gulf region, which will lead to a revision of the present pattern of Pakistan-U.S. security relations.

The Afghanistan crisis has become hostage to the U.S.-Soviet global rivalry, which has been on the rise since 1979. U.S. policymakers favor a political settlement of the Afghanistan crisis as part of an overall arrangement between the two superpowers. This perspective places Pakistan in a difficult situation. On the one hand, delay in the settlement of the Afghan crisis has multiplied Pakistan's security problems, and therefore it would like to strike a negotiated settlement at the earliest. On the other hand, a political arrangement with Afghanistan that does not take into account America's interests will result either in a reduction or discontinuation of America's economic assistance and military sales to Pakistan.

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<sup>15</sup>*New York Times*, November 30, 1982; *Washington Post*, December 7, 1982.

<sup>16</sup>Rais A. Khan, "Pakistan-U.S. Relations: Divergences and Convergences of Perceptions," in Rose and Husain, eds., *U.S.-Pakistan Relations*, pp. 35-36.

Pakistan entertains doubts about the U.S. commitment to Pakistan if it is threatened by a state other than the Soviet Union. Indo-Pakistan relations are far from cordial, and efforts to defuse tension between them have not brought about the desired improvement in their relations. What if there is another armed conflict between India and Pakistan? Will the United States be prepared to stand by Pakistan, or will it repeat what it did in 1965 and 1971? Any security arrangement that does not take into account Pakistan's security predicament as a whole is unsatisfactory.

Currently, a new six-year (1987-93) economic assistance and military sales package is being finalized. The proposed value of the package is \$4.2 billion, and the United States is prepared to offer concessional rates of interest. If the second aid package is approved by the U.S. Congress at concessional rates, a number of questions will require close attention. These include, *inter alia*, what will Pakistan offer in exchange? How far will this affect Pakistan's efforts to find a negotiated settlement of the Afghanistan crisis? Will Pakistan be asked to play a role in the security of the Gulf region? How far will this restrict Pakistan's policy options and domestic economic priorities? Will the annual approval of the assistance package mean that the U.S. government, its agencies, and its international financial institutions acquire the right to monitor Pakistan's foreign policy and economic performance?

There has been an enhancement of U.S. influence in Pakistan since 1981, when the first economic assistance and military sales program was approved. Pakistan's foreign minister has undertaken more trips to the United States than to any other country since 1983, and high-level diplomatic exchanges between the two countries have also increased. This trend will be reinforced during the course of implementing the second six-year assistance program. Growing identification with the United States has intensified debate in Pakistan on the advisability of developing close and multifaceted economic and security ties. This relationship has diluted the nonaligned character of Pakistan's foreign policy and has constrained its ability to find an early political solution to the Afghanistan crisis.

### **Nuclear Issue**

An important aspect of Pakistan-U.S. security relations pertains to the nuclear issue in South Asia. Pakistan's nuclear program dates back to the mid-fifties when it was initiated with U.S. and Canadian cooperation. However, it acquired a security dimension when India exploded a nuclear device in 1974, euphemistically described as a "peaceful nuclear explosion." Pakistan cannot accept such an explanation because of the long history of mutual distrust and acrimonious Indo-Pakistan relations. Pakistan's threat perception and especially the memory of India's role in

the dismemberment of Pakistan in 1971 shaped its response. It was interpreted as part of India's policy to establish its hegemony in the region and to coerce the smaller nations of South Asia with nuclear "blackmail."<sup>17</sup>

Pakistan moved swiftly on the diplomatic front to counterbalance the security pressures caused by India's nuclear explosion. It demanded that the Security Council provide adequate guarantees to Pakistan and other states in the region against India's nuclear "blackmail." The demand for guarantees was raised by Pakistan in all the major international forums, but no firm commitment was offered. Pakistan also put forward the proposal of designating South Asia as a nuclear weapons free zone.<sup>18</sup> The U.N. General Assembly has regularly approved this proposal since 1974, but no concrete steps have been taken to implement it.

Pakistan made a thorough reappraisal of its nuclear program in order to become "increasingly progressive and more self-reliant in the field of nuclear power and nuclear technology."<sup>19</sup> It was against this background that it signed an agreement with France in March 1976 for the purchase of a fuel-reprocessing plant. Instead of facilitating the development of nuclear technology, the agreement marked the beginning of serious problems for Pakistan's nuclear program.

The United States, which suspected the peaceful character of Pakistan's nuclear program, interpreted the agreement for a French reprocessing plant as a strategy for acquiring nuclear weapons capability. The United States adopted a two-pronged strategy to undermine the French-Pakistan deal. It mounted diplomatic pressure on Pakistan to reconsider the pact, as well as the entire nuclear policy, and lobbied with France to cancel the arrangement.<sup>20</sup> American efforts were crowned with success when France expressed its inability to supply the reprocessing plant and offered to negotiate a new deal. U.S. pressure on Pakistan's nuclear program was maximized when in early 1979 U.S. intelligence sources learned that Pakistan was installing a clandestine plant for the enrichment of uranium, using a gas centrifuge system. All military sales and economic assistance to Pakistan was cut off by the U.S. administration by invoking the Symington-Glenn Amendment.

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<sup>17</sup>See editorials, news analyses and comments on India's nuclear explosion in the Pakistani press during the first four to six weeks after the explosion in May 1974.

<sup>18</sup>Hasan-Askari Rizvi, *Politics of the Bomb in South Asia*, Progressive Series no. 23 (Lahore: Progressive Publishers, 1975), pp. 27-29.

<sup>19</sup>Munir Ahmad Khan, "Our Nuclear Power Program," *Pakistan Times* (Lahore), September 30, 1974.

<sup>20</sup>Tahir-Kheli, *Evolution of an Influence Relationship*, p. 124.

Pakistan views the U.S. nonproliferation policy and especially its disposition toward Pakistan's nuclear program as selective and discriminatory. American pressure on Pakistan in the late seventies to discontinue its nuclear program caused strong resentment in official and unofficial circles. It was described as a denial of the right of a Third World state to acquire nuclear technology. What distressed Pakistan most was a well-orchestrated propaganda campaign in the West against its nuclear program, especially in the United States. Sensational stories about Pakistan's drive to acquire a nuclear bomb, described as the "Islamic Bomb," were circulated, including rumors that Pakistan had already manufactured a bomb or would do so in the near future. It was also rumored that Pakistan would then transfer this technology to the Arab states, which would have grave implications for Israel's security. These reports were based on selective evidence and imbalanced reporting.

Instead of examining the nuclear question in the context of Pakistan's security predicament, the United States used Pakistan as a test case for its nonproliferation policy. Pakistan's search for safeguards against nuclear threats and its demand to make South Asia a nuclear weapons free zone showed that it was seeking safeguards rather than working toward the development of a bomb. Its proposal that India and Pakistan should simultaneously sign the Non-Proliferation Treaty (NPT) was testimony to Pakistan's willingness to surrender the nuclear option if India's nuclear threat was also neutralized. Pakistan offered a four-point proposal to India in 1985 for establishing a framework for peaceful uses of nuclear technology in South Asia. These were (1) simultaneous signatures to the NPT; (2) simultaneous acceptance of full-scope safeguards; (3) bilateral inspection of one another's nuclear facilities; and (4) a binding declaration by all South Asian states renouncing acquisition or manufacture of nuclear weapons.<sup>21</sup> India did not accept this proposal.

The United States moderated its opposition to Pakistan's nuclear program after the Soviet military intervention in Afghanistan. It was not a change of heart but a shift in U.S. priorities. Containment of the Soviet Union is assigned a higher priority than strict enforcement of a non-proliferation policy. The revival of economic assistance and military sales since 1981 has pacified some of Pakistan's security concerns, and, given the importance of the assistance for Pakistan, the United States feels that it can exercise reasonable influence to restrain Pakistan from diverting its nuclear program to nonpeaceful purposes. The condition of annual

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<sup>21</sup>Address of Pakistan's foreign minister to the U.N. General Assembly, *Dawn* (Karachi), October 3, 1985.

**approval of the assistance package by the U.S. Congress ensures “good” nuclear conduct on the part of Pakistan. It is clearly understood that the acquisition of a nuclear weapons capability will result in discontinuation of U.S. economic assistance and military sales. Pakistan may not like to lose these, for obvious reasons.**

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## 2. Partners or Friends? U.S.-Pakistan Security Relations Revisited

STEPHEN P. COHEN

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It is a challenge to return to a subject discussed at length only two years earlier.<sup>1</sup> It is encouraging to discover that many—if not most—of the arguments and assertions of two years ago remain valid today, despite the passage of time and the advantage of a different angle of vision. It may be that for the full-time government official “where you sit determines where you stand,” but a scholar (even one on loan to the government) cannot—and certainly should not—adapt so readily.<sup>2</sup> To begin, therefore, with my conclusion: despite an extraordinary degree of complexity, some measure of misunderstanding, and a volatile mixture of security issues, the U.S.-Pakistan relationship is on a sound footing. The cautious optimism of my earlier chapter seems to be the right note. On the other hand, there will be some shift in nuance, some change in emphasis, which reflect developments in South Asia as much as a shift in my own perspective.

Some of these differences are reflected in the title of this chapter. With apologies to the late President Ayub, I have modified his “Friends Not Masters” and added a question mark. And the reader will note that “or” does not exclude “and.” Here is the nub of the issue. The United States and Pakistan are certainly strategic partners. There is also a degree of friendship between the two governments and, just as important, between the people of these two distant countries. Is, however, the partnership one of expediency based upon a temporary overlap of security concerns? Is the friendship still weak and feeble? Will it evaporate in the

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The views and opinions expressed in this chapter are those of the author and do not necessarily represent the policies of the United States government.

<sup>1</sup> See Stephen P. Cohen, “U.S.-Pakistan Security Relations,” in Leo E. Rose and Noor A. Husain, eds., *United States-Pakistan Relations* (Berkeley: Institute of East Asian Studies, University of California, 1985).

<sup>2</sup> On the other hand, scholars should acknowledge significant adjustments in their own positions. The perceptive reader will notice such changes in my understanding of regional security issues before and after the Soviet invasion of Afghanistan.

face of the slightest provocation? Let me break these questions down into their component parts and present a fuller and more balanced picture of the Pakistan-U.S. security relationship.

### **A Complex Relationship**

Every security relationship between sovereign states is inherently difficult. The United States and Pakistan do not have a "NATO-like" tie, although that alternative was explored in the 1950s. It was rejected by the 1960s, and Pakistan's present commitment to a nonaligned, multipolar diplomacy rules out such a relationship. Yet, the two states have important—and for Pakistan vital—security interests in common, so there must be some degree of cooperation. The level of cooperation, its content, and the durability of the security relationship will be shaped by a number of factors.

First, the U.S.-Pakistan relationship does not encompass all, or even a major portion, of each state's security concerns. For each side there are other interests more important than their overlapping interests. For the United States the Soviet Union remains the major strategic concern; for Pakistan it is India that remains the chief security threat. However, the gap between the importance of the bilateral relationship and other security relationships is narrowing on both sides. This is partly the doing of the Soviets, who have both increased their military pressure on Pakistan (precipitating a direct American response in the form of enhanced air defense technology) and who have been utterly unforthcoming on the critical issue of their speedy withdrawal from Afghanistan.

Second, the security interests of Pakistan and the United States are not congruent. For Pakistan the United States represents an important source of weapons and political support; for the United States it has been chiefly Pakistan's position as a counter to Soviet expansionism that is valued. Put another way, the two states share a common strategic interest, but their different geopolitical vantage points lead them to emphasize different facets of that interest.

Third, on both sides the multiplicity of security interests necessarily involves a number of different government agencies, bureaus, services, and public groups. In the United States the Pakistan security tie is closely watched by the armed services, by the arms assistance bureaucracy, by those concerned with nuclear proliferation, by government agencies, by Congress, by private groups concerned with human rights, and by those who view Pakistan in both a global and regional strategic context. I am sure that on the Pakistan side one could find nearly as much diversity:

Pakistan's three services are each eager to modernize, drawing upon the limited American assistance that is available; its civilians have their own priorities about defense spending. And for many Pakistanis the U.S. tie must raise questions in terms of relations with Iran, the Gulf states, and the People's Republic of China.

Fourth, the existence of such diverse groups complicates policymaking in both countries. Each would like to have its claim pressed, making it difficult for one side to understand exactly who prevails on the other side. Fortunately, there has been frequent high-level contact between the two countries and routinized discussion of security issues at the bureaucratic level.

Fifth, a multiplicity of interests can give rise to the suspicion that one side or the other is playing "politics" in the sense that frivolous or exaggerated claims are put forward in order to strengthen other claims. I suspect that some Pakistanis believe that American concerns over the democratization of their country are not genuine, but meant only to put pressure on Pakistan for other purposes. Americans certainly feel uncomfortable with Pakistani insistence that their country is energy-poor and that its nuclear program is designed only to produce more electrical power. We agree with the diagnosis but have doubts about some of the medicine being prescribed.

Sixth, there are important differences in the personal and political style of the two countries. Both sides pride themselves on being honest and straightforward, but both sides can be capable of a degree of subtlety that alarms the other. A related problem is that the ties between the United States and Pakistan have always been subject to stereotyping, misrepresentation, and even deliberate distortion—some of this generated by interested onlookers.

Seventh, no matter how much we talk of partnership, the fact is that the security relationship between the United States and Pakistan is asymmetrical. The issues involved are very important for the United States, as evidenced by the extraordinary pair of six-year assistance agreements. Yet what is very important for one side is a matter of survival—of life and death—for the other, and Pakistan has a great deal more at stake than does the United States. It is, as we sometimes need to be reminded, surrounded on all sides by major military powers.

Finally, our relations also bear the burden of history. We did see the Soviet threat in different ways in the 1950s, and we certainly saw China in different ways in the 1960s. We have always differed on the nature of the Indian threat to Pakistan, and there have been important differences on various Middle East issues, Pakistan's nuclear program, the pace of democratization, and so forth. Such differences leave behind a residue of

antagonism in both countries, even though on some issues our positions have come to be quite close, if not identical. My own view is that potentially the greatest benefit of our security relationship will be the process of mutual learning and adjustment on a range of issues other than Afghanistan, which of course dominates our relationship and which is more fully discussed in other chapters.

Paradoxically, the very complexity of the security relationship described above lends it a degree of stability. It is not anchored merely in a common concern over Soviet expansionism, although that concern gives the relationship a measure of gravity that ensures high-level interest on both sides. The so-called peripheral issues—nuclear proliferation, Pakistan's domestic politics, Indo-Pak relations, the resolution of various West Asian conflicts—are important in their own right. The presence of a genuine Soviet threat may make it easier to achieve progress on these and related issues.

### **The Evolution of a Strategic Interest**

When confronted in 1947 with large requests for arms from both India and Pakistan (India even before Pakistan!), American policymakers studied the issue carefully. They noted that the chief objective of U.S. regional policy should be to “prevent Soviet encroachment or domination,” prevent Soviet access to the region, and encourage cooperation among regional countries. There was also the expectation that the United States and other Western democracies might be granted the use of “areas or facilities which might be required . . . for operations against the U.S.S.R. in the event of war.”<sup>3</sup> In Pakistan's case it was thought that “emergency” facilities might be developed in the “Karachi-Lahore area.” Of course, these preparations were secondary to the major concern with Soviet expansion in Europe and East Asia, and it took several years (and the creation of the Central Treaty Organization [CENTO]) before any serious discussion took place.

The policymakers of this era anticipated a number of problems. They recognized the dangers of alienating India or Pakistan should a too-close relationship develop with the other. They were proven correct in 1954, 1971, and 1980 when the United States lent its support to Pakistan and in 1962 when substantial emergency grant military assistance was provided

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<sup>3</sup>See U.S. Department of State, *Foreign Relations of the United States*, vol. 3, 1947 (Washington, D.C., 1972), for these 1949 comments.

to India.<sup>4</sup> Such alienation is an important factor in American policy calculations, not because of a simple desire to remain “friends” with two states at odds with each other, but because of the hard reality that one state or the other could always undo the gains of U.S.-regional strategic cooperation. Indian and Pakistani responses are necessarily factors in American regional calculations.

American regional strategy was unevenly implemented over the years. After an initial attempt to avoid regional engagement, in the hope that India and Pakistan would cooperate with each other, thus restoring the strategic unity of the subcontinent, the United States went ahead with a major arms assistance program with Pakistan. Simultaneously, it made major economic development grants to India, thus funding both sides of a regional arms race, but also, in effect, strengthening both sides against outside forces.

The 1954–65 American policy was difficult to implement, and it led to a measure of anger and disillusionment in New Delhi, Karachi, and even Washington. Further, the Soviet threat seemed to have receded, or perhaps shifted to other areas of Asia. After the United States became fully entangled in Vietnam, such regions as South and Southwest Asia were unable to attract high-level attention, and with the brief exception of the Nixon-Kissinger strategy of “tilting” toward Pakistan (a tilt that managed to alienate both Indians and Pakistanis), Washington withdrew from the subcontinent. It took the triple blows of the 1974 Indian nuclear test, the fall of the shah, and the physical invasion of Afghanistan to resurrect serious American interest in Pakistan and India.

### **U.S. Arms and Pakistan**

If the current six-year assistance package for Pakistan is unusual in the history of American assistance programs, the follow-up six-year program is unprecedented.<sup>5</sup> The package reflects not only an American understanding of Pakistan’s strategic importance, but also the difficulties encountered during past efforts. Security assistance represents less than half of the new program, and an attempt has been made to tailor the package to the specific threats posed by the USSR along the Afghanistan

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<sup>4</sup>Actual joint air defense operations took place, involving Indian, American, and Commonwealth aircraft.

<sup>5</sup>See the chapter in this book by Herbert Hagerty for details of the two programs.

border. The program was also designed to enhance Pakistan's overall sense of security, in the belief that such enhancement will reduce its incentive to pursue a military nuclear program. Unlike the 1954 program, which made Pakistan a modern military power but left it with a nearly 100 percent U.S.-supplied establishment (later creating difficulties over the provision of spare parts and replacements), the current program is one of selective modernization of Pakistan's still largely Chinese-origin military establishment. Indeed, the percentage of U.S. equipment in the Pakistan Air Force (PAF) hovers at the 12 percent level, and Pakistan's armor is still about 75 percent Chinese in origin. And, with the exception of the PAF F-16s and the navy's Harpoon, Pakistan has not received the most advanced (and costly) U.S. equipment available.

By most standards the assistance program has been a success. The weapons that have been supplied to Pakistan are a tangible evidence of broader American strategic support for Pakistan's integrity and reflect a shared approach to the containment of Soviet expansion. American equipment has permitted a modest modernization of the Pakistan military, enhancing Pakistan's defensive capabilities against likely Soviet pressures. While not the purpose of this program, Pakistan's capabilities vis-a-vis India are also enhanced, although no serious evaluation of the regional military balance could conclude that the American program has done anything but improve Pakistan's *defensive* capabilities in the east.<sup>6</sup> India still has strategic superiority over Pakistan and faces no limitations on the use of its Soviet-supplied and West European weapons.

While American policymakers have studied carefully the problem of which weapons to supply to Pakistan, it is generally recognized that the overall size of the program is so modest that no particular weapons system is likely to have a decisive impact on the Indo-Pakistan military imbalance. Those systems that might create regional uncertainty or otherwise destabilize Indo-Pakistan relations could be an appropriate subject for discussion between the two countries, who have every incentive to moderate the arms race between them. It does neither side much good to acquire an expensive and complicated weapons system if the other side will reply in kind. While regional military establishments should be modern and efficient, they need not acquire every system available if there are diplomatic and political alternatives. The United States, as a provider of substantial arms assistance to Pakistan and as a modest provider of defense-related technologies to India, is especially interested in seeing such discussions move forward.

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<sup>6</sup>I have examined the regional military (im)balance in *The Pakistan Army* (Berkeley and Los Angeles: University of California Press, 1984).

### **U.S. Arms: Part of the Package**

Pakistan's earlier arms acquisition strategy was to increase its dependency on the United States in the belief that doing so would enhance the overall commitment of Washington and perhaps extend that commitment to noncommunist threats—e.g., India and Afghanistan. Later, Pakistan followed Chinese advice and embarked upon a strategy of self-reliance, emphasizing the production of its own defense equipment. This resulted in a greatly expanded capacity to produce small arms, ammunition, explosives, various light weapons, and to rebuild and modernize Pakistan's T-59 tanks and Mirage III/V aircraft. However, like most states, Pakistan found that it was falling further and further behind in the modernity of its military inventory. Thus, the first multiyear assistance program from the United States emphasized filling in the gaps in air and sea power with some fairly advanced systems; virtually nothing was done to significantly improve Pakistan's own weapons-production capability.

In retrospect, it appears that Pakistan's search for defense self-reliance was overambitious; even China has now turned abroad for help in improving the quality of its equipment; and India, a state that has emphasized defense self-reliance since the days of Krishna Menon, finds itself heavily dependent upon the Soviet Union for key systems.<sup>7</sup> One can only conclude that the new arms relationship with the United States has deferred, but not resolved, Pakistan's arms acquisition dilemma. The United States can meet only part of Pakistan's military requirements; Pakistan has the alternative of developing other suppliers, of making better use of those weapons that it does possess (by increasing mobility, improving tactics, and enhancing the quality of its leadership), of reducing the strategic threat from the east and the west, and of taking steps that could increase the flow of weapons from present suppliers. Some of these alternatives are compatible, some are mutually exclusive. In the final analysis, the responsibility for arriving at a harmonious and effective mix is Pakistan's, although the United States (and other countries) has a legitimate interest in Islamabad's choices.

### **Strategic Cooperation**

Pakistan and the United States have engaged in two forms of strategic cooperation. In the 1950s the United States was allowed to establish a

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<sup>7</sup>India's much vaunted effort at self-reliance has resulted in the manufacture in India of Soviet-design weapons on Soviet-provided equipment to Soviet-provided specifications, by Indians who are Soviet-trained but unable to make significant changes in the systems they produce.

monitoring facility that was useful in keeping track of the evolving Soviet missile and space program. This included U-2 flights. This activity has been largely replaced globally by satellite monitoring and is in any case a stabilizing—not threatening—component of the U.S.-Soviet strategic equation. Second, the United States and Pakistan engaged in close consultation and discussion in the context of SEATO (South East Asia Treaty Organization) and CENTO (which brought Pakistani strategists in contact with Iran, Turkey, and other regional states). Given the revival of an arms and economic assistance relationship between the United States and Pakistan, what scope is there for revived strategic cooperation along the lines described above?

It is most improbable that there soon will be the kind of strategic cooperation that places Pakistan in an operational role vis-a-vis the Soviet missile and space program.<sup>8</sup> Nor can the old CENTO alliance be put back together, although Pakistan can engage and has engaged in close consultations with former members of that grouping. From the U.S. perspective, such consultations—and even a degree of strategic cooperation—are highly desirable, even if they do not involve the United States. A primary U.S. policy objective has always been to encourage regional states, especially India and Pakistan, to cooperate with each other against an external threat. Pakistan is necessarily important to the United States not only because of what it is but because of where it is.

At a minimum, there must be a degree of strategic *coordination* between the United States and Pakistan. The two countries should know and understand each other's orientation, where they disagree and agree, so that each side might unilaterally adjust its own policies to fit those of the other side.

However, the relationship has yet to evolve to a high degree of strategic *cooperation*. The exception has been in some matters concerning the security of Pakistan itself, especially along the western border, where Soviet threats and Soviet/DRA (Democratic Republic of Afghanistan) attacks have been and will be met with a rapid U.S. political and military response. The United States also continues to cooperate in searching out paths to a political settlement of the Afghan issue.

It may be that strategic cooperation has gone about as far as it can for the near term, although coordination could evolve rapidly into cooperation. This would seem to be largely a function of enhanced Soviet pressure; in this sense the Soviets themselves control the degree of coordination/collaboration among those on its strategic frontiers.

From the U.S. perspective, two issues raise themselves when considering enhanced cooperation with Pakistan. The first is Pakistan's

<sup>8</sup>On the other hand, India has proposed something very similar in the context of the six-nation initiative on nuclear test banning.

reliability as a strategic partner. Pakistan is now a member of the non-aligned movement; in the past it showed no sign of actively participating in the major conflicts the United States was engaged in; during the Vietnam war, for example, Pakistan was more influenced by Chinese views than American. At times Pakistan has also been among the leaders of those states actively opposed to Washington's Middle East policies, although it has apparently come around to the view that a solution to the Arab-Israeli conflict will have to involve a measure of realism on both sides. Although the gap between Islamabad's views and those of Washington on these and other strategic issues has narrowed, there are nevertheless "reliability" concerns on both sides. Compounding this are changing domestic politics on both sides and the existence in both countries of groups and individuals who are either indifferent or hostile to the relationship.

Second, Pakistan has a South Asian agenda somewhat different from that of the United States. The United States views India neither as a communist power nor a Soviet surrogate and sees advantage in enhancing India's strategic options, making it more truly nonaligned. This is increasingly the view of China and is held by at least some Pakistanis, but again, because of the unpredictability of Pakistan's policy and Pakistan's apparent view that India remains its chief strategic problem, the United States is reluctant to engage in the kind of cooperation that might have anti-Indian implications. India, of course, could take steps that would enhance everyone's security in the region. Its military supply relationship with the Soviets and the existence of the Indo-Soviet treaty of peace and friendship have regional implications. First, that treaty is not as restrictive as the 1959 U.S.-Pakistan agreement, so that it is not accurate to posit a U.S.-Pakistan "alliance" against an Indo-Soviet one. Second, there is the danger that the treaty will be invoked by the Soviets as they press on Pakistan, and what has been a strategic asset for India may turn into a liability.

My central conclusion here is that to the degree Pakistan's neighbors fear enhanced U.S. involvement in the region via a closer relationship with Pakistan, the only sure way to preempt such involvement is by enhancing their own strategic ties to Pakistan and moving to meet some of Pakistan's quite legitimate fears about Soviet pressures. Again, a regional arrangement that reduced the American role is not incompatible with U.S. objectives as long as it enhances the security and integrity of the region, including the restoration of Afghanistan's independence.

### **Nuclear Issues**

No issue has led to more misunderstanding for less reason than the nuclear question. Americans suspect Pakistan of having grand nuclear ambitions, and Pakistanis fail to appreciate the legitimate American concern over what remains an uninspected and therefore uncertain program.

Although now linked to the security and strategic issues discussed above, the nuclear issue has a logic of its own. Were these other issues to vanish tomorrow, the nuclear problem would remain. It deserves close and careful study.

No unbiased observer can deny that Pakistan has a legitimate concern about its own security and that consideration of the acquisition of nuclear weapons could be part of Pakistan's search for security. As Pakistani and Indian strategists often point out, the United States is the least likely nation to preach nuclear abstinence, since it has helped make nuclear weapons the totem of great power status. Pakistan is surrounded by nuclear powers: the Soviet Union, China, and (potentially) India; a Pakistani bomb would enable Pakistan to have at least a weak deterrent against threats from any of these states. It would also enhance Pakistan's reputation as one of the most developed of the Islamic nations and could be used as a security umbrella for states allied to Islamabad but lacking a nuclear capability or even strong conventional capability. The potential of going nuclear confers another benefit on Pakistan: outside states know that if they put too much pressure on Islamabad or make demands that it cannot meet, then Pakistan might be able to exercise the nuclear option. This illustrates another asymmetry between Pakistani and American concerns: the bomb option is to some measure insurance against the final destruction of a state that has already been forcibly partitioned. Americans tend to overlook this argument and stress the broader proliferation consequences should Pakistan go nuclear. Pakistanis conclude (erroneously) that Americans do not care about their survival, or that they are treating Pakistan differently from other near-nuclear states.

Again, I tend to look first to a regional solution. Washington could theoretically provide an all-out security guarantee to Islamabad that would make its nuclear program irrelevant. Since however, even in the case of close North Atlantic Treaty Organization (NATO) allies, two have gone nuclear and some share in nuclear targeting decisions while others who allow nuclear weapons and U.S. forces to be based on their soil even then do not fully trust the U.S. guarantee, such a link is unlikely. Both Pakistan and the United States must look elsewhere for the kinds of arrangements that would enhance Pakistan's security without requiring the exercise of the nuclear option. The latter would, I believe, actually decrease Pakistan's security by making it an instant target and by entering it into a nuclear arms race with India, a state better equipped to go down that path.<sup>9</sup>

<sup>9</sup>There is now a vast literature on the South Asian nuclear problem. One of the best studies of the technical issues involved should India and Pakistan actually deploy nuclear systems is by Rashid Naim. See his "Asia's Day After," in Stephen P. Cohen, ed., *The Security of South Asia: American and Asian Perspectives* (Urbana and Chicago: University of Illinois Press, 1987).

Pakistan does not want to be left unprotected, but neither should Pakistanis want to precipitate a situation that would frighten off outside supporters and be ruinously costly. Exactly the same logic applies to India, which of course has been slow to respond to the several proposals for nuclear arms control offered by President Zia.

From an American perspective—and I believe from a Pakistani one as well—an Indo-Pakistani nuclear accord meets most of the necessary criteria. Without making politically impossible concessions India and Pakistan could expand their limited (and still unimplemented) “no attack on nuclear facilities” agreement to include a “no first build” agreement. Such an agreement might be time-bound, perhaps for the duration of the present governments in both countries, and renewable for another fixed period. It could be bilaterally verified, although strict verification is not necessary since a violation would be politically costly and would not give either side much of an advantage given the present regional level of nuclear and missile technology. The critical requirement is to reach an agreed-upon plateau that neither compromises the nuclear option of either country nor presents either with the risk that the other could quickly weaponize and gain some important strategic advantage. While such an agreement might not meet all Non-Proliferation Treaty (NPT) criteria, it does fit in with efforts elsewhere in the world to reach regional nuclear stability, efforts that have been supported by both superpowers. In the case of South Asia it might be possible—indeed it would be critical—to get nuclear weapons states to endorse a regional nuclear understanding. Such an agreement might also have a profound influence on U.S.-Soviet strategic nuclear discussions. These have recently made us aware of the consequences of deep cuts in nuclear levels and raised new fears that such cuts would make the nuclear powers more vulnerable to new nuclear proliferators.

## **Conclusion**

In the narrow sense of the term, “security” relations between the United States and Pakistan are in good shape. Given the long history of misunderstanding, failed expectations, and the divergent interests of the two states, it is somewhat surprising that things have gone so well. Of course, much of this is due to the Afghan disaster, but there are a number of other issues and concerns that tend to bind Washington and Islamabad together in a peculiar embrace—a mixture of partnership and friendship. This is, as President Zia has said, a strange relationship, although I would not go so far as to characterize it as a marriage. For it to survive both sides will have to temper their tendency to find fault in the other (although

such mutual criticism is also a sign of respect, growing out of the belief that there is a shared value system that makes dialogue and discussion possible). They must learn to avoid the grandiose—making pledges that cannot be kept—and continue to agree to disagree on those issues where they see things differently (although these issues are now fewer in number and less passionately felt). Pakistan and the United States will also find it advantageous to discuss their respective relations with states that can disrupt the uneasy strategic equation in South and Southwest Asia and to recognize that ties with such states might be used to everyone's advantage; not all strategic systems are zero-sum.

Finally, although this may seem to contradict the entire thrust of this chapter, the restricted notion of security that we have used—issues evolving from military and strategic concerns—should be broadened. We must be willing to look beyond military calculations to address other dimensions of security. In the last analysis, security involves the preservation of deeply held, shared values; military power is merely a means to that end.

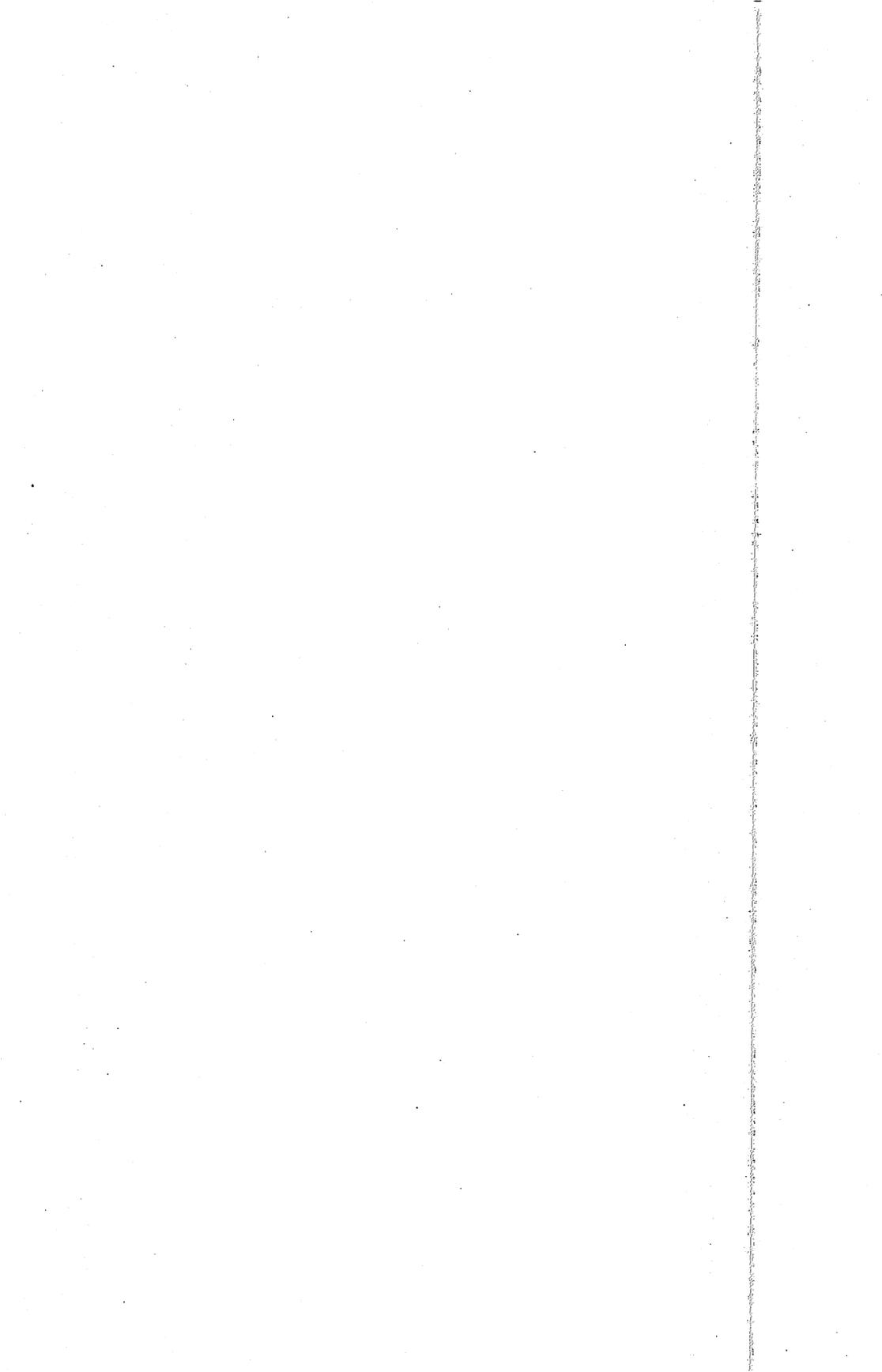
A balance of power (which does not necessarily mean an equality of power) is required to preserve the security of individual countries and of groupings of countries that have interests in common. But an exclusive focus on military matters ignores the fact that a security balance is the resultant of several factors: military hardware, the competence of the leadership, and an accurate perception of the real world. Attention to weapons, bases, and even nuclear weapons may be necessary, but it is not a sufficient condition for the maintenance of national security.

Pakistan like other states is discovering that the process of acquiring and deploying large armed forces and a nuclear technology infrastructure can be a crushing economic burden and may compromise other deeply held values. The United States, on the other hand, has in the past tended to neglect threats other than communism and Soviet aggression (although here its record was not very good in the case of Afghanistan, where a genuine Soviet threat *was* neglected). The survival of open, pluralist democracy and equitable economic growth should continue to be important to us. It is heartening to conclude, therefore, that the evolution of cooperation between the U.S. and Pakistan does not exclude these other dimensions of security, dimensions that may, in the long run, prove to be equally as important as calculations of military force and power.



**PART TWO**

**U.S.-USSR-Pakistan Relationship:  
Afghanistan**



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### 3. U.S. Policy Toward Afghanistan

CHARLES F. DUNBAR

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On its face, United States policy in Afghanistan is a response to five simple imperatives. First is the Soviet invasion of Afghanistan; the U.S. response is to seek the removal of Soviet forces from the country. Second is the denial to the Afghan people of the right to self-determination; the U.S. response is to press for restoration of that right. Third is the organized Afghan resistance to the Soviet occupation; the U.S. response is to support that resistance, and the organization it has created, by all appropriate means. Fourth is the effort of the United Nations mediator to develop a comprehensive Afghanistan settlement; the U.S. response is to support the mediator's effort and to offer to play a role in an eventual settlement. Fifth is the central role played by Pakistan in support of the Afghans; the U.S. response is to stand behind the Pakistan government in its confrontation with Moscow.

Also, because the issues in Afghanistan are stark, the domestic dimension of American policy toward the conflict seems uncomplicated at first glance. Since there is no ambiguity about the Soviet invasion and since the resistance to the Soviets is so obviously genuine, support for the Afghan resistance in the Congress is virtually unanimous. The U.S. congressmen and senators who follow closely the course of the war tend to endorse the moves of the executive branch in support of the resistance and have sponsored a number of important initiatives of their own. Even in this era of budgetary stringency, the means needed to support the resistance are almost always forthcoming, and the main problem of the executive branch is in explaining why certain initiatives are not carried out more quickly.

Despite the clarity of its objectives and the broad support it enjoys at home, American policy in Afghanistan is both complex and difficult to administer. Policies designed to serve one major objective sometimes seem to work against other equally important purposes. Other initiatives are misunderstood by one or more of the principal actors and at times seem to weaken the effort they were designed to reinforce. Because

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The following views are those of the author and do not necessarily reflect official positions of the U.S. government.

Afghanistan arouses strong emotions, quick fixes for particular problems are often sought with insufficient thought to their long-term consequences. In short, like most issues in American foreign policy, Afghanistan is a complicated, multifaceted problem that can be dealt with only carefully and over time.

After identifying three limitations on U.S. policy toward Afghanistan and noting the conflict's place in the overall U.S.-Soviet relationship, this chapter describes and analyzes the five principal U.S. policy objectives mentioned above. In each case, the problems inherent in achieving these objectives are spelled out. A concluding note identifies a larger purpose that the writer believes U.S. policy in Afghanistan should also be designed to serve.

### **Limitations on U.S. Policy**

Three strategic considerations limit what United States policy in Afghanistan is designed to achieve. Two of these limitations are, in a sense, self-imposed; the third is a product of the way the region's geopolitical situation has evolved in the last half of this century.

#### ***A Limited Relationship***

From the end of the Second World War up to the present day, the United States has made clear that its strategic interests in Afghanistan were limited. In the 1950s the government of then Prime Minister Mohammad Daoud drew Afghanistan close to the Soviet Union through a series of economic and military assistance agreements. The United States, which had not sought a similar relationship with Afghanistan, nonetheless became a major supplier of economic and technical assistance, and even of limited military training, to Afghanistan. In the 1960s and 1970s, the ratio of Soviet-U.S. aid stabilized at roughly 2:1, with West German and United Nations assistance also acting as a counterweight to Soviet predominance.

This alleged U.S.-Soviet competition in the aid field was sometimes viewed from the outside as a new form of the "Great Game" in which czarist Russia and British India vied for geopolitical advantage in Afghanistan in the nineteenth and early twentieth centuries. In a sense, this perception was accurate. At least when it was practicing "masterly inactivity" rather than a "forward policy" in Afghanistan, British India had sought not to extend westward the loose control it exercised over its

North-West Frontier Province west but to keep Afghanistan as a buffer state. American policy as articulated in the 1960s aimed at giving Afghanistan an alternative to complete reliance on Moscow and therefore at helping it preserve its nonaligned status. Educational opportunities afforded Afghans by American and other Western aid programs were particularly important in this connection.

At no time, however, did the United States seek the kind of relationship with Afghanistan it enjoyed with Iran and Pakistan. To develop such relations would have been difficult. Afghanistan's relations with Pakistan were perennially strained because of Kabul's assertion that much of Pakistan's North-West Frontier Province should be reconstituted as part of an entity to be known as Pushtunistan. An American effort at expanding its relationship with Afghanistan, notably into the security field, would doubtless have been opposed by the Pakistan government.

In any event, as one who served in the American embassy in Kabul in the 1960s, the writer can attest to the limited view Washington took of its role in Afghanistan. It was an article of faith that the United States should not seek a closer relationship, perhaps involving a greater degree of military cooperation, with the Afghan government. The conventional wisdom of the period was that the Soviets most probably intended to let Afghanistan remain more or less nonaligned and serve as an example of Moscow's professed willingness to let countries on the Soviet Union's borders maintain, in Soviet parlance, their "differing economic, social, and political systems." The United States had no interest in upsetting this applecart.

Even after the 1978 coup d'état by the *Khalqi* (Masses) faction of the People's Democratic Party of Afghanistan, the United States essentially tried to live and let live in Afghanistan. This proved hard to do, and the assassination of Ambassador Dubs in Kabul on February 14, 1979, brought any semblance of a "normal" relationship to an end. Still, while the United States was dismayed by the *Khalqi* government's brutal policies and alarmed at its subservience to Moscow, there is little evidence that Washington sought in a serious way to reverse the situation and indeed may have been doing what it could to get the *Khalqi* regime to evolve toward a more nonaligned posture. In retrospect, it is apparent that the *Khalqi* regime could not have survived for long and that a restoration by force of Afghanistan's nonalignment might eventually have occurred.

While the Soviet invasion has provoked Washington to develop an activist Afghanistan policy, the fundamental American perception of what Afghanistan's place in the world should be remains unchanged. The invasion, of course, led to a reassessment by Washington of Soviet policy in Southwest Asia and focused American attention on the strategic danger

to Western interests that the absorption of Afghanistan into the Soviet empire would represent. Nonetheless, the United States continues to believe that its interests in the region would best be served by a restoration of Afghanistan's independent and nonaligned status. In Washington's view, an effort to seek strategic advantage for itself in Afghanistan would probably fail and would in any case not advance U.S. interests significantly.

### ***Recognition of Soviet Regional Interests***

In addition to limiting its relationship with Afghanistan, the United States has consistently given tacit recognition to Soviet interests there. From the 1950s until the communist coup, the United States dealt easily and productively with a government in Kabul whose closest relations were with the Soviet Union. The Afghan government's reported acquiescence in Moscow's insistence on confining Western aid efforts and presence largely to southern Afghanistan was not specifically known to the writer during his service in Kabul in the 1960s. It was generally accepted, however, that Soviet influence in many spheres, notably military and petroleum, was and would remain predominant.

Since the invasion, U.S. insistence on the withdrawal of Soviet forces has been complemented by a recognition of Moscow's interest in a stable, nonhostile Afghanistan. American officials have consistently sought to reassure their Soviet counterparts on this point and have expressed U.S. willingness to be helpful in this regard once commitments to withdrawal of Soviet forces, and to the process of Afghan self-determination that would follow, have been given. Precisely how Soviet interests in Afghanistan would be recognized has not been spelled out; as far as Afghanistan's foreign policy position is concerned, the status quo ante the communist coup seems a legitimate benchmark.

### ***Predominance of Regional Influence***

Finally, the ability of the United States to influence the situation in Afghanistan is limited. Although the war in Afghanistan is often viewed as being fought by Washington and Moscow through regional proxies, the reality is that the Soviet Union is at war with the Afghans and that the national interests of Pakistan and Iran are very much on the line in the conflict. Thus, American policies, while important, are subordinate to those of the regional actors.

From the tendency to view the Afghanistan issue in East-West terms comes the argument that the United States need simply change some aspect

of its Afghanistan policy for a particular result to be achieved. The United States, it is contended, need only tell the Afghan resistance or the Pakistan government to do something for it to be done. It is also assumed that the outcome will be as the United States intended.

The reality, of course, is different. How American initiatives turn out depends primarily on the disposition toward them of the regional protagonists through whom they must be conducted. Thus, the results of American efforts sometimes vary widely from what was expected; occasionally, an initiative is counterproductive.

In addition to being limited by the three considerations just described, U.S. policy toward Afghanistan has also been shaped in the context of U.S.-Soviet relations. Before the main elements of U.S.-Afghanistan policy are discussed, the way that policy ties into the overall U.S.-Soviet bilateral relationship should be considered.

### **The Place of Afghanistan in U.S.-Soviet Relations**

The U.S. policy toward Afghanistan that emerged following the Soviet invasion was a response to Moscow's action. As noted above, there was a tendency to view the conflict in East-West terms, and from this view came the attendant assumption that U.S. policy was more or less a function of developments in the latter. On the basis of these two views, it has been assumed that moves toward normalization in other areas of the U.S.-Soviet relationship will somehow lead to an abandonment of Afghanistan by U.S. policymakers.

The foregoing view oversimplifies the complex U.S.-Soviet relationship and ignores the constancy of Washington's Afghanistan policy and the relative independence of that policy from other aspects of U.S.-Soviet relations. The U.S.-Soviet relationship has evolved considerably in the past seven years. The invasion in 1979 had a major impact on the Carter administration's view of the Soviet Union, and the sharp change in this perception was reflected in a series of well-known measures that, taken together, helped produce a major cooling in the U.S.-Soviet relationship. In the years that followed, the evolutionary process continued as the two governments sought to manage a relationship of overriding importance to both.

However, if other aspects of American policy toward the Soviet Union have evolved, Washington's stand on policy toward Afghanistan has been constant. The tendency to tie Afghanistan to the general climate of U.S.-Soviet relations has periodically led to intense speculation that some sort of "sellout" of the Afghans by Washington might be imminent. Such a

sellout, of course, has not taken place, and the writer's own experience has been that U.S.-Afghanistan policy, as developed in the early stages of the war, is handled largely in accordance with what is happening in and around Afghanistan. Developments in the overall U.S.-Soviet relationship have little direct effect on how the policy is carried out.

This is not to say, of course, that Afghanistan is not an issue in U.S.-Soviet relations. The problem is discussed in every major *tour d'horizon* between U.S. and Soviet officials, and there have been three rounds of talks—in 1982, 1985, and 1986—devoted exclusively to Afghanistan between American and Soviet specialists. Such exchanges will likely continue.

In sum, while the overall U.S.-Soviet relationship may have evolved since the invasion, American policy toward Afghanistan has been both constant and Afghanistan-specific. In the early months of the war, the broad lines of U.S. policy on Afghanistan were set. There have been important elaborations of various aspects of the policy, but its basic course has not changed. U.S. policy toward Afghanistan, as described below, has been shaped by Washington's limited historical relationship with Afghanistan and its recognition of Soviet regional interests, as well as by predominant regional considerations. At the same time, while Afghanistan is a major issue in U.S.-Soviet relations, American policy toward the conflict has remained constant and largely uninfluenced by developments in other areas of the relationship. In other words, while there are conditions on the ability of the United States to achieve its policy objectives in Afghanistan, the resolve to pursue these objectives has been little influenced by U.S.-Soviet or other policy considerations.

## **Elements of U.S. Policy**

### ***Soviet Troop Withdrawal***

Of the five elements of American policy identified at the beginning of this chapter, the demand for Soviet troop withdrawal is the one with the least attendant complexity. Like most other governments, the United States holds firmly to the simple proposition that irreversible Soviet troop withdrawal over a short period is the overriding objective to be pursued in bringing the war in Afghanistan to an end. All other elements of the problem are secondary to this simple imperative.

It is argued that what the Soviet Union and its Afghan surrogates identify as alleged "outside interference" against the legally constituted government of Afghanistan is the root cause of the conflict. Some observers have

asserted that, if only such "interference" were ended, the Afghans would once again, as they have done in the past, find ways of ridding themselves of their invaders and restoring the country's independence. It is also claimed that the conflict in Afghanistan is essentially a civil war in which each side enjoys a measure of support within the country as well as from its outside patron.

American policymakers reject these arguments. The Afghan resistance emerged quickly after the communist coup as a mass national movement against a regime that was unable to legitimize itself on its own and that the Afghan people will never accept now that it is backed by Soviet forces. Second, the notion that the Afghans would over time be able to rid themselves of the Soviets is apparently based on a reading of nineteenth-century Central Asian and British Indian history. The ability of the current Soviet state to project and maintain its power in Afghanistan represents a fundamental change in the geopolitical equation that largely invalidates comparisons with earlier periods in the region's history. Finally, despite intense Soviet efforts to develop a new generation of Afghan communists, the Kabul regime enjoys essentially as little popular support in 1986 as it did immediately following the Soviet invasion. The conflict is a struggle for national liberation, not a civil war.

In short, Soviet withdrawal seems a valid centerpiece for U.S.-Afghanistan policy. It is sometimes argued that placing too many policy eggs in the troop withdrawal basket could backfire were the Soviets ever able to strengthen the Kabul regime sufficiently so that it could stand over time against the domestic opposition. This possibility, however, is as remote now as it was seven years ago, and American emphasis on Soviet troop withdrawal as the key to a just solution of the Afghanistan problem is as well placed as ever.

### *Afghan Self-Determination*

Along with Soviet troop withdrawal, the United States has insisted that the Afghan people be allowed to choose their own political destiny. On its face, this appears a simple and uncontroversial policy. In the months after the coup d'état staged by the People's Democratic Party of Afghanistan, a broad-based struggle for self-determination began, and the Soviet Union found it necessary to invade the country to keep the Kabul regime in power. Self-determination was included as one of the four principles—along with "foreign" force withdrawal, Afghan independence and non-alignment, and return of the refugees—mentioned in the annual United Nations resolution on Afghanistan.

In practice, the principle of self-determination has from time to time been downplayed by various of the actors in the Afghanistan conflict. On a basic level, it has often been an unspoken assumption that self-determination is somehow in conflict with the idea of a "negotiated" settlement in which a compromise would presumably be struck between the Soviets and their surrogates on the one hand and the Afghan resistance on the other. Self-determination implies victory for the resistance. Since this has seemed an unlikely outcome of the war, the concept has been downplayed.

When he outlined the elements of his proposed comprehensive Afghanistan settlement in 1982, the U.N. mediator, Under Secretary General Diego Cordovez, did not envisage the process of Afghan self-determination as an issue he needed to come to terms with. At the time, he seemed to argue that this was an issue for the parties to the conflict to work out among themselves directly and that he should deal only with the purely international aspects of the problem. There was thus no self-determination instrument among the four documents making up Cordovez's proposed settlement.

In thinking about a solution in Afghanistan, it is impossible to ignore the question of self-determination or national reconciliation, to use a term of current fashion. That the concept is not part of the Cordovez settlement, however, complicates the task of having it introduced into the negotiating process.

### *Support of the Afghan Resistance*

A third basic element of American policy toward Afghanistan is support for the Afghan resistance. However complex various aspects of the war in Afghanistan may be, there can be no question but that those fighting the Soviets are the representatives of a liberation movement that is as determined and broadly based as any to appear on the world scene since World War II. Support for such a movement is natural and has been expressed consistently by both the executive and legislative branches of the U.S. government since the Soviet invasion.

The United States also supports the Islamic Union (or "Unity") of Afghan *mujahidin* created in May 1985 by the seven Afghan resistance organizations or parties which were, and are, bearing the brunt of the fighting against the Soviets inside the country. Three considerations prompt American support of the union, or alliance, as it has come to be called in English. First, the alliance brings together for the first time since the early days of the war most major elements of the resistance. Second, the various alliance committees are the logical vehicles through which

to run humanitarian aid programs designed to help the resistance establish itself as an administrative force in the free areas of the country and thereby give the civilian population an alternative to flight. Third, a grouping such as the alliance is best placed to present the Afghan resistance to the world as a coherent national movement and thereby to garner more active international political support.

Space does not permit a full elaboration of the difficulties that complicate the task of trying to apply this aspect of American policy. A quick listing of three will have to suffice. First of all, there is a large body of evidence to support the conclusion that the "alliance" is not a union and that American efforts to support it are an exercise in political alchemy. The seven parties remain entirely autonomous, and their leaders cede only a modicum of authority to the one of their number serving his agreed three-month tour as spokesman. The alliance has no headquarters and no overseas representation. Individual parties do have overseas offices, and these help dispel any sense that a unified, or even loosely federated, Afghan resistance movement exists.

Second, the alliance is sharply split along ideological lines, and the leaders of two of its parties are openly hostile to the United States. Because of these divisions, American efforts to promote the alliance internationally are sometimes diluted. President Reagan's invitation to the alliance spokesman to visit Washington June 1986 is a case in point. The U.S. intention was to raise the alliance's political profile by providing its leader with a first-ever meeting, as spokesman, with a head of state. Both Saudi Arabia and France chose to receive the spokesman in a similar manner at the same time. However, the positive impact of the spokesman's meetings was substantially weakened when two of the seven leaders asserted that they had not been consulted on the visit and were opposed to a meeting with President Reagan. Since June, the visit has been the proximate cause of a continuing rift between the two leaders and their five colleagues.

Finally, it has been argued that funneling American humanitarian assistance through the alliance is unlikely to be effective. Aiding the alliance will produce cumbersome bureaucracy. Instead, foreign governments should give aid through private voluntary organizations to individual Afghan commanders with proven records for effectiveness. The alliance committees responsible for managing the programs are considered by some experienced observers as unequal to the task of managing educational and health projects and of getting food and commodities to those in need. The alliance and parties are said to be too bureaucratic and to lack the detailed understanding of conditions inside Afghanistan needed to make assistance initiatives work.

Thus, in applying the uncontroversial policy of supporting the resistance, the United States faces dilemmas. Concerns both about support for "fundamentalist" Afghan leaders opposed to overt identification with the United States and about the effort to channel humanitarian aid through the alliance committees have already produced sharp criticism of U.S. policy from within the U.S. government. Such concerns are unlikely to disappear and may be expected to complicate future efforts by American policymakers to promote the political development of the Afghan resistance.

### ***Support for the U.N. Negotiations***

The United States went on record early in support of the United Nations' effort to arrive at a comprehensive settlement of the Afghanistan problem, first through a series of "shuttles" by the U.N. mediator and then by a combination of shuttles and indirect talks in Geneva between the Pakistan foreign minister and his opposite number from Kabul. The United States pressed for Mr. Cordovez to keep the issue of Soviet troop withdrawal at the center of the negotiations he was conducting and made it clear that, while important, the other three instruments of his comprehensive settlement—on mutual noninterference, return of the refugees, and international guarantees (to be given by the United States and the Soviet Union)—were of secondary importance to the fourth, the "interrelationships" document, in which a troop withdrawal agreement between Moscow and the Kabul regime was to be related to the other parts of the settlement. In 1985 it appeared that a specific American endorsement of the text of the guarantees instrument prepared by Mr. Cordovez might help force the Soviet side to focus on troop withdrawals. In December of that year, the United States endorsed the text, noting as it did that an actual American guarantee would depend entirely on whether the United States concurred in the comprehensive settlement itself.

American support for a seemingly reasonable effort to find a just solution to the Afghanistan problem has led to considerable questioning along two broad lines. It has been argued, by the Afghan resistance leadership and others, that the United States should keep at arm's length a "peace process" in which the resistance, which the United States supports, is not involved. With the resistance not present at the negotiating table, it is theoretically possible that an agreement could be concluded in which the Kabul regime gained international recognition at the expense of the resistance and hence of the Afghan people.

Questions have also been raised as to the advisability of agreeing at this juncture, even with careful caveats, to guarantee an eventual

agreement. The key element in the settlement, a Soviet troop withdrawal timetable, has not been agreed upon. And it is not yet clear whether and how the issue of self-determination or national reconciliation will be addressed. Were the United States to find the agreement flawed and to refuse to act as a guarantor, the possible consequences in the international political arena, and for the U.S.-Pakistan relationship, could be severe.

If and when a solution to the Afghanistan problem along the lines drawn by Cordovez becomes a real possibility, questions such as those just mentioned could become more pressing. It is impossible to say how American policymakers will address them, but each could become a major preoccupation.

### *Support for Pakistan*

The final element of American policy identified in this chapter—support for the government of Pakistan—can be treated briefly. Pakistan is the principal supporter of the Afghan people; its only possible competitor in this domain, Iran, is less actively engaged in the struggle. All other outside actors, the United States included, are consigned to supporting roles. In addition to working closely with the Pakistan government in aiding the Afghan resistance, the United States makes clear to Moscow its support for Pakistan in the face of the various intimidating tactics the Soviets have employed.

The major complication in this aspect of American policy is a periodic failure to recognize that the United States, however important its contribution, is a secondary player and that American ability to influence the course of the conflict is for the most part indirect. Frustration when certain U.S. policy initiatives do not produce the desired results can translate into a perception that cooperation with Pakistan is not the answer and that direct action would produce better results. The instinct to take direct initiatives has at times complicated a productive U.S.-Pakistan relationship.

### **The Future**

The difficulties the United States has faced in working toward its Afghanistan policy objectives are unlikely to recede in the future. Of the difficulties discussed above, intraresistance ideological disputes, the hostility of some resistance elements to the United States, and pressure for the United States to play a role in Afghanistan larger than its ability to influence

the situation there permits are all nearly certain to create dilemmas for American policymakers in the months and years ahead. Such dilemmas may be expected to proliferate as the U.S. humanitarian assistance effort and other initiatives become realities. The achievements of these initiatives will in some cases not match the expectations of their proponents, and recriminations seem almost inevitable.

At the same time, the American commitment on Afghanistan is unlikely to be reduced, and the policy objectives listed at the beginning of this chapter will almost certainly remain unchanged. United States policy toward Afghanistan enjoys wide support both at home and in much of the world, and it is hard to see how that support could waver over the near and longer term. The difficulties American policymakers encounter in furthering U.S. objectives in Afghanistan may cause the abandonment or modification of particular initiatives; the objectives themselves will remain and continue to be pursued.

A concluding, and very personal, thought. Afghanistan's resistance, first to an unpopular communist regime and later to the Soviet invasion in support of that regime, is as unambiguous a national liberation struggle as any in recent years. Still, there is a perception in the world that communist regimes, even if unrepresentative and oppressive, are somehow on the wave of the future and that those regimes, particularly when backed by Soviet military power, are impossible to unseat. The Afghans are challenging that view; were they to succeed, their impact on Third World political development could be considerable.

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## 4. Pakistan-Soviet Relations and the Afghan Crisis

ALI T. SHEIKH

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Between 1947 and 1987 Soviet policy has come full circle. In the span of only four decades, the USSR has moved from a posture of contemptuous neutrality in South Asian affairs to one of assertive involvement in the South and Southwest Asian regions. Moscow has radically transformed its image at both the regional and international levels as its diplomatic, ideological, political, economic, military, and strategic involvement in the region has increased over the years. Today it has a professedly entrenched position in India and an embarrassing and costly, yet slowly consolidating, position in Afghanistan. Though its relations with Pakistan have reached their nadir in recent years, Moscow does not seem in its long-term analysis to have abandoned Pakistan. Its wait-and-see policy toward Islamabad is now increasingly complemented by a dual track policy of carrot and stick.

The primary purpose of this chapter is to analyze long-term Soviet interests and objectives in the region. It is argued here that presently the USSR has largely delinked its Pakistan policy from India and professedly placed it in the West Asian context as forming part of what the Soviet media call "the problem around Afghanistan." It appears that Moscow now formulates its Islamabad policy as an important part of a troubled triangle of Pakistan, Afghanistan, and Iran. This study discusses Pakistan-Soviet relations and the Afghan crisis in light of two interrelated propositions. First, the evolving Soviet policy and posture largely derive from Moscow's recognition, and use, of its Asian and Muslim status. Once fully suppressed, these factors put the Soviet southern neighbors high in the USSR's strategic thinking, close to the importance Moscow attaches to its position in Eastern Europe. Second, the growing logic of Soviet need for closer economic and political interaction, if not integration, with the countries of the strategic crescent makes the Soviet Union an increasingly important, if not dominant, regional actor. In other words, as a result of the Soviet Union's fast-growing Asian population and the gradual emergence

of its Asian nationalities as junior, if hesitant, partners in the USSR's national economic goals and regional foreign policy objectives, Moscow has begun systematically to court its southern neighbors. Since czarist times, the Soviet Union's Asian and Islamic connections—a huge land mass in Asia equal in size to China and a Muslim population large enough to make it one of the largest “Muslim countries”—have traditionally been denigrated and considered as liabilities. However, in recent years the Soviet leadership has been trying vigorously to turn these liabilities into enduring foreign policy assets. If successful, this process can turn what the Soviet terminology calls the “world balance of correlation of forces” in the Soviet Union's favor.

Historically, Soviet policy in the region has been a succession of efforts to respond to domestic, regional, and international compulsions. It has been shaped by two fundamentally important factors: first, domestic ideological, political, and economic developments in the USSR; second, the regional political environment of South Asian affairs and, since 1978, the geostrategic environment of Southwest Asia. Unfolding events on these two levels and, consequently, changes in the interplay between them best explain the nature and scope of Pakistan-Soviet relations and the future of superpower relations in the region.

This chapter is divided into two parts. The first part offers a historical overview of the nature of Soviet policy toward its southern neighbors, in particular Pakistan, in the light of the USSR's political, ideological, and economic policies and profile in the region. The purpose of this part is to bring forth the relevance of overall Soviet objectives in the region.

The second part highlights the nature of and issues involved in Pakistan-Soviet relations against the backdrop of South Asia's regional affairs, that is, India-Pakistan relations on the one hand and, since 1978, the Afghan conflict on the other. The purpose of this part is to explore and trace the common threads of Soviet policy toward Pakistan and the region surrounding it. The implications of the Afghan crisis for Pakistan-Soviet relations and the region are discussed in order to highlight policy dilemmas for Moscow, as well as for Islamabad and Washington.

### **Soviet Central Asia and the Muslim World**

In 1947 the Soviet Union was a war-ravaged, nonnuclear power, preoccupied primarily with European issues under a relatively isolationist regime led by Joseph Stalin. Because of Stalin's distaste for noncommunist leaders of the developing world, Moscow lacked ideological flexibility and

appeared to view the world with a narrow "two-camps" dichotomy, with little or no respect for the noncommunist and nonaligned countries. In fact, except for drumming up a distant revolution, it was not too enthusiastic about its Asian connection. Its moves in the region were half-hearted, subject to Western pressures, as in Iranian Azerbaijan and northern Kurdistan, and were derived primarily from its concerns about European affairs.

Under Stalin, Moscow showed an extreme insensitivity toward Central Asia as well as toward South and Southwest Asia. Soviet Asian nationalities were treated harshly, to say the least. Their religious and cultural freedoms were severely curtailed and suppressed in order to create a "Soviet man." Still grappling with the problems of consolidation in Central Asia, the Kremlin had cordoned it off for fear of any "contamination effect." Concurrently, Moscow virtually ignored the Muslim world in its foreign relations and showed no visible interest in the new states of India and Pakistan. Afghanistan was ignored, and relations with Iran and Turkey, where the Bolsheviks had shown a remarkably active diplomacy in the 1920s, came under severe stress. In the same vein, Moscow viewed Pakistan's efforts to forge an Islamic bloc of pro-Western countries with deep suspicion and disapproval.<sup>1</sup>

Any active Soviet interest in the developing countries had to await Nikita Khrushchev's advent to power and the accompanying ideological innovations and enhanced military capabilities. During Khrushchev's days the Soviet Central Asian nationalities had (compared to Stalin's times) a little respite, and Moscow's political and economic relations with its southern neighbors (Turkey, Iran, Afghanistan, Pakistan, and India) expanded considerably. Also during this time Soviet emphasis in foreign relations shifted appreciably from relations with local communist parties to relations with local governments. The flow of unprecedented Soviet aid and assistance to these countries started. The long list of areas in which the USSR showed an interest in cooperating, besides construction of prestigious steel mills, included power generation, construction and operation of thermal power stations, agro-business, water diversion for irrigation, construction of smaller dams and grain silos, food canning, cotton processing, and exploration and exploitation of minerals and petroleum resources. Significantly, the areas in which the Soviet Union offered economic cooperation were, as today, the areas in which Moscow had

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<sup>1</sup>For earlier Soviet views, see R. T. Akhramovich, *Outline History of Afghanistan after the Second World War* (Moscow: Nauka, 1966), pp. 72-88; see also Y. V. Gankovsky and L. R. Gorcon Polonskaya, *A History of Pakistan: 1947-1959* (Lahore: People's, n.d.).

accumulated experiences in the process of economic development of its Asian republics. Agreements in these areas were signed with countries from Turkey to India, including Pakistan, which then was professedly the "most allied ally" of the United States. In 1956 Moscow offered Pakistan the construction of a steel mill and willingness to share technical knowledge on the peaceful uses of atomic energy.

During Khrushchev's time many educated Uzbeks, Tajiks, Turkmen, and Soviet Asians began to appear in Soviet embassies and missions abroad. Slavic and Russian migration to Soviet southern republics considerably decreased, coming to a virtual halt by the end of the 1960s and the early 1970s. The Soviet Asians increasingly assumed control of their own local administration, government, educational establishments, media, and other enterprises. Many from the Soviet Asian nationalities began to gain visible if not influential positions in Moscow, some of them climbing up the ladder as high as the Central Committee and Politburo of the CPSU (Communist Party of the Soviet Union). An official Islamic clerical structure was not only reorganized but was also tolerated despite its ambiguity toward the regime.<sup>2</sup> As the position of Soviet Asian nationalities was improving, so were Moscow's endeavors to improve relations with the neighboring countries to the south.

Under Leonid Brezhnev the Soviet Union emerged as a superpower, attaining global nuclear parity with the West, with an edge in conventional military capability and, perhaps, a willingness to project this beyond its frontiers into areas the Western world had traditionally regarded as zones of exclusive interest. Moscow showed a particular interest in the areas close to its southern borders. Following the appearance of Soviet naval ships in the Indian Ocean in the late 1960s, it proposed an Asian collective security system and, equally significant, an overland trade route connecting Iran, Afghanistan, Pakistan, and India with Soviet Central Asia.

At the same time, Soviet Central Asia gradually opened up as a "show window" for "contamination effects" in reverse. Rapid economic development and higher living standards in Central Asian republics were, as they still are, frequently compared with their Muslim counterparts. Moreover, Soviet Asia was increasingly referred to as an alternative model for a non-capitalist path of development for neighboring tribal and largely agrarian

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<sup>2</sup>The information in this discussion is derived from Alexandre Bennigsen, "Islam in the Soviet Union," *Journal of South Asian and Middle Eastern Studies* 8:4 (Summer 1985):115-133; H. Braker, "The Implications of the Islamic Question for Soviet Domestic and Foreign Policy," *Central Asian Survey* 2:1 (July 1983):111-130; and Devendra Kaushik, *Central Asia in Modern Times: A History from the Early Nineteenth Century* (Moscow: Progress, 1970).

societies.<sup>3</sup> Political and strategic considerations apart, the increasing role of Central Asian nationalities in economic and foreign policy spheres provided Moscow with an additional context in which to formulate long-term policies for relations with the countries along its southern tier.

The growing rationale for regionalization of the Soviet economy contributed to a need to integrate the Central Asian production lines with the regional economies. Realizing that it would be economically more efficient to import raw materials and consumer items from the neighboring economies than to transport items from distant Soviet regions, Moscow developed an elaborate network of interdependent economies. It has included, for example, importing oil and gas from Iran and Afghanistan. In Northern Iran, Afghanistan, and Pakistan's Baluchistan, Moscow showed a sustained interest in oil, gas, and mineral resource exploitation, as well as in infrastructural development. In other words, the USSR's long-term foreign policy goals in the region had begun to take shape by the early 1960s, and these were intrinsically, if not proportionately, related to the emerging status of the Central Asian nationalities. This growing awareness was perhaps an important contributing factor in Moscow's decision, first to send its forces into Afghanistan and, later, to propose a plan for the security of the Persian Gulf.

Concomitantly, responding to Central Asian and Southwest Asian sensitivities, Moscow reappraised its policy on the Islamic religion. The existence of "religious prejudices" and "national chauvinism" was accepted, although passively, as phenomena to reckon with.<sup>4</sup> This realization was reflected, for example, in the fact that between 1970 and 1980 as many as seven international conferences and symposia on Islam were held in Soviet Central Asia, a large number for a professedly communist state. The last one in this series was held in Tashkent in September 1980. In the wake of Soviet military intervention in Afghanistan, most of the major countries in the region boycotted the conference in response to an appeal of the Saudi-based World Muslim League (some twenty-seven Islamic countries and organizations reportedly attended nevertheless).<sup>5</sup> Despite the

<sup>3</sup>See, e.g., Kaushik, *Central Asia*, chaps. 1-3; Grigori Bondarevsky, *Muslims and the West* (Lahore: People's, 1985).

<sup>4</sup>Braker, *Implications of the Islamic Question*; see also Paul Henze, "The Central Asian Muslims and Their Brethren Abroad," *Central Asian Survey* 3:3 (1984):51-67.

<sup>5</sup>O. Volgin, "For Peace on Earth," *Izvestia*, October 2, 1981, cited in *Current Digest of Soviet Press* (hereafter, *CDSP*) 32:40; Ann Sheehy, "Foremost Islamic States Boycott Tashkent Muslim Conference," *Radio Liberty Research*, RL 325/80 (September 10, 1980), 1-4.

failure of this conference and the 1979 intervention in an Islamic country, Soviet media coverage on Islam substantially increased, and since the revolutions in Afghanistan and Iran, Moscow has shown a relatively greater tactical flexibility on both religious and cultural issues.<sup>6</sup>

For the first time since Lenin, the Soviet leadership has formally accepted Islam's revolutionary role in politics. For example, in his report to the 26th CPSU Congress, Brezhnev remarked, "We communists have every respect for the religious convictions of people professing Islam. . . . The banner of Islam may lead into a battle for freedom." Apparently with the Islamization process in Pakistan and the resistance in Afghanistan in mind, Brezhnev added, "But history shows that reaction, too, manipulates Islamic slogans to incite counter-revolutionary mutinies. Consequently, the whole thing hinges on the actual content of any movement."<sup>7</sup> In other words, Islam could play a revolutionary role in so far as it was anti-imperialist and furthered the Soviet vision of revolutions. Moreover, the immediate need to strengthen the communist parties further diminished insofar as the religious forces were playing a progressive, revolutionary role, as in Iran, and were working toward anti-imperialist national revolutions. These revolutions, Moscow had hoped, could eventually transform into socialist-oriented national democratic revolutions led by vanguard parties espousing democratic centralism.

In the post-Brezhnev years, and particularly now under Mikhail Gorbachev, Moscow not only readily invokes its Asian status with pride<sup>8</sup> but also shows little hesitation in interacting closely with other social and political systems, be these one-party regimes, military dictatorships, or emerging capitalistic economies. In fact, Moscow may have found it easier to deal with noncommunist regimes than with communist ones.<sup>9</sup> The

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<sup>6</sup>See, e.g., Foreign Minister Andrei Gromyko's speech to Soviet Voters, March 19, 1980, *CDSP* 32:7; G. Kerimov, "Under the Green Banner of Islam," *Kommunist*, December 16, 1980, cited in *CDSP* 32:52; A. Vasily, "Islam in the Present Day World," *International Affairs* (Moscow), November 1981, pp. 52-59; see also Stephen Lewaine, "Soviet Press and Afghanistan," *International Perspectives*, July-August 1985, pp. 17-20.

<sup>7</sup>*Leonid I. Brezhnev: Pages from His Life* (written under the auspices of the Academy of Sciences of the USSR) (Oxford: Pergamon Press, 1982) p. 143.

<sup>8</sup>M. Petrov, "The USSR for Peace and Security in Asia," *International Affairs*, May 1986, p. 61ff; see also "New Soviet Party Programme," *Background Brief* (London: Foreign and Commonwealth Office, April 1986), pp. 1-5.

<sup>9</sup>Charles Wolf, Jr., "The Costs of the Soviet Empire," *Science* 230:4729 (November 29, 1985):997-1002.

trends in Central Asia not only continue unabated but also seem to have gained further momentum under Gorbachev's *glasnost* and *perestroika* (restructuring) programs. There is a visibly greater degree of tolerance for local nationalisms, and prerevolutionary Central Asian religious and political figures are increasingly portrayed and projected as national heroes by the locals. Concurrently, Kabul has increasingly couched its policies in religious terms,<sup>10</sup> and in Pakistan some publications project the USSR, compared to the West, as a "true friend" of Islam.<sup>11</sup>

The Soviets' concerted efforts to court regional Islamic peoples have operated on many levels simultaneously. On one level, Moscow has recently signed friendship treaties with North Yemen and Syria (such treaties had been signed some time ago with Iraq, South Yemen, and Afghanistan). The USSR has established diplomatic relations with Oman, the United Arab Emirates (UAE), and Kuwait, and there have been conjectures of similar openings toward Israel and Saudi Arabia. Moscow has also sent limited military supplies to Kuwait and Iran, in addition to Libya, Syria, Iraq, and India, the traditional recipients of Soviet military aid.

On another level, relations with the World Muslim League, which boycotted the Tashkent Conference in 1980, were restored, and a delegation from the league visited the USSR for two weeks in April 1986.<sup>12</sup> Likewise, in an unprecedented move, Moscow took the lead over the West and for the first time formally established contacts with the Organization of Islamic Countries (OIC). The OIC's secretary general was officially received in Moscow more than once, in an apparent bid to use the OIC as a bridge to resolve the Afghan crisis.<sup>13</sup> Equally significant was the Soviet decision to send a formal message of felicitations to the OIC's January 1987 meeting in Kuwait. Gorbachev's message was read in the inaugural session, to the annoyance of many Afghan resistance groups who, ironically, were hoping to fill the Afghanistan seat, vacant since 1980.<sup>14</sup>

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<sup>10</sup>See, e.g., my chapters on religion and politics in *Afghanistan Report*, nos. 3-27 (Islamabad: Institute of Strategic Studies, 1984, 1985, 1986).

<sup>11</sup>See, e.g., Bondarevsky, *Muslims and the West*.

<sup>12</sup>Ann Sheehy, "International Islamic Conference Meets in Baku," *Radio Liberty Research*, no. 41 [3402] (October 8, 1986).

<sup>13</sup>*The Muslim* (Islamabad), August 6, 1986; *Dawn* (Karachi), November 17, 1986.

<sup>14</sup>*Afghan News* (Peshawar) (fortnightly bulletin of Jami'at Islami Afghanistan) 3:12 (June 15, 1987):5-7. It also reported that Iraq has restored relations with Afghanistan and Dubai has established an air link with Kabul.

On yet another level, in October 1986 four Muslim religious boards of the Soviet Union organized an international conference in Baku. According to Sheikh-ul-Islam Allahsukur Pashazade, the chairman of the Transcaucasian Board, this was the largest international Islamic conference ever held in the Soviet Union. There were almost twice as many participants as attended the Tashkent Conference of 1980, and delegations from sixty Muslim countries and organizations, including Pakistan, Iran, and Saudi Arabia, who had boycotted the Tashkent Conference, reportedly participated. Apparently aiming to institutionalize the holding of such conferences, the Baku Conference set up a "preparatory committee" for holding similar conferences.<sup>15</sup> Significantly, the conference avoided the revolutionary fervor of the 1920 Baku Conference; it is also interesting to note that this conference held in Azerbaijan, where most of the Soviet Shiites reside, was perhaps the first major conference to be held outside Soviet Central Asia since the 1920s.<sup>16</sup>

On balance, in 1987 Moscow's relations with the Islamic countries seem better than ever. More specifically, Moscow seems to have overcome the shock of its intervention in Afghanistan: most of the Islamic countries appear to have been "neutralized" in the sense that, except for performing an annual ritual of voting or cosponsoring resolutions with Islamabad in international forums, their sympathies get very little reflection in their relations with either Moscow or the Afghan resistance. In other words, regarding the Muslim nations, Moscow seems to be pursuing a two-track policy. First, the Soviet Union cultivates long-term relations with the Islamic countries, which, put together, constitute about a quarter of the world's population. Second, the USSR aspires to isolate Pakistan's Afghan policy from Islamabad's "natural" allies in the region.

In more ways than one, then, the nature of the Soviet state, the logic of Moscow's regional policy, and the tactics the USSR uses to achieve foreign policy objectives have undergone far-reaching changes. The Afghan crisis and the subsequent Soviet decision to cross the Amu Darya (Oxus River) have been one manifestation in this larger swing of the Soviet pendulum. In addition, the changing Soviet image at home and abroad has shaped its regional policy in general and relations with Pakistan in particular.

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<sup>15</sup>Cited in Sheehy, "International Islamic Conference."

<sup>16</sup>A. Fatulla-Ogly, "Shiites Today," *Nauka i religia*, no. 5 (May 1981), cited in *CDSP* 33:39.

## Moscow's Pakistan Policy

The initial Soviet assessment of both India and Pakistan was negative, and the regional political environment surrounding India-Pakistan relations perpetually operated against a positive relationship with both countries simultaneously. Since, for reasons discussed below, Pakistan did not match India in the order of Soviet priorities, the regional environment almost always militated against an improvement in Soviet-Pakistan relations. Yet Soviet policy toward these two countries has undergone the following five clearly discernible phases, alternating between neutrality and partisanship.

### *Policy of Contemptuous Neutrality (1947-53)*

Upon independence and partition, India acquired almost all of British India's defense resources; Pakistan inherited traditional Anglo-Saxon perceptions of Soviet expansionism, together with long and troubled frontiers. From its inception, Pakistan's relations with its northern neighbor were cool. Moscow did not deem it necessary to send even the customary message of felicitations for Pakistan's independence. Instead, Stalin was reported to have remarked "how primitive it was to create a state on the basis of religion."<sup>17</sup> In a similar vein, Moscow repeatedly referred to the Indian leadership as "lackeys" and "running dogs" of imperialism. Vijay Lakshmi Pandit, Prime Minister Nehru's sister and India's first ambassador to Moscow, was ignored to the extent that the Soviet ministers used to avoid her and Stalin never received her during her some two years' stay in Moscow.<sup>18</sup>

Perceiving the partition of the Indian subcontinent into India and Pakistan as the culmination of the British policy of "divide and rule," Moscow initially had little to choose between India and Pakistan. It looked down on the two dominions with contempt, and there is little evidence of Soviet preference for one or the other. Harsh and hostile journalistic

<sup>17</sup>Quoted in Raghunath Ram, *Soviet Policy Towards Pakistan* (New Delhi: S. Chard, 1983), p. 8.

<sup>18</sup>Sajjad Hyder, "Reflections of an Ambassador: The Visit That Never Was," *The Muslim*, October 30, 1982. For a brief discussion of the Soviet policy toward the region, see Mohammad Ahsen Chaudhry, "Pakistan and the Soviet Bloc," *Pakistan Horizon* 9:2 (June 1956):71-80.

assessments aside, both countries were ignored diplomatically, until Pakistan began moving toward the West and, in a parallel fashion, India toward the Soviet Union.

### ***Policy of Partisanship (1954–64)***

The USSR vehemently reacted to Pakistan's decision to join the Baghdad Pact (later the Central Treaty Organization [CENTO]) and SEATO (the Southeast Asia Treaty Organization). In reaction, Moscow committed itself to India. During their visit to India and Afghanistan in 1955, Khrushchev and Bulganin extended Moscow's full support to them on Kashmir and Pushtunistan, respectively. Khrushchev said at Srinagar, "The Pakistan government [has] allowed the creation of American military bases on their territory and this is the immediate neighborhood of the frontiers of the Soviet Union."<sup>19</sup> Khrushchev singled out Pakistan in his 22nd CPSU Congress report and said, "We are saying frankly that the building of American bases on the territory of Pakistan cannot but worry us."<sup>20</sup> It was this Western connection that finally determined Moscow's South Asian policy and relations with Pakistan. Yet Moscow did not lose all hopes of accommodation with Pakistan and continued to transmit conciliatory gestures amidst sharp criticisms. For example, A. I. Mikoyan, first vice-chairman of the Soviet Council of Ministers, said in 1956, "Pacts or no pacts, the Soviet Union wants cordial relations with Pakistan."<sup>21</sup>

Veiled in the Soviet decision to support India and Afghanistan against Pakistan was Moscow's effort first to build stakes in the region and then to protect them vigorously by involving itself in regional affairs.

### ***Policy of Positive Neutrality (1965–70)***

"The dawn of a new era in Pakistan-Soviet relations," according to the Soviet press, came in 1965 with President Ayub Khan's visit to

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<sup>19</sup>Y. Bochkaryov, "Pacts of Aggression," *Times* (Moscow) (later renamed *New Times*), December 1955, p. 17.

<sup>20</sup>*Keating's Contemporary Archives, 1946–1948*, p. 8491; also see Chaudhry, *Pakistan and the Soviet Bloc*, pp. 71–80.

<sup>21</sup>*Dawn*, March 30, 1956. See also Khalida Qureshi, "The Soviet Union, Pakistan and India," *Pakistan Horizon* 16:5 (1963):334–355.

Moscow.<sup>22</sup> The USSR gradually moved toward neutrality between India and Pakistan on the one hand and Afghanistan and Pakistan on the other. Its policy on both Kashmir and Pushtunistan wavered. The Soviet Union showed neutrality between India and Pakistan regarding the April-May 1965 clashes over the Run of Kutch and then regarding the 1965 war. The Soviets' successful diplomacy peaked when the Soviet leadership welcomed Indian and Pakistani leaders as its "southern neighbors" at Tashkent. Moscow acted as an "honest broker" between the two countries, an action that culminated in the famous Tashkent Declaration. During the period, Moscow wooed both India and Pakistan politically as well as economically. However, more tangible gestures like limited military supplies to Pakistan came later in 1968.

Apparently reacting to the reported appearance of American Polaris submarines in the Indian Ocean in the late 1960s, Moscow for the first time publicly showed interest in Pakistan's naval importance. The visiting deputy chief of staff of the Soviet navy, Vice-Admiral N. I. Smirnov, stated that a strong Pakistani navy "would be a powerful precondition for peace in this part of the Indian Ocean littoral."<sup>23</sup> This pronouncement coincided with Pakistan's decision not to renew the lease of the American airbase at Peshawar, a move to which Moscow had shown extreme sensitivity.

### ***Policy of Reluctant Partisanship (1971-79)***

The USSR again moved back to the partisan approach between India and Pakistan as Pakistan-Soviet relations began to deteriorate after Islamabad's mismanagement of the East Pakistan crisis and Pakistani President Yahya Khan's unpredictable policy gestures. The latter included Yahya Khan's stern reply to the Soviet leader Nikolai Podgorny's letter of April 1971, which had urged political settlement in East Pakistan, his unpleasantness at a meeting with Podgorny in Teheran, and the reversal of his acceptance of Brezhnev's proposed Asian security system. The biggest shock for Moscow probably came from Kissinger's secret visit to China from Pakistan. Both India and the Soviet Union reacted sharply and hastily signed a twenty-year treaty of friendship. Moscow hesitantly moved to a partisan approach to support India in the 1971 crisis.

<sup>22</sup>*Pravda* (Moscow), April 11, 1965.

<sup>23</sup>Robert C. Horn, *Soviet-Indian Influence Relationship: Issues and Influences* (New York: Praeger, 1982), p. 24.

In its efforts not to alienate Islamabad altogether, Moscow showed unusual restraint in its support of India's policy in what was then East Pakistan. For example, during her visit to Moscow in the last week of September 1971, Indian Prime Minister Indira Gandhi failed to win Moscow's categorical support.<sup>24</sup> Moscow's hesitance to support India fully against Pakistan was again highlighted in October 1971, when Premier Kosygin signed a joint communiqué with Algiers calling for "respect for the national unity and territorial integrity of Pakistan."<sup>25</sup> Moscow continued to emphasize the need for a political settlement and the cessation of hostilities until the first week of December (a posture which, in many respects, was short of New Delhi's expectations of Moscow). Significantly, the Soviet press did not use the expression "Bangladesh" until December 10, 1971; by then it was absolutely clear that the Islamabad-Washington-Beijing axis would be losing the war in a matter of days.<sup>26</sup>

However, it would be inaccurate to say that Moscow had no role to play in the East Pakistan crisis; without Moscow's military supplies and tacit political and diplomatic support, New Delhi perhaps would not have gone as far as it did. And although Moscow acted at least in part to preserve the goodwill in Pakistan that it had cultivated during the 1960s, Pakistan-Soviet relations reached their lowest ebb as Islamabad saw Moscow behind the dismemberment of Pakistan. Reacting to Moscow's role in the East Pakistan crisis, Pakistan's Zulfikar Ali Bhutto reminded the USSR of Central Asia during a United Nations Security Council debate in 1971, "Bangladesh will come to Uzbekistan."<sup>27</sup>

Moscow remained adamant, and during his 1972 visit to Moscow, Bhutto was reminded by Foreign Minister Gromyko, "If history were to be repeated, we would take the same stand because we are convinced

<sup>24</sup>Ibid., p. 67; see also Zubeida Mustafa, "The USSR and the Indo-Pakistan War, 1971," *Pakistan Horizon* 25:1 (1972):45-52; and her "USSR and Indian Action in East Pakistan," *ibid.* (1971):60-74.

<sup>25</sup>*New Times* (Moscow), no. 42 (October 1971), pp. 36-38; see also Bhabani Sen Gupta, *The USSR in Asia: An Interperceptual Study of Soviet Asian Relations* (New Delhi: Young Asia, 1980), pp. 183-219.

<sup>26</sup>K. D. Kapur, *Soviet Strategy in South Asia: Perspectives on Soviet Policies Towards the Indian Subcontinent and Afghanistan* (New Delhi: Young Asia, 1983), p. 208.

<sup>27</sup>Cited in Gretchen S. Brainerd, "Soviets Intensify Propaganda to Muslim Nationalities in China," *Radio Liberty Dispatch*, February 14, 1972, p. 2.

that it is the correct one.”<sup>28</sup> History, in a way, did repeat itself, this time in Baluchistan, where Islamabad undertook military operations from 1973 to 1977 against Baluchis seeking separation/autonomy in the Baluchistan province. But Moscow’s reaction was not too hostile, and Moscow refrained from actively supporting the militant nationalists. On the contrary, during Bhutto’s visit to Moscow in 1974, instead of fully supporting the “national liberation movement” in Baluchistan or the movement’s open ally, President Daud in Kabul, Moscow urged Islamabad and Kabul to settle their disputes by negotiations on the basis of principles of peaceful coexistence.<sup>29</sup> As a result of such a conciliatory posture, relations between Moscow and Islamabad began to improve. Moscow was appreciative of bilateralism in Islamabad’s foreign policy and of many of the latter’s foreign policy initiatives. Moscow offered to build a steel mill with a capacity of one million tons, to provide \$435 million in credit for the project, and to build a high-voltage electric transmission line and a radio station. It set precedent by fully remitting all loans spent in the former East Pakistan and by agreeing to a moratorium on all other loans to Pakistan.

Thus did Moscow continue its efforts to formulate its Pakistan policy in the Indo-Pakistan context. Although it did not show any inclination to court Islamabad at the cost of goodwill in New Delhi, Moscow continued its efforts to gain some influence in Islamabad.

Soviet reaction to the overthrow of an elected government and the imposition of martial law in Pakistan in July 1977 was cautious. Soviet media coverage of Pakistan during the initial years of martial law was restrained, reflecting a policy of wait and see. Because of profound changes in the region—revolutions in Afghanistan and Iran and pro-West Janata rule in India—Pakistan’s domestic developments did not get much attention from Moscow. Soviet public statements occasionally did highlight the widespread poverty in the country and emphasize the need for economic reforms.<sup>30</sup> On balance, however, Soviet media focused on the immediate political issues facing the new government in Islamabad.

Although generally avoiding any direct criticism of the government itself, Soviet media often carried cautiously critical reports on the martial

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<sup>28</sup>Cited in *Pakistan Horizon* 25:2 (1972):148.

<sup>29</sup>For details see Selig Harrison, *In Afghanistan’s Shadow: Baluch Nationalism and Soviet Temptations* (New York: Carnegie Endowments for International Peace, 1981).

<sup>30</sup>See, e.g., *Pravda*, July 10 and September 12, 1979.

law regime's denationalization and Islamization policies. Instead of criticizing these policies as such, Moscow accused the bourgeoisie of benefiting from the increased role of the private sector. At the same time, Soviet media showed a lively interest in the domestic political scene of Pakistan and did not hesitate to show its sympathies for the opposition political parties challenging General Zia's rule while continuing to show its desire to expand economic and political relations with Islamabad.<sup>31</sup> Moreover, Moscow avoided any detailed analysis that would reflect its hopes for Iran- or Afghanistan-like revolutions in Pakistan.

In foreign relations Pakistan's transition from a civilian to martial-law government did not adversely affect Pakistan-Soviet relations. In fact, Moscow saw Pakistan's decision to withdraw from CENTO and to join the nonaligned movement in a favorable light.<sup>32</sup> However, strains began to appear after the People's Democratic Party of Afghanistan (PDPA) overthrew President Daud and seized power in April 1978. In the Afghan revolution, Islamabad perceived an expression of Soviet expansion. For instance, a high-ranking Pakistani official stated that "the Soviet Union now has a border with Pakistan" and the United States "must realize . . . and act accordingly."<sup>33</sup>

Islamabad did not hide its aversion to the Soviet-supported PDPA rule. It extended political support to the Afghan resistance, popularly known as *mujahidin*, and humanitarian assistance to the Afghan refugees. Within six weeks of the PDPA's seizure of power in Kabul, eight Afghan Islamist parties formed an alliance, called Jabb Nijat-e-Milli, in Islamabad under Dr. Burhanuddin's leadership. By July 1978 the number of Afghan refugees had reached 124,000.<sup>34</sup> As Islamabad and Washington initiated efforts to realign their relations in the light of new geopolitical realities, Kabul increasingly blamed Pakistan (and Iran) for all internal turmoil and resistance. In the midst of accusations and counteraccusations, Islamabad-Kabul relations deteriorated to the point that in July there were reports

<sup>31</sup>E.g., *Pravda*, June 22, September 30, and October 27, 1978; March 26, April 5, September 24, and October 18, 1979.

<sup>32</sup>Leonid Mironov, "The Disintegration of CENTO," *Pravda*, March 14, 1979, cited in *CDSP* 31:2; see also Foreign Broadcast Information Service (FBIS), *Daily Report, Soviet Union*, August 15, 1979, D2-3; V. Kudryavusev, "Command of the Times," *Izvestia*, September 12, 1979, cited in *CDSP* 31:36.

<sup>33</sup>William Borders, "New Afghan Regime Worries Pakistanis," *New York Times* (hereafter *NYT*), March 20, 1978, p. 4.

<sup>34</sup>*Keyhan* (Tehran), June 3, 1978; see also *Afghan Refugees in Pakistan* (Islamabad: Ministry of Information & Broadcasting, Government of Pakistan, n.d.).

of military clashes between them on the borders. The Afghan factor replaced the India factor in overshadowing Pakistan-Soviet relations.

Moscow was quick to join Kabul's accusations of "outside interference." However, it initially hesitated to accuse Pakistan directly and instead charged "international imperialism and regional reaction" for troubles in Afghanistan, often specifying as responsible parties only the United States, China, and Saudi Arabia.<sup>35</sup> The Soviet Union first leveled charges of interference against Pakistan in March 1979, when TASS accused the latter by name for aiding and supporting what it called the Afghan Muslim Brotherhood.<sup>36</sup> Interestingly, even then, Soviet media often singled out "reactionary circles" in Islamabad instead of directly attacking Pakistan, and instead of showing Soviet official disapproval directly, it often invoked a loose expression saying that the "Soviet public" opposed interference in Afghan affairs. Perhaps while Moscow still had some hope for maintaining relations with Islamabad, it was also preparing the "Soviet public" for the eventual possibility of military intervention in Afghanistan.

Nevertheless, in May 1979 the Soviet envoy to Pakistan disregarded diplomatic niceties and, in a press interview, directly threatened Pakistan with "grave consequences."<sup>37</sup> The Soviet media then began to accuse Pakistan of interfering in Afghanistan's internal affairs with an increasing frequency and greater bluntness.<sup>38</sup> By April 1979 the list of Soviet charges against Islamabad included infiltration into Afghanistan of Pakistani soldiers dressed as Afghans, the existence on Pakistani soil of twelve

<sup>35</sup>See, for example, V. Baikov, "Revolution's First Days," *Pravda*, May 6, 1978, cited in *CDSP* 30:18; "Joint Communique" (issued at the end of Hafizullah Amin's visit to Moscow in May 1978), *Pravda*, May 19, 1978, cited in *CDSP* 30:20; A. Akhmedzyanov, "Times of Changes," *Izvestia*, May 23, 1978, cited in *CDSP* 30:21; "Strengthening Good-Neighbor Relations," *Pravda*, May 24, 1978, cited in *CDSP* 30:21; and "Subversive Activity Against the People of Afghanistan," *Pravda*, August 1, 1978, cited in *CDSP*.

<sup>36</sup>I. Aleksandrov, "Reactions' Schemes Against Democratic Afghanistan," *Pravda*, March 19, 1979, cited in *CDSP* 31:11; A. Petrov, "Rebuff to Forces of Reaction and Imperialism," *Pravda*, March 21, 1979, cited in *CDSP*.

<sup>37</sup>*Nawa-i-Waqt* (Urdu; Lahore), May 19, 1979; see also Safdar Mahmood, "Pakistan's Uneasy Relations with Russia," *The Round Table*, no. 283 (July 1981), pp. 269-275.

<sup>38</sup>A. Petrov, "A Rebuff to the Revolution's Enemies," *Pravda*, April 10, 1979, cited in *CDSP* 31:15; A. Petrov, "Provocations Continue," *Pravda*, June 1, 1979, cited in *CDSP* 31:21; Mai Podklyuchnikov, "The Right to Progress," *Pravda*, August 26, 1979, cited in *CDSP* 31:34; Leonid Mironov, "Hands Off Afghanistan," *Pravda*, August 30, 1979, cited in *CDSP* 31:35.

training camps for the Afghan resistance, and the presence in Pakistan of American and Chinese experts and trainers who had by then embarked on the training of 1,000 *mujabidin*.<sup>39</sup> Moscow rejected Islamabad's denials of any involvement in the Afghan civil war and further charged that the Afghan resistance was based, and organized, in the refugee camps.<sup>40</sup> Moscow's list of countries supporting the Afghan resistance expanded beyond Pakistan, Iran, the PRC, the United States, Egypt, and Saudi Arabia to include West Germany, England, 'other Gulf states,' and the Muslim Brotherhood.

A *Pravda* commentary said that the situation was leading to a conflict in which the USSR "cannot remain indifferent" because "the events are moving toward a conflict in direct proximity to us." Emphasizing that Moscow would not abandon Afghanistan, the commentary warned Islamabad that this was "a question of actual aggression against a state with which the USSR has a common border."<sup>41</sup> Alarmed by ever-increasing tensions, Islamabad sent a high-level delegation, led by its interior minister, to Moscow in early 1979 to allay Moscow's apprehensions regarding Islamabad's complicity in the campaign against the regime in Kabul. But the strains had accentuated to the extent that Moscow remained unconvinced.

By the end of 1979, therefore, Pakistan's security environment had markedly deteriorated. Alongside Soviet accusations, Afghan air and ground violations of Pakistan's territory had become a regular feature, and the number of Afghan refugees had swollen substantially. Concomitantly, Islamabad tried to convince the Carter administration that "the Afghan revolution has affected Pakistan profoundly" and that "the time to do something [is] now."<sup>42</sup>

In retrospect, Moscow's policy toward Islamabad in the late 1970s offers some striking similarities with its policy in the early 1970s. First, as was the case in the early 1970s, when the USSR had hesitantly moved

<sup>39</sup>*Pravda*, April 8, 1979; TASS, May 11, 1979; Yury Glukhov, "Guarding the Revolution," *Pravda*, June 13, 1979, cited in *CDSP* 31:24. For charges that the training camps were at Chitral, Cherat, Kohat, Peshawar, Quetta, Newshehra, and Kharijan, see Yury Glukhov, "Intrigues Against Afghanistan," *Pravda*, May 23, April 10, and June 1, 1979, cited in *CDSP* 30:21.

<sup>40</sup>Glukhov, "Intrigues."

<sup>41</sup>*Ibid.*; A. Petrov, "Provocations Continue," *Pravda*, June 1, 1979; see also *Pravda*, June 23, 1979.

<sup>42</sup>*Documents from the U.S. Espionage Den (46): U.S. Intervention in an Islamic Country: Pakistan-2* (Tehran: Muslim Students Following the Imam, 1981), p. 121.

to support India in the East Pakistan crisis, Moscow's support for Kabul's accusations of Islamabad's interference was delayed, restrained, and gradual. Not until March 1979, after almost a year of PDPA rule, did Moscow accuse Islamabad by name. Second, whereas in the first case Moscow was supporting India, a friendship-treaty partner, over what it had called a "war of national liberation," in the Afghan case Moscow's support was not only for a friendship treaty partner (with whom it shared a long common border and many ethnic and linguistic groups) but also for a national democratic revolution that Moscow had painfully nursed from its infancy. Third, as in the early 1970s, the emerging Washington-Beijing-Islamabad axis in the late 1970s invited Soviet fury toward Pakistan. Yet, as in the past, Moscow pursued a dual-track policy, simultaneously transmitting hostile and conciliatory gestures. The purpose of such a policy apparently was to not lose sight of its long-term objectives in the region.

Moscow, it seems, had initially hoped to gain a closer relationship with the martial-law administration in Islamabad, which was disfavored by the Carter administration because of Pakistan's nuclear policy and human rights record. Therefore, when Moscow eventually did denounce Islamabad directly for troubles in Afghanistan, it often caviled some "reactionary" and "ruling circles" in Islamabad instead of reprehending Pakistan directly. Further, in reporting domestic political developments, Moscow continued to show its caution in reporting by citing either Western media or reporting with datelines from New Delhi, Madras, Tehran, Kabul, and even Ankara. Finally, most of the public Soviet reactions were those of media representatives; the top Soviet leadership abstained from naming Pakistan.

In all, except for a brief period in the mid-1970s, Soviet-Pakistan relations remained less than friendly during 1971-79. On the other hand, Soviet-India relations grew friendlier despite New Delhi's wavering in the late 1970s. To Islamabad's dissatisfaction, the USSR continued to formulate its Islamabad policy in light of Soviet-Indian relations on the one hand and Pakistan's relations with the United States and China on the other. With Soviet intervention in Afghanistan in the last week of 1979, Moscow's policy toward Pakistan took definite shape, and the USSR once again moved back to the partisan approach.

### *Policy of Assertive Involvement (1980-87)*

Pakistan's reaction to the Soviet intervention was sharp and instant. President Zia demanded an immediate Soviet withdrawal from Afghanistan, called for national cohesion and consensus, and appealed for help

from the West and the Muslim world.<sup>43</sup> The first two goals have remained as unattainable in 1987 as they were in 1980; the last one, a search for greater security, has assumed greater complexities.

Within days of the Soviet intervention, Islamabad called a special session of the Islamic countries' foreign ministers in Islamabad. The conference expelled Afghanistan from its ranks and issued appeals for Islamic solidarity and collective defense of the Muslim world. For the Soviet Union, however, more important than Afghanistan's expulsion or the conference's strongly worded resolutions was Chinese Foreign Minister Huan Hua's visit to Pakistan. The Soviet media hardly mentioned the first two but played up the latter.<sup>44</sup>

The Carter administration reacted to the Soviet intervention by offering Islamabad a \$400 million aid package and by declaring the Persian Gulf an area of vital U.S. interests to be defended by all means, including military. Both actions were received coolly by Islamabad—first, because the aid offer was considered “peanuts” and had an obligatory list of military supplies; and, second, because the Carter doctrine had not only accepted the Soviet presence in Afghanistan as a *fait accompli*, but also, and more importantly for Islamabad, had excluded Pakistan from U.S. security parameters. With Islamabad's apparent rejection of the U.S. offer, Moscow saw a change in Pakistan's stance toward the Soviet Union. Further, Agha Shahi, Pakistan's foreign secretary and architect of the Afghan policy, apparently addressing Washington and Moscow simultaneously, had said, “The Soviet Union is capable of playing an important role in ensuring peace and stability in our region . . . and of making a positive contribution to the economic well-being of the people of Pakistan.”<sup>45</sup> Moscow, more than willing to expand trade and economic relations, showed renewed interest in economic cooperation and signed an agreement to build a plant to make tractors in Karachi.<sup>46</sup>

Moscow had a multifaceted approach intended to make Islamabad desist from its policy on Afghanistan on the one hand and to obstruct the emerging special relationship with the United States on the other. On one level Moscow warned Islamabad that it was “still not too late for Pakistan to stop meddling in Afghanistan's affairs” and that Pakistan “should not

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<sup>43</sup>*Dawn*, January 28, 1980.

<sup>44</sup>For example, *Pravda*, January 22, 1980.

<sup>45</sup>*Pravda*, March 7, 1980.

<sup>46</sup>Reuters, April 30, 1980, cited in *World Affairs Report* 10:3 (1980); see also *Pravda*, August 30, 1980.

become a party to Washington's plans because these were fraught with many dangers, above all for Pakistan."<sup>47</sup> On another level, portraying Islamabad as somewhat innocent, Soviet media critically projected the Sino-American "common strategy" of "drawing Pakistan into the anti-Afghan plot" and thereby turning Pakistan into "a sort of powder keg."<sup>48</sup> Thus it said that Pakistan was "caught in the ugly game."<sup>49</sup> The Soviet purpose, it seems, was both to discourage Islamabad from entering into a close relationship with the United States and China and to dissuade these two countries from aiding Islamabad.

After the Reagan administration agreed to a six-year, \$3.2 billion package of economic and military aid to Pakistan in late 1981, Moscow became extremely critical of Islamabad and intensified the media campaign against Pakistan's martial law administration. Moscow charged that Islamabad was using the "mythical Soviet threat" to acquire American arms.<sup>50</sup> Soviet media repeatedly asserted that the Zia regime was "utterly dictatorial," covering itself with "an Islamic mask" because it was "opposed by progressive intelligentsia, national minorities and working class" and that Zia was unable to arouse anti-Soviet feelings in Pakistan "except for a few Muslim extremists."<sup>51</sup> After the assassination of Anwar Sadat, the Egyptian president, and later, after the expulsion of Marcos from the Philippines in 1986, General Zia was reminded of the possibility of a similar fate, as the Soviet media ran repetitious articles every day about the difficulties of, and the opposition to, the Zia government.<sup>52</sup>

<sup>47</sup>*Pravda*, January 6 and 7, 1980; see also *NYT*, January 8, 1980.

<sup>48</sup>*International Affairs*, April 1980; see also *New Times*, no. 7 (1981), p. 31; and A. Mirov, "Islamabad: Militaristic Ambitions," *International Affairs*, March 1985, pp. 94-96.

<sup>49</sup>*Pravda*, October 17, 1980; V. Georgiev, "South Asia: Strategic Goals of U.S. Imperialism," *International Affairs*, February 1985, pp. 105-113; V. Shurygin, "Base for Aggression," *Pravda*, April 10, 1985, cited in *CDSP* 37:15.

<sup>50</sup>D. Borisov, "Who Is Behind the Afghan Counter-Revolution?" *International Affairs*, January 1982, pp. 36-43; see also Vitaly Korionov, "Who Is Undermining a Settlement?" *Pravda*, July 14, 1981, cited in *CDSP* 33:28; Yury Glukhov, "When the Masks Are Discarded," *Pravda*, September 25, 1981, cited in *CDSP* 32:39.

<sup>51</sup>E.g., *Pravda*, April 3, 1980.

<sup>52</sup>E.g., *Pravda*, October 2 and 10, 1983; July 4, 1981; V. Baikov, "Pakistan: Uneasy Times," *International Affairs*, July 1982, pp. 125-131; A. Filippov, "Contrary to National Interests," *Pravda*, July 22, 1986, cited in *CDSP* 38:29; V. Skosrev, "When Thrones Totter," *Izvestia*, August 21, 1986, cited in *CDSP* 38:34.

As early as May-June 1978, Moscow had moved to "win" friends for, and weaken enemies of, the Afghan regime. One of the most important contours of this policy was, and continues to be, the exploitation and exasperation of all possible differences between the various actors involved. This policy was designed to operate on many levels simultaneously.

To alleviate New Delhi's threat perceptions and to exploit the frictions existing between India and Pakistan on the one hand and among China, the United States, and Pakistan on the other, Soviet pronouncements repeatedly asserted that Islamabad's "real aim" in acquiring American weapons was to "attack" India.<sup>53</sup> The Soviets consistently attacked the Pakistan-United States relationship on the grounds that it encouraged Islamabad's "aggressive" military capabilities and nuclear program.<sup>54</sup> Soviet media further charged that the United States was seeking, and/or Pakistan was giving to the United States, military, naval and air bases that would jeopardize Indian security.<sup>55</sup> Soviet media repeatedly said that the CIA, through its agents in Pakistan, was plotting against India;<sup>56</sup> that American military supplies to Pakistan were far beyond the latter's defense needs; and that these weapons would be used against India, particularly the F-16 aircraft, including use in nuclear missions.<sup>57</sup> It was also often added that the PRC was supporting the Pakistan-United States relationship because it was propelling Pakistan against India.<sup>58</sup>

After a span of more than a decade, the Soviet pronouncements emphasizing India-Pakistan bilateral disputes revived, often portraying a grim picture for India. This campaign not only neutralized India, from Moscow's

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<sup>53</sup>*Pravda*, March 23, 1981.

<sup>54</sup>"A Dangerous Deal," *Pravda*, July 19, 1980; *ibid.*, May 23, 1981.

<sup>55</sup>A. Vlasov, "Lackeys of American Imperialism," *Izvestia*, March 29, 1981, cited in *CDSP* 33:13; M. Rostarchuk, "Pakistan—Down the Old Slippery Path," *Izvestia*, May 7, 1981, cited in *CDSP* 33:18; A. Slobodenko, "The 'Bases Strategy'—A Strategy of Expansion and Diktat," *International Affairs*, July 1981, pp. 76–84; Vladilen Baikov, "On a Slippery Path," *Pravda*, September 27, 1981, cited in *CDSP* 33:39; V. Vladimirov, "Bases of the Pentagon in Asia," *International Affairs*, November 1983, pp. 152–155; I. Garbuzov, "Pakistan in U.S. Aggressive Strategy," *Soviet Military Review*, February 1984, pp. 51–53.

<sup>56</sup>*Pravda*, January 8, 1980; M. Kapustin, "CIA Against India," *International Affairs*, May 1985, pp. 138–141.

<sup>57</sup>*Pravda*, January 8, 1980; Kapustin, "CIA Against India," pp. 138–141.

<sup>58</sup>V. Volodin, "Peking Manoeuvres in South Asia," *International Affairs*, November 1978, pp. 19–27; *Pravda*, January 4, 1982.

perspective, but also reminded the decision makers in Islamabad of their nightmare: a two-front scenario, Kabul-Moscow in the north and New Delhi in the east.

Concurrently, in an apparent bid to raise alarm in Washington and New Delhi, the Soviet media repeatedly showed a concern about Islamabad's nuclear program, and particularly alleged Chinese help to it. Rejecting Islamabad's denials, Soviet media periodically played upon Pakistan-China collaboration, which was, it said, not only contrary to U.S. non-proliferation objectives but also a threat to regional security, particularly that of India. Soviet publicists often suggested that the United States should not supply weapons and aid to a country that was embarking upon a nuclear program.<sup>59</sup> The Soviet Foreign Ministry, implicating the United States, criticized Pakistan's nuclear program, charging that nuclear arms in Pakistan would "create a new situation in South and Southwest Asia, a region close to the Soviet Union's Southern frontier, and could have dangerous consequences for peace in Asia and the entire world."<sup>60</sup> Clearly, then, the Soviet foreign ministry found Islamabad's nuclear program as posing a threat not only to its interests in the region, but to the territory of the USSR.

In another demonstration of its policy of exploiting and, if possible, actively creating cleavages among the various actors involved, Moscow happily played up friction within the *mujabidin* groups and between the Afghans and the Pakistani population.<sup>61</sup> Soviet writings often charged that the refugee camps were deplorable and that the refugees wanted to return to Afghanistan but the *mujabidin* and Pakistani officials were not allowing them to leave. At the same time, it was often reported that thousands of them were returning to Afghanistan. Soviet media pronouncements charged the resistance groups with running prison cells in the refugee camps.<sup>62</sup> Ironically, it also charged Islamabad with preferential treatment of the Afghan refugees compared to *Bibaris* and *Muhajirs*, the refugees who had come to Pakistan earlier from Bangladesh and India.<sup>63</sup>

<sup>59</sup>*Pravda*, June 29, 1978; Arkady Maslennikov, "An Urgent Task," *Pravda*, April 13, 1979, cited in *CDSP* 30:15; Oleg Kitsenko, "On a Dangerous Road," *Pravda*, June 29, 1979, cited in *CDSP* 31:26.

<sup>60</sup>*The Muslim*, March 29 and July 10, 1986; see also "Militarization of Pakistan," *International Affairs*, September 1981, pp. 146-148.

<sup>61</sup>Tass, July 7 and 29, 1980; *Pravda*, July 7, 1980, and June 17, 1986; FBIS, *Near East and South Asia*, July 14, 1987, p. 1.

<sup>62</sup>E.g., *Pravda*, December 22, 1980.

<sup>63</sup>E.g., *ibid.*, December 31, 1984.

Soviet publicists often highlighted the factional fighting within the *mujahidin* groups, implicating them, together with Pakistani civilian and military officials, in selling weapons, diverting aid meant for refugees, smuggling, and drug-trafficking. Moscow routinely discredited the *mujahidin* for fighting each other over the distribution of Western and Chinese aid, for the bomb blasts in various parts of Pakistan, and for collaboration with the CIA.<sup>64</sup> The Soviet media constantly stressed the frictions existing between the Afghan resistance and Pakistan's local population, particularly between the Afghan resistance and the tribal areas on the one hand and tribal areas and the Pakistan government on the other.<sup>65</sup> Meanwhile, Moscow showed a particular interest in projecting the views held by the Pakistani opposition parties on the Afghan crisis. Opposed as these views were to Islamabad's policy, Moscow's purpose was to highlight the unpopular nature of Islamabad's policy in Afghanistan.<sup>66</sup>

Islamabad repeatedly stated that it did not allow Pakistan to be used as a base for action against neighboring countries and that it was giving only humanitarian aid to the Afghan refugees. TASS ridiculed such clarifications. The relations between the two countries turned from cool to chilly as Islamabad ordered the closure of the Soviet press and information office in Karachi, reduction of one-half the Soviet diplomatic personnel in Islamabad, and closure of a publishing house charged with publishing pro-Moscow literature.<sup>67</sup> Moscow's relations with Pakistan sharply deteriorated. The Soviet envoy in Islamabad publicly threatened the host country that "if the present situation continues, the Soviet

<sup>64</sup>*Pravda*, May 3, 1985; see also *Washington Post*, November 14, 1984; *Pravda*, December 7, 1982; May 5, 1985; August 1, 1984; and June 17, 1986; TASS, August 7, 1980; V. Krotov, "Dushman with American Passports," *Izvestia*, November 6, 1985, cited in *CDSP* 37:45.

<sup>65</sup>E.g., Vladilen Baikov, "Pashtun's Tragedy," *Pravda*, January 8, 1987, cited in *CDSP* 38:3; Veniamin Shurygin, "Tribal Jirga," *Pravda*, April 13, 1986, cited in *CDSP* 38:15; V. Alekseyev, "Bloodshed Continues," *Pravda*, December 14, 1986, cited in *CDSP* 38:50.

<sup>66</sup>E.g., *Pravda*, August 8 and 9, 1979, and February 15 and 21, 1980; R. Afzal, "Pakistan: Cooperation in Torture Camps," *World Marxist Review (WMR)*, 25:1 (January 1982):67-68; "Towards Unity of Action for Common Aims" (by an anonymous "representative of the Communist Party of Pakistan"), *WMR* 28:10 (October 1985):79-80; Abdul Wali Khan, "Against the Policy of Expansion," *WMR* 30:4 (April 1987):57-58.

<sup>67</sup>*Washington Post*, September 1, 1980; *Pravda*, November 29, 1980.

Union and Afghanistan will have to envisage a common action in order to terminate it.”<sup>68</sup>

This downward trend in Pakistan-Soviet relations continued until 1984, when pre-U.N. General Assembly session talks, an annual feature, could not be held because the visit of Pakistan’s foreign secretary was postponed on Moscow’s request. By November, these relations had deteriorated to the extent that the Soviet envoy to Islamabad registered an unprecedented and strongly worded public complaint against an “increase in Pakistan’s involvement in the events in Afghanistan, discrimination between the Soviet Embassy and other missions, and anti-Soviet propaganda in Pakistan.”<sup>69</sup> Veiled in this list of obstacles to the improvement of relations with Pakistan, Moscow appeared to demand not only a change in Islamabad’s Afghanistan policy, but also permission to open Soviet press and information centers in various cities of Pakistan, à la the United States Information Service (USIS). More important, perhaps, was a Soviet desire to see a Pakistan devoid of any “anti-Soviet propaganda” as was the case in Finland in the post-world war years.

Understandably, Soviet opposition to Pakistan’s position on Afghanistan did not deter Moscow from aspiring to better economic relations with Islamabad. For example, in January 1985, on the occasion of the inauguration of a Soviet-assisted steel mill in Karachi, Moscow offered to construct another steel mill, reportedly on a site chosen by Pakistan. Moscow made openings for Pakistan’s private sector trade and showed a readiness to purchase conventional and nonconventional products that Pakistan could not sell to the West because of protectionist policies there. Moscow also showed a willingness to set up a number of industries in Pakistan, on a joint venture basis, with Pakistani entrepreneurs. The proposed projects, according to press reports, range from heavy industry to bakery products. According to another report, in March 1985 a Soviet delegation led by Boris Bakin, minister of assembly and special construction works, offered cooperation in one hundred projects.<sup>70</sup> The prospects of further increase in trade seem to have emerged with the suspension of the supply of agriculture products from the troubled Indian province of Punjab.

In April 1985 a number of Soviet servicemen were killed in the ammunition depot of Jamiyat-I-Islami of Burhanuddin Rabbani in Matani,

<sup>68</sup>*Nawa-i-waqt* (Urdu; Rawalpindi), December 1983.

<sup>69</sup>*The Muslim*, November 19, 1984; see also *Dawn*, July 23, 1984.

<sup>70</sup>*The Muslim*, January 6 and 20 and February 2 and 14, 1986.

near Peshawar in Pakistan. The Soviet protest note accused the units of the Pakistan army of carrying out the operation and described the incident as "an act of war against the Soviet Union."<sup>71</sup> It was rather interesting that the Moscow and Kabul versions of this incident were not identical, nor was the official Soviet version the same as that of the Soviet media. Moscow rejected Islamabad's response that it was an act by "agent provocateurs from Afghanistan who had infiltrated the area." A TASS commentary warned that Islamabad was wrong if it thought that participation in the American plans of expanding the undeclared war against the DRA could go unpunished. Gorbachev himself was reported to have warned President Zia of the dire consequences if Islamabad continued with its Afghan policy.<sup>72</sup> This was the first reported incident of its kind, and it further exacerbated Moscow's negative assessment of Pakistan and its projection of the country in the Soviet media. There was a visible hardening of Moscow's attitude as the Soviet media singled out Pakistan and turned its attention to larger coverage of Pakistan's troubled domestic scene.<sup>73</sup> In February 1986, commenting on Pakistan-Soviet relations, the Soviet envoy to Islamabad publicly acknowledged that "because of increasing war in Afghanistan, relations between the Soviet Union and Pakistan have virtually come to zero point."<sup>74</sup>

However, true to its previous policy of not mixing political relations with economic ones, coupled with Gorbachev's *glasnost* on Afghanistan, within a week of the Matani incident Moscow sent a seven-member trade delegation to Pakistan and signed a trade protocol identifying a number of items for import and export between the two countries. Induced by generous Soviet offers, a Pakistani delegation led by the minister for petroleum and natural resources visited the Soviet Union in September for

<sup>71</sup>"A Barbarous Crime," *Pravda*, May 15, 1985, cited in *CDSF* 33:20; Aleksandr Bouin, "Calling a Spade a Spade," *Izvestia*, May 17, 1985, cited in *CDSF* 36:20; Andrei Stepanov, "Terrorism in Action," *Pravda*, May 16, 1985, cited in *CDSF* 38:20.

<sup>72</sup>*Pravda*, May 20 and June 6, 1985; V. Matveyev, "Afghanistan's Enemies Expand Intervention," *Izvestia*, August 28, 1985, cited in *CDSF* 37:35; see also *Dawn*, May 10, 15, and 21, 1985.

<sup>73</sup>E.g., "The Truth Can't Be Hidden: The Question of Pakistan's Role in the Undeclared War Against Afghanistan," TASS, May 21, 1985; *Pravda*, May 25 and 29, 1985.

<sup>74</sup>*The Muslim*, February 2, 1986.

purchase of deep-drilling oil rigs and to explore the possibilities of further cooperation in the exploitation of oil, gas, and other natural resources. This was followed by another delegation led by the Pakistani finance minister, who signed an agreement for Soviet assistance in construction of a thermal electric power plant. A new barter trade agreement signed in the same year envisaged a twofold increase in mutual trade, and Moscow also showed a willingness to cooperate in marine shipping.

In the traditional India-Pakistan context, a framework within which Moscow previously had formulated its policy toward Pakistan, Moscow has moved back to a partisan approach, using the Afghan conflict to its benefit in exacerbating Indian sensitivities vis-à-vis Pakistan, China, and the United States, and hoping to further strengthen its position in New Delhi. Soviet-Indian relations during this period grew as Pakistan-Soviet relations proportionately deteriorated. Under Gorbachev, however, Moscow seems to have shown a degree of readiness to forego a part of its goodwill in New Delhi in order to win over Islamabad, as was apparent during Gorbachev's visit to India in November 1986 and the high diplomacy between Moscow and Islamabad that has followed Gorbachev's visit. This Soviet *glasnost* notwithstanding, the continued Soviet military presence in Afghanistan has placed limitations on any qualitative changes in Pakistan-Soviet bilateral political relations. Moscow, nevertheless, continues to carefully balance its carrot-and-stick policy: The carrot of economic inducements will, Moscow hopes, pay dividends in the long term and the stick of arm-twisting, in the short term.

As we have seen, Moscow's policy toward Pakistan was hostage to Soviet domestic push-and-pull forces on the one hand and to Pakistan's relationship with India and with the United States and China on the other. From Islamabad's standpoint, therefore, Moscow's Pakistan policy has been checkered and less than satisfactory. The USSR developed neither an appropriate response to Islamabad's sensitivities vis-à-vis India nor an adequate appreciation of Pakistan's external relationships. Moscow's policy toward the region in general and Pakistan in particular has been, in sum, that of flexibility, restraint, gradualism, and calculated risks. Whereas Moscow's Islamabad dealings would seem oscillatory on a short-term analysis, in the long run, two factors have not only remained constant but also have become increasingly pronounced: a consistent desire to delink economic relations from the often less-than-friendly political relations and Moscow's unflinching reference to geographical propinquity, meaning more than mere proximity or continuity.

**Factors Influencing Moscow's Relations with Pakistan***Economic Relations*

The first relatively consistent theme of Moscow's Pakistan policy has been the Soviet desire, apparently not strongly resisted by Pakistan, of refusing to let fluctuating political relations adversely affect bilateral economic and trade relations. Although the total volume of trade has remained low, particularly during the phase of cool political relations, it has remained significant in terms of form, nature, and areas covered. Moreover, Moscow has generally shown interest in economic collaboration in areas where Pakistan's traditional friends have been less than forthcoming, ranging from oil exploration to the construction of steel mills and even of nuclear power stations and reactors.

Until 1973-74 Moscow was the single largest socialist donor country to Pakistan. According to some estimates, Pakistan ranked eighth in total Soviet aid to the noncommunist Third World between 1954 and 1981.<sup>75</sup> It is significant that of the seven countries that preceded Pakistan, three shared their frontiers with the USSR (Turkey, Iran, and Afghanistan), one was a former friend (Egypt), and one was a friendship-treaty partner (India). Significantly, Soviet aid to India was only roughly three times that of aid to Pakistan—much less in proportion to India's size, population, and special relationship with the Soviet Union.

Between 1950 and 1974 Pakistan's trade with Moscow increased twenty times. In general the balance of payments has (in particular since 1980) favored Pakistan.<sup>76</sup> This has been so mainly because most of the Soviet credits are paid back in kind. This fact probably explains the fact that despite a few setbacks between 1978 and 1986, the upward trend was maintained. Soviet trade policy toward Pakistan has included both commodity exchange agreements and foreign exchange-saving barter trade and low interest rate loans. Pakistan's export-import relations with Moscow have been stronger than with Turkey (first a fellow member of the Regional Cooperation for Development [RCD] and now of ECO, together with Iran)

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<sup>75</sup>Bureau of Intelligence and Research, Department of State, *Soviet and East European Aid to the Third World, 1981* (Washington DC: U.S. Government Printing Office, February 1983), pp. 17-19, quoted in Paul Dibb, *The Soviet Union: The Incomplete Superpower*, Studies in International Security (London: International Institute for Strategic Studies, 1983), p. 233.

<sup>76</sup>Rafique Akhtar, ed., *Pakistan Year Book: 1986*, 13th ed. (Karachi: East and West, 1986), pp. 405-408.

or neighboring India.<sup>77</sup> However, these trade relations were sustained by the rather liberal Soviet aid, trade, and investment policy toward Pakistan.

The Soviets hope that, in the words of a Soviet envoy to Pakistan, "we are sure that the expanding economic and cultural contacts between the USSR and Pakistan will . . . also contribute to the improvement of the political situation in this part of Asia."<sup>78</sup>

### *Geographical Propinquity*

Moscow has always shown sensitivity to the idea of any Western presence in the northern areas of Pakistan. A survey of Soviet commentary during 1948 and 1955 reveals that it used the word "*Peshawar*" more frequently than "*Karachi*" (then the capital of Pakistan). A reading of numerous official protests delivered to Karachi in the 1950s gives the impression that Moscow was more concerned with Anglo-American "designs," "aims," "bases," and "facilities" than with Pakistan's reasons for moving toward the West.<sup>79</sup> Similarly, Pakistan was almost always referred to as a Soviet neighbor. For example, as early as August 1951, a Soviet note protesting an alleged agreement for an American air base said that the air base was sought "on Pakistan's territory, that is, *in a region close to the border of the USSR*."<sup>80</sup> Consequently, Moscow reacted strongly to Pakistan's membership in CENTO and SEATO and lent its support to India and Afghanistan.

It should be recalled that the Soviet response to the Kashmir dispute was determined by this concern and not by any love for India per se. The long spell of Soviet silence over the Kashmir dispute in the United Nations Security Council debates was broken in 1952, when Moscow feared that the United States "wanted to convert Kashmir into a link in the chain of military bases around the USSR," either by having an independent state of Kashmir or by using "this as an excuse for stationing their troops in Kashmir under the guise of United Nations forces."<sup>81</sup>

<sup>77</sup>Ibid.; for Pakistan-Soviet trade indicators, see also *The Muslim*, February 15, June 26, and July 7, 1986.

<sup>78</sup>*The Muslim*, February 2, 1986.

<sup>79</sup>R. K. Jain, *Soviet-South Asian Relations: 1947-1978*, vols. 1 and 2 (Oxford: Martin Robertson, 1979).

<sup>80</sup>*Pravda*, August 2, 1951.

<sup>81</sup>V. Alexeyev, "The Political Situation in Pakistan," *New Times*, no. 47 (November 21, 1952), p. 10.

Although the USSR has always shown a sensitivity to events occurring in the surrounding regions, the assertiveness Moscow now shows in West Asia surpasses Soviet concerns in the region witnessed during the 1950s and 1960s. For example, commenting on references made by Yuri Andropov on the geographical proximity of the USSR to this region in an interview with *Der Spiegel* in April 1983, a Soviet commentator asserted that "we will never accept a view which says that unrelated powers, especially those far from events by many thousands of kilometers, can act as they wish in the region . . . and ask of the Soviet Union a contemplative indifference and deprive her of the right to take into consideration events occurring on her borders."<sup>82</sup> In addition to such blatantly geopolitical expressions, Moscow now increasingly invokes its Central Asian connection with relations to the countries of the region. As a Soviet envoy to Islamabad asserted, "We should always keep in mind the geographical proximity of the USSR and Pakistan, the historical and cultural links between the peoples of Pakistan and the peoples of Soviet Central Asian Republics."<sup>83</sup> Apparently not thoroughly dismayed by the role played by the Central Asians in Afghanistan, Moscow has recently proposed to Islamabad an increase in interaction with Soviet Central Asia by sending students and religious delegations. It has proposed chartered tourist flights between Pakistan and Central Asian republics as the latter have a "rich Islamic cultural heritage."<sup>84</sup>

## Conclusions

Though vacillating between neutrality and partisanship since 1947, the Soviet position vis-à-vis India and Pakistan seems to have stabilized in favor of the former; but with the escalating Afghan conflict, Pakistan has increasingly been placed more in the West Asian context than in the South Asian one. More precisely, Moscow appears to be viewing Pakistan as forming a part of the troubled triangle of Pakistan, Iran, and Afghanistan, wherein the future of the fragile political systems is uncertain and the politics of Islamic reassertion pronounced.

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<sup>82</sup>V. A. Kremeniuk, reviewing Alvin Z. Rubinstein's *Soviet Policy Towards Turkey, Iran and Afghanistan: The Dynamics of Influence*, in *Narody Azii-i-Afriki* (Russian), no. 1 (1984), p. 197.

<sup>83</sup>Radio Moscow, Soviet envoy to Islamabad in an interview with a Japanese newspaper, FBIS, *Soviet Union*, January 15, 1987.

<sup>84</sup>*The Muslim*, February 2, 1986.

Whereas Moscow aspires to share influence with the West in other regions, such as the Gulf and the Middle East, in Southwest Asia it appears to have become increasingly apprehensive, if not intolerant, of any Western influence and presence. Geographical propinquity and smooth economic relations, two factors that have remained almost constant in Soviet dealings with Islamabad, have assumed new dimensions in recent years. Whereas the first has become extremely pronounced, the second seems to have been overshadowed by the Afghan conflict, for some time at least.

Though Moscow has not formally revived its proposal of overland transit facilities with Pakistan since the late 1960s,<sup>85</sup> preparations for elaborate road and railway construction with Kabul and Tehran are in progress. It appears that the emergence of Soviet Central Asia as an important factor in Moscow's regional foreign and economic policies (less of a "soft underbelly" and more of a "show-window") has become difficult to reverse without heavy costs to the Soviet foreign policy objectives in the region. Gorbachev may consider opening it up, with the hope of having an Asian face in the region, through a Korakoram highway (like the one connecting the Chinese province of Sinkiang with Pakistan's northern areas) of its own. The logic of growing domestic and regional role of Soviet Asia may make such developments even more compelling.

We have seen in this chapter that Moscow's policy in the region has become increasingly assertive over the years. This assertiveness creates many dilemmas for the USSR and places Moscow in paradoxical situations.

First, the longer Moscow stays in Afghanistan, the further it alienates itself from and pushes Pakistan closer to the United States. Given the present nature of relationships, the closer Islamabad gets to Washington, the more intense the conflict in Afghanistan becomes. The more the Afghan conflict escalates, the longer Moscow must stay in Afghanistan. The longer Moscow stays in Kabul, the further its relations with Islamabad deteriorate. Moreover, the longer Moscow stays in Afghanistan, the closer the Afghan resistance gets to the United States, and the less acceptable the *mujahidin* groups become for Moscow as a viable alternative to the PDPA rule.

Second, as in the past, the more Moscow alienates Islamabad, the closer New Delhi moves toward Moscow and the farther away New Delhi must get from Islamabad, Beijing, and Washington. The more New Delhi gets away from the last three, the more valid Islamabad's "two-front scenario" becomes. The more increased threat Pakistan perceives from

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<sup>85</sup>Informally, however, the Soviet ambassador to Pakistan alluded to the possibility of building road and railway communication links between Iran, Pakistan, Afghanistan and India on the one hand and the Soviet Union on the other. *Dawn*, February 3, 1984.

the east and the north, the more sensitivity toward its nuclear program Islamabad shows. This in turn sours Pakistan-United States relations, reinforcing Pakistan's perception of the United States as a fair-weather friend.

We have also seen in this chapter that the Soviet policy of wait and see toward Pakistan is increasingly complemented by a policy of carrot and stick. Moscow aspires to achieve its foreign policy objectives by exploiting and, if possible, creating cleavages among all the actors involved. Soviet policy operates in two interlocking, mutually reinforcing circles. In the first circle, Moscow has a policy of wait and see as it has shown no urgency either to support Baluchis or Sindhis seeking separation/autonomy in Pakistan or to promote a Marxist-Leninist revolution guided by democratic centralism. In the second circle, Moscow has a policy of carrot and stick, as it has shown a willingness to cooperate with General Zia's government while simultaneously not hesitating to show its sympathies with the opposition forces in Pakistan that are against the present political order.

Tangled in these scenarios is the future of Soviet-Pakistan relations and Soviet policy in the region. Some analysts have suggested Finlandization for Afghanistan and some the same course for Pakistan. More have urged Finlandization for Afghanistan, together with Swedenization of Pakistan. Austria and Laos have also been mentioned as models. Others have, engagingly, argued for neutrality for Afghanistan, Iran, and Pakistan. Although some of these analogies may have their merits, Gorbachev's recent policy overtures suggest that the possibilities of Afghanistanization of Afghanistan are not fully exhausted, provided that Moscow, Washington, and Islamabad are prepared to use appropriate diplomatic pressures, together with flexibility and viable linkages, and provided, more importantly, that they are prepared to realize that the present policy of increasing military pressure has its limits and the potential for backfiring.

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## 5. Iranian, Chinese, and Indian Policies on the Afghan War

HUSAIN HAQQANI

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### Introduction

The political and military situation resulting from the Soviet occupation of Afghanistan has been the major consideration of Pakistan's foreign policy since 1979. The insecurity caused by the presence of over 100,000 Soviet troops on the country's border has led to a close military relationship with the United States. The process of normalization with India, pursued consistently despite difficulties, follows from a desire to avoid tensions on Pakistan's eastern border while the Soviets threaten its western frontier. Even Pakistan's traditionally close relationship with the People's Republic of China (PRC) and the Muslim world has been influenced by the Afghan factor. Islamabad increasingly tends to measure the depth of its ties with other countries in light of their attitudes on Afghanistan. President Zia ul-Haq has even gone to the extent of declaring the war of resistance in Afghanistan as a war for the defense of Pakistan, confirming the importance he attaches to the outcome of the Afghan problem.

Pakistan's immediate neighbors—Iran, the PRC, and India—are also concerned with developments in Afghanistan, but the issue does not occupy a central position in their foreign policies as it does in Pakistan's. Each of these countries has a different set of considerations and priorities in relation to the Afghan question.

Iran, with its Islamic revolutionary world vision, supports the cause of the Afghan *mujahidin* but is skeptical of the U.S. role in the resistance. Its opposition to the Soviet occupation is accompanied by a desire to exercise some influence over the resistance, the leadership of which is generally closer to governments and Islamic movements in the Arab world. Iran's differences with Gulf Arab states, notably Saudi Arabia, add

another dimension to Iran's Afghanistan policy, given the conservative Arabs' financial and moral support for the *mujabidin*.

In the case of the PRC, suspicions of Soviet moves in Asia seem to set the tone and content of its policy on Afghanistan. The Chinese have offered crucial military assistance to the *mujabidin* and have counted the continued occupation of Afghanistan among the three major obstacles to normalization of Sino-Soviet relations.

Afghanistan poses a major dilemma for Indian foreign policy. The compulsions of New Delhi's close relationship with the Soviet Union, coupled with its objective of being recognized as the preeminent regional power in South Asia, have led India to break ranks with the Non-Aligned Movement in condemning the occupation of Afghanistan. An evaluation of India's Afghan policy must also take into account New Delhi's appreciation of its ties with the PRC, Pakistan, and the United States, all of whom share somewhat common perceptions on the Afghan war.

### **Iranian Policy on the Afghan War: Contradictions in a Principled Approach**

Iran is affected by the Afghan war in several ways. It is host to some 1 million Afghan refugees, most of whom share the Islamic fervor of the Iranian revolution. Teheran's espousal of the spirit of Jihad in other parts of the Islamic world makes it difficult to ignore the holy war in its immediate vicinity. As a neighbor of both the Soviet Union and Afghanistan, the former's occupation of the latter also has security implications for Iran. The Afghan issue is also a test of Iran's avowed foreign policy principle, "Neither East nor West." Although areas for revolutionary Iran's contention with the United States abound, the Afghan issue is its most serious point of conflict with the Soviet Union. Support for the resistance in Afghanistan is important to maintain the credibility of both the nonaligned and Islamic aspects of Iranian foreign policy.

Since the beginning of the war in Afghanistan, Iran has adopted an inflexible position in condemning the Soviet occupation irrespective of the ups and downs of its relationship with Moscow. Iranian-Soviet relations were tense throughout 1980-81, and the brief improvement following the February 1982 signing of an economic protocol also did little to bring about a softening of the revolutionary regime's public stance on Afghanistan.

On March 9, 1982, *Pravda* noted that despite Soviet support for the Iranian revolution, Iran had cut the number of their Soviet diplomats, closed a Soviet consulate and a Soviet-Iranian bank, denied visas to Soviet

correspondents, and curtailed cultural activities in Iran. The Communist Party newspaper also criticized the execution of leftists and the suppression of the Tudeh Party, Iranian support for Afghan guerrillas, and the pursuit of the "senseless war" with Iraq.<sup>1</sup>

Since the proscription of the Tudeh in May 1983, Soviet-Iranian relations have gone further downhill, freeing Teheran of any diplomatic obligations for moderation toward Moscow that might have existed previously. During the first half of 1983, there were a number of clashes between Iranian and Soviet troops on the border with Afghanistan, following which Iran reinforced its units in the area. Following these clashes, Iran has periodically accused the Soviet-installed Kabul regime of violating its border.

Despite the constancy in Iran's opposition to the Soviet military presence in Afghanistan, its practical support for the Afghan resistance has been full of inconsistencies. Mainstream resistance groups based in Peshawar receive assistance from Western and Islamic nations that are not necessarily considered friends by Iran. The revolutionary regime's hostility toward the United States and the conservative Arab states of the Gulf has made it suspicious of these *mujabidin* groups.

As a result of this suspicion, Iran has tended to sponsor and support pro-Iran guerrilla groups drawn mainly from the Shiite population of central Afghanistan. At least two major Peshawar-based *mujabidin* groups—Hizbe Islami of Gulbeddin Hekmatyar and Jamiate Islami of Burhanuddin Rabbani—have maintained links with Iranian authorities, but their relations have never been free of friction. Resistance leaders have accused Iran of seeking to extend cultural and political control over their movement, and some, with close ties to Saudi Arabia and other Gulf countries, have even shunned Iranian support publicly. One notable *mujabidin* leader, Abdur Rab Rasool Sayyaf, has accused the Iranians of promoting sectarianism within the resistance and has advised fellow guerrillas to refuse Iranian offers of assistance. There have also been reports of Iranian Revolutionary Guards engaging in propaganda among Afghan refugees against Afghan party leaders based in Peshawar and of fighting between pro-Iran groups and others inside Afghanistan.<sup>2</sup>

There are three large pro-Iranian organizations and several smaller factions in Afghanistan. Most of these groups operate in the areas bordering Iran and in the Hazarajat region in central Afghanistan. Apart from

<sup>1</sup>*Keesing's Contemporary Archives* (1982), p. 31545.

<sup>2</sup>James Rupert, "Afghan Rebels' Worry," *International Herald Tribune*, October 9, 1986.

these predominantly Shiite groups, the Iranians also exert influence over Hizb and Jamiat guerrillas operating out of their territory.

Despite their complaints over Iranian interference in the affairs of the resistance, neither Rabbani nor Hekmatyar seems willing to risk a total break with Teheran. These *mujabidin* leaders believe it is important to maintain receiving Iranian support despite its eclectic nature because it could become critical in case Pakistan is forced to negotiate a settlement excluding the *mujabidin* or if a future U.S. administration curtails backing for the resistance.

The divisive influence of Iran on the Afghan resistance can sometimes be overemphasized, leading to neglect of its positive contribution to the anti-Soviet struggle. Iranian-backed guerrilla groups have fought the Soviets in the western and central provinces of Afghanistan, adding to the momentum of the resistance nationwide. An Afghan *mujabidin* radio also operates from Iran, broadcasting to most parts of Afghanistan. The Islamic ideology of the Iranian revolution appears to have inspired many young Afghan fighters, who would probably not have been sufficiently motivated by a secular nationalist cause to take on the military might of a superpower.

In the diplomatic sphere, Iran has refused to join efforts for a peaceful settlement of the Afghan conflict unless the *mujabidin* are invited to join the negotiating process.

Earlier, in November 1981, the Iranian government had published details of a plan providing for the withdrawal of Soviet troops from Afghanistan and their replacement by a joint peacekeeping force comprising Iranian and Pakistani troops, as well as the troops of a unspecified third country. The plan, which was promptly rejected by the Kabul regime and the Soviet Union as well as three *mujabidin* groups, also provided for the replacement of the Afghan government by "a council of thirty clergymen of the Muslim World."<sup>3</sup>

After the failure of this early peace plan, Iran has remained aloof from negotiations on the Afghan question. U.N. negotiator Diego Cordovez and the Pakistan government have kept in touch with Iranian leaders, informing them of the progress in indirect talks at Geneva. The Islamic republic could use its influence with the resistance to scuttle any peace proposal it considers inconsistent with the dictates of ideology or the demands of Iranian foreign policy in the region. Similarly, any eventual Soviet-Iranian rapprochement could undermine the resistance in vast areas of Afghanistan where Iranian support plays a crucial role.

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<sup>3</sup>Keesing's *Contemporary Archives* (1982), p. 31801.

### **Chinese Policy on the Afghan War: Political and Military Support for the Resistance**

The PRC's stance on Afghanistan should be seen in the context of its overall relations with the Soviet Union, which is perceived by Beijing to be a hegemonistic superpower posing a direct threat to Chinese security. The PRC joined most of the world in condemning the Soviet occupation of Afghanistan in 1979, and the issue has focused prominently in Sino-Soviet normalization talks since then.

In his report to the 12th Congress of the Chinese Communist Party in September 1982, Party Secretary General Hu Yaobang listed the occupation of Afghanistan as one of three "great threats to the peace of Asia and to China's security." The other two were the stationing of "massive" armed forces along the Sino-Soviet and Sino-Mongolian borders and Soviet support for Vietnam's occupation of Cambodia. During the last four years, the PRC has repeatedly emphasized the need to resolve the three major issues before progress could be achieved in Sino-Soviet relations.

Given the fact that the PRC considers the Soviet military presence in Afghanistan as directly threatening as its troop concentrations along the Chinese border, the outcome of the Afghan war is of great importance to the Chinese.

Apart from supporting diplomatic efforts for the withdrawal of Soviet forces from Afghanistan, the PRC is known to have offered military assistance to the Afghan resistance. The Kabul regime, in particular, has targeted the PRC along with the United States and "reactionary Arab governments" as the backers of the anti-Soviet guerrilla war. At the beginning of February 1985, the Soviet-installed Afghan government officially protested to the Chinese, claiming they had "seized large amounts of Chinese-made weapons from rebel groups." In May 1984, Afghanistan's only nuclear physicist, Dr. Mohammed Younis Akbari, was sentenced to death for allegedly channeling Chinese funds to the *mujabidin*.<sup>4</sup>

The PRC's assistance to the Afghan *mujabidin* has played a significant role in the military situation inside Afghanistan. Resistance commanders say they find the light Chinese weapons more suitable and easier to handle than sophisticated Western weaponry. Spares and ammunition of most Chinese arms are compatible with weapons seized by the *mujabidin* from the Soviets and their Afghan allies, increasing the usefulness of Chinese supplies.

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<sup>4</sup>*Keesing's Contemporary Archives* (1985), p. 33992.

As a loyal friend of Pakistan, the PRC has supported Islamabad in its search for a negotiated settlement based on a short time frame for withdrawal of Soviet troops. Chinese backing is of particular significance in Pakistan where the United States is generally considered an untrustworthy ally and Beijing's stock is high on account of its support of Pakistan in its last two wars with India (1965 and 1971). Apart from pursuing a strategic imperative vis-à-vis the Soviet Union, the PRC also maintains the goodwill of Pakistan and other Islamic countries through its support for the Afghan resistance.

The PRC's position on Afghanistan is related to its rift with the Soviet Union and will not remain unaffected by any marked improvement in Sino-Soviet relations. Although progress in the healing of the rift is slow, it has been suggested that the PRC would become more amenable to Soviet positions in South Asia in return for Soviet concessions in East Asia should normalization talks succeed. Until that happens, the PRC can be expected to continue its political and military support for the Afghan resistance.

### **Indian Policy on the Afghan War: Seeking a Dominant Role**

The Afghanistan crisis has created a major dilemma for Indian foreign policy. As a founder and leading member of the Non-Aligned Movement, India should logically have condemned the Soviet occupation of a non-aligned country. To do so, however, could have adversely affected New Delhi's entente cordiale with Moscow. Furthermore, as a frontline state, Pakistan immediately became the principal South Asian actor in the Afghan crisis, which was hardly desirable from the Indian point of view.

Instead of joining the rest of the world in condemning Soviet occupation, India adopted a position close to that of the Soviet Union. It refused to single out the USSR for condemnation over its moves in Afghanistan and acknowledged the Soviet interpretation of events, saying its intervention had been in response to the interference of other countries in the affairs of Afghanistan.

During his visit to the United States in June 1985, Prime Minister Rajiv Gandhi summarized the Indian position on Afghanistan by saying that outside interference had jeopardized the stability of the region and that India was opposed to "both foreign presence and pressure." He added: "The one is advanced as justification for the other"; India stands for "a political settlement in Afghanistan which ensures sovereignty, integrity, independence, and nonaligned status and enables the refugees to return to their homes in safety and honour."

India's reluctance to oppose the Soviet Union can be explained in terms of the multifaceted relationship existing between the two countries. In his first broadcast to the nation as prime minister of India, on November 12, 1984, Rajiv Gandhi described Indo-Soviet ties as a "wide-ranging and time-tested relationship . . . based on mutual cooperation, friendship, and vital support when most needed."

Since 1950, the Soviet Union has put India in a special category in its foreign relations. The two countries have extensive economic and military ties, based on generous Soviet credits and foreign trade in domestic currency. Many of India's large public sector projects in steel, oil, electrical power, and heavy electrical and mechanical equipment sectors were built with Soviet assistance. By 1971, when the two countries signed a twenty-year treaty of friendship, the Soviet Union had become India's second largest trading partner and its principal source of modern arms.<sup>5</sup>

The 1971 Indo-Soviet treaty marked India's recognition of Soviet interests in South Asia in return for Soviet support for Indian aspirations to become the dominant regional power. Under the terms of the treaty, Moscow and New Delhi also pledged "not to enter into any obligation which might cause military damage to the other party." Tied to the Soviet Union through trade, diplomatic, military, and cultural cooperation, India would have found it difficult to confront it directly over the Afghanistan issue.

It chose, instead, to try and maximize its own influence in the region, possibly as a potential arbiter. By equating direct Soviet occupation with indirect American support for the resistance, India has tried to build a case for excluding all outside powers from South Asia. Repeated calls by Indian opinion leaders and pro-Indian academics in the West for a regional solution of the Afghan problem reflect India's desire to use Afghanistan as a test case for the assertion of its version of the Monroe Doctrine for the region.<sup>6</sup>

By tacitly endorsing the Soviet military presence in Afghanistan, India has isolated itself from the majority within the U.N. General Assembly as well as the Non-Aligned Movement (NAM). It has been accused by *mujabidin* leaders of assisting the Soviet war effort in Afghanistan by providing advisers to the Kabul regime, some of whom perform quasi-military functions such as maintaining wireless telecommunications. The difficult

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<sup>5</sup>For a brief description of Indo-Soviet relations, see Francine R. Frankel, "Play the India Card," *Foreign Policy* 62 (Spring 1986).

<sup>6</sup>For the case for recognition of India as the dominant regional power, see Selig S. Harrison, "Cut a Regional Deal," *Foreign Policy* 62 (Spring 1986).

position of acting as an apologist for the Soviets within the United Nations and NAM, as well as having to face accusations of assisting them in an unpopular war, have hurt India diplomatically.

Diplomatic respectability is an essential ingredient of India's international relations, and New Delhi has traditionally attached considerable significance to its image in international forums. This is related to India's view of its own greatness, which needs periodic reaffirmation through international recognition. In the absence of theaters of war where Indian military might could be deployed to demonstrate its status as a giant, New Delhi tries to score diplomatic victories at international meetings. Its Afghan policy is an aberration in this respect.

India's willingness to side with the Soviets on Afghanistan, ignoring the views of the majority of nations, is indicative of the depth of Indo-Soviet relations. It also reflects New Delhi's assessment that India's dominant role in the region will be determined by the interaction of the superpowers, in which it can play on American fears of Soviet influence while maintaining its friendship with the Soviet Union.

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## 6. The Soviet Union and Afghanistan

ZALMAY KHALILZAD

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### Historical Setting

Because of territorial contiguity and the spread of common ethnic groups across their border, Russian/Soviet interest in Afghanistan has been persistent. In the late nineteenth century after the defeat of several central Asian khanates, the Russians wanted to extend their conquest into Afghanistan but were deterred by the threat of war with the British empire.<sup>1</sup> In 1907 Russia and Britain agreed that Afghanistan was to be a buffer between their empires. In fact, however, for much of the period until its withdrawal from South Asia in 1947, Britain's influence was dominant in Afghanistan.

In the late 1950s Moscow emerged as the dominant external influence in Afghanistan when it signed a number of military and economic agreements with Kabul. Three factors were responsible for this development.

First was Afghanistan's failure to get American military assistance. After Britain's withdrawal from the subcontinent, Afghanistan sought American protection and assistance. In spite of Afghan efforts, a military relationship between Kabul and Washington was not developed. There were several reasons for this failure: Washington perceived Afghanistan as having little impact on relative American interests and power; the United States feared that the Afghans might use American weapons against Pakistan (Kabul had territorial claims in Pakistan's Pashtun and Baluch areas, the so-called Pashtun problem); and Washington assumed that the Afghans' fear of the Soviet Union would prevent them from turning to Moscow for assistance.<sup>2</sup>

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<sup>1</sup>Firuz Kazemzadeh, "Afghanistan: The Imperial Dream," *New York Review of Books*, February 21, 1980, pp. 10-14.

<sup>2</sup>For a discussion of U.S. policy toward Afghanistan, see Zalmay Khalilzad, "The United States and the War in Afghanistan," in Leo E. Rose and Noor A. Hussain, eds., *United States-Pakistan Relations* (Berkeley: Institute of East Asian Studies, University of California, 1985), pp. 174-95.

Second was Afghanistan's border dispute with Pakistan and the growth of a security relationship between Islamabad and Washington. The Pashtunistan conflict caused considerable tension in Afghanistan-Pakistan relations. The U.S. decision to provide military assistance to Pakistan in 1954 and the refusal to do the same for Afghanistan angered the Afghan government. Pakistan's membership in the Baghdad pact and SEATO (South East Asia Treaty Organization) convinced Kabul that the military balance was shifting against Afghanistan.

Third was Mohammad Daud's domination of the Afghan government. Daud, who became Afghanistan's prime minister, was strongly committed to the Pashtunistan concept—that is, establishing an independent state for the Pushtan ethnic groups in Pakistan. He also believed that Afghanistan needed a strong army not only because of the Pashtunistan problem but also in order to become a modern state. Daud also had a much lower perception of a possible Soviet threat to Afghanistan than did many other members of the Afghan elite. He was suspicious of Pakistan and the United States, and he feared that they might be plotting his overthrow.<sup>3</sup>

In sum, it was this combination of Daud's premiership in Afghanistan, the Afghan-Pakistan dispute, U.S. assistance to Pakistan, and U.S. reluctance to provide military assistance to Afghanistan that afforded Moscow an opportunity for greater influence in Afghanistan. Without any one of these circumstances, Afghanistan's relations with the Soviet Union might not have acquired the intensity that they did in the 1950s.

### **Afghanistan in Superpower Competition Until the 1978 Coup**

In 1955 a major escalation in Soviet involvement in Afghanistan occurred. A loan of \$100 million was signed. Several projects including oil and gas exploration in northern Afghanistan and the construction of highways were launched. Moscow also signed a \$25 million arms deal, and Afghanistan became increasingly dependent on the Soviets for military training. Daud's acceptance of Soviet arms came as a surprise to the United States. Paradoxically, then, the Afghan slant toward the Soviet Union brought what all the efforts before had failed to achieve: active U.S. interest. This increased American concern led to a phase of economic competition between the superpowers in Afghanistan. Between 1955 and 1965,

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<sup>3</sup>Leon Poullada, "Afghanistan and the U.S.: The Crucial Years," *Middle East Journal* 35:2 (Spring 1981):178-90.

the Soviets provided Afghanistan with \$552 million in aid. U.S. aid in the same period was \$350 million.<sup>4</sup>

However, while in the first decade after the Soviet-Afghan military agreement U.S. economic assistance was substantial, it decreased steadily during the second decade. Between 1965 and 1977, U.S. aid totaled \$150 million, less than half the amount for the previous ten years. By 1975 U.S. aid for Afghanistan had decreased to a symbolic level of less than \$20 million. This aid—including a small military training program—aimed at providing Afghanistan an alternative to total dependence on the Soviets.

While Washington was reducing aid, Moscow sustained not only its military aid but also its economic interactions. Between 1965 and 1977 it provided more than \$700 million in economic aid. The inventory of Soviet-supplied arms in Afghanistan in 1977 included more than 700 tanks and 184 combat aircraft. While there had been little trade with the Soviets before 1950, in the 1970s more than 50 percent of Afghanistan's trade was with its northern neighbor. Moscow became Kabul's principal supplier of capital goods, petroleum products, and sugar. One indicator of the importance Moscow attached to Afghanistan was that by 1970 it had become one of the three largest recipients of Soviet economic aid.<sup>5</sup> Besides influence on Afghan foreign policy and the military, Moscow also had close ties with two pro-Soviet communist groups—Parcham and Khalq. The factions were the result of the split of the first pro-Soviet Marxist-Leninist Party, the People's Democratic Party of Afghanistan (PDPA), which was established in 1965.<sup>6</sup> In the 1960s and 1970s Parcham and Khalq followed a dual strategy: both participated in parliamentary elections but also infiltrated the armed forces to prepare for a military takeover. The coup strategy was the result of a recognition that they were unlikely to come to power through the electoral process in a country with a deeply rooted Islamic tradition. By 1973 both factions had considerable success—especially Parchami infiltrating the armed forces.

By 1973 the Parchamis had gained enough support in the armed forces to play a major role in overthrowing Zahir Shah and returning

<sup>4</sup>Mohammad R. Azmi, "Soviet Politico-Military Penetration in Afghanistan 1955 to 1979," *Armed Forces and Society* 12:3 (1986):329–50; and Wallis Hagen, "Afghanistan," *Yale Review* 56 (October 1956):61.

<sup>5</sup>Borys and Lewytzkyi, eds., *The Soviet Union: Figures, Facts, Data* (New York: Saur, 1979), pp. 348–55.

<sup>6</sup>For a discussion of the PDPA and its splits, see Anthony Arnold, *Afghanistan's Two-Party Communism: Parcham and Khalq* (Stanford, Calif.: Hoover Institution Press, 1983).

Mohammad Daud to power. In supporting the 1973 coup, pro-Soviet leftists miscalculated by casting Daud in the role of their Nagib (the frontman of the 1952 Egyptian coup, who was subsequently replaced by Nasser). Initially, it seemed that their plans were working. Daud expressed support for Moscow's anti-Chinese Asian collective security plan, appointed Parchamis at all levels of government, and followed the Soviet line against Iran and Pakistan. The Soviets, in turn, increased their economic aid to Afghanistan, as in the February 1975 loan agreement of 308 million rubles. The number of Soviet advisers in Afghanistan increased. However, once he had consolidated his rule, Daud broke with the pro-Soviet leftists, having become convinced that their support was tactical and fearing they would replace him at an opportune time. Daud also shifted his foreign policy. In 1975 he sought improved relations with China, Iran, Pakistan, and the United States.

The Soviets reacted to Daud's shifts with alarm. Reportedly, Brezhnev pleaded with Daud to change his policies. Daud reportedly responded that he would not allow the Soviets "to interfere with the internal affairs of my country." As Daud's relations with the Soviets deteriorated, Parcham and Khalq formed an alliance to overthrow his regime, which they did in 1978.

Did the Soviets play a direct role in the 1978 coup? Although it is hard to establish direct Soviet complicity, several reasons would lead one to assume that at least they knew about it and did not discourage Parchami and Khalq coup plans. First, the alliance between Parcham and Khalq took place as a result of Soviet efforts. Second, given the state of relations among the Soviets, Parcham, and Khalq and the possible risks to Afghan-Soviet relations if the challenge to Daud's regime failed, it is unlikely that the two groups would have attempted a military coup without informing the Soviets and perhaps seeking their consent. Third, the Soviets had a well-developed intelligence outfit in Afghanistan and had some 350 military advisers in the country. It is unlikely that they did not know about Parchami and Khalq cells in the armed forces. They also probably had agents in the highest echelons of the Parchami and Khalq organizations. Fourth, Babrak Karmal, who headed the Afghan government after the Soviet military intervention in December 1979, boasted later that the Soviet Union "wanted that there should be revolution here." A KGB (Soviet secret police) defector has also reported that Khalq and Parcham sought and received Soviet endorsement for the coup.<sup>7</sup>

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<sup>7</sup>*Time*, November 27, 1982, pp. 33-34.

### Soviet-Afghan Relations After the 1978 Coup

The 1978 coup brought a dramatic change to Afghan-Soviet relations, even though the regime claimed to pursue a policy of nonalignment. After the 1978 coup Afghanistan became an enthusiastic supporter of the Soviet role in international affairs.<sup>8</sup> Kabul also intensified bilateral relations with Moscow. The number of Soviet advisers increased. Moscow promised to provide \$1 billion in aid between 1979 and 1984<sup>9</sup> and deferred Afghanistan's payment of all loans and interest for a ten-year period.<sup>10</sup> The Afghan government hinted that it might seek associate membership in COMECON (the Council for Mutual Economic Assistance, the Soviet counterpart to the European Economic Community). Kabul and Moscow established a permanent intergovernmental Commission on Economic Cooperation. Soviet advisers were assigned to all Afghan ministries and were attached to the Afghan military units down to the platoon level and assisted in the establishment of party bureaus at all levels of the armed forces. Moscow also enlarged its influence in Afghanistan's education and mass communication institutions through an agreement providing for Russian language courses at Kabul University and other educational institutions. In September 1979 Hafizullah Amin (who headed the Afghan government in 1979 until Soviet forces moved into Afghanistan and killed him) revealed that 1,500 students had been sent to the Soviet Union and that an agreement for sending 2,000 to Bulgaria had been reached. Another indication of Kabul's rapid intensification of relations with Moscow was the 1978 Friendship Treaty, which called for the introduction of "appropriate measures to ensure the security, independence, and territorial integrity of the two countries." These provisions provided the Soviets with justifications for dispatching troops to Afghanistan.

After deposing Daud, the Khalq-Parcham coalition again began to deteriorate, resulting in the elimination of the Parchamis from positions of power. Babrak Karmal, who had been appointed vice-president after the coup, was sent to Czechoslovakia as ambassador and subsequently dismissed and discredited. With a number of other Parchami leaders he formed a leftist, pro-Soviet group in exile in Eastern Europe.

The post-1978 regime in Afghanistan declared that it had carried out a revolution and initiated a number of fundamental reforms in the

<sup>8</sup>For details, see Zalmay Khalilzad, "The Superpowers in the Northern Tier," *International Security* (Winter 1979-80).

<sup>9</sup>*New York Times*, April 28, 1979.

<sup>10</sup>Foreign Broadcast Information Service (FBIS), *Daily Report, Middle East and North Africa*, August 17, 1979, p. C3.

country's domestic and foreign policies. At the domestic level, it introduced a land reform, changed family laws, accelerated the literacy program, reformed usury laws, and changed the flag to a Soviet red. Although some of the reforms introduced by the regime were in fact essential and long overdue, bad planning, public opposition to the regime's ideology, and local politics prevented their successful implementation.

Although the new regime avoided the formal designation "Marxist," its ideological cast was unmistakable. A mandatory course for all students and members of the bureaucracy disseminated Marxist teachings under the less provocative title "Epoch-making ideology," and quotations from Marx and Lenin were attributed merely to the "great leader of the workers" and the "leader of the working class," respectively. People who attended mosques regularly were harassed and suspected of belonging to Islamic opposition groups.

Faced with growing opposition, the regime became increasingly repressive. President Amin himself admitted that more than 12,000 political prisoners were executed. The large-scale arrest of suspected opponents took on such dimensions that finally more than 20,000 people (4 percent of the city's population) were in jail in Kabul alone. (As a symbolic gesture after the overthrow of the monarchy in 1973 by Daud, the king's palace had been renamed "the Palace of the People." Following the large-scale arrests by Taraki's regime [Taraki headed the "revolutionary government" after the April 1978 coup until he was killed by Amin in September 1979], the population began to refer to the jail with macabre humor as the Palace of the People.)

Although the regime continued to claim that the reforms were succeeding and that, in fact, "class and national oppression had been eliminated," within a few months of the coup the country plunged into civil war. Groups based in different parts of the country, as well as those centered in Pakistan, challenged the regime, and guerrilla warfare began. The opposition forces scored major successes against the central government, especially in the countryside. After several purges and with the continuation of the civil war, army morale collapsed and defections increased; the growing role of Soviet officers in command functions contributed to the declining loyalty of the troops. Soviet pilots flew support missions in MiG-21s, and in September 1979 they took over the air base in Bagram, near Kabul. By October 1979 there were 7,000 Soviet personnel in Afghanistan. In December the Soviet army invaded. The civil war, which had been going on for more than a year before the Soviet invasion, caused an estimated 200,000 casualties and sent an even greater number of refugees to Iran and Pakistan. This situation was difficult for the Soviet

Union, but there is no indication that the United States made any moves to take advantage of the opportunities provided, by providing, for example, significant support to the opposition groups.

Although there is a great deal of uncertainty about the period preceding the December Soviet invasion, the most likely explanation is that the Soviet Union, facing the possibility of the overthrow of her client regime, tried to salvage the situation through a reconstitution of the government and a rapid shift in its policies. Apparently, in September Taraki was persuaded that Prime Minister Amin was a suitable scapegoat and should be sacrificed. A new government with a broader coalition, including the Parchamis, would then be established and begin abandoning or revising those policies that were most unpopular. Such a plan may have been agreed between Brezhnev and Taraki in Moscow in September 1979. Amin received information about his intended elimination through Taraki's military aide, Tarun, and acted quickly to preempt Taraki's plan. Taraki was assassinated, and Amin assumed the president's position in addition to his prime minister's. (Tarun's alleged role as informant is made plausible by the fact that one of the country's largest cities was named after him as a posthumous honor.)

Amin then proceeded to put into practice some of the measures purportedly agreed to by his predecessor and by the USSR. He attempted to cast Taraki in the role of scapegoat, blaming the excesses of the previous government on the cult of personality that the regime had built up around him. He also introduced political reforms and released some political prisoners. However, he balked at a reconciliation with Parcham, perhaps because of personality differences: Babrak Karmal and Amin had been adversaries before the 1978 coup. Otherwise, he was willing to go along with Soviet plans, believing implicitly that the Soviet Union had little choice but to support him in his regime.

The Soviet view was somewhat different. For one thing, Amin was clearly the strongman of the regime in the eyes of the Afghan population. Even before Taraki's death, he had held the significant political functions while Taraki's role had been a more symbolic one. Perhaps more important, Amin had demonstrated his independence of action in a way that did not bode well for Soviet control; thus a more tractable person less burdened with negative associations was desirable. At first, the USSR gave no sign of its doubts, however, congratulating Amin on his ascension to power and urging him to accept a greater Soviet military presence to protect his position against the opposition. These Soviet forces were the same ones that later participated in his overthrow and set the stage for the large-scale invasion of Afghanistan.

### Pattern

At the time of the Soviet invasion, both the balance of interest and balance of power in Afghanistan favored Moscow. The Afghan case indicates that the Soviet level of active involvement increased as ideological relations between Kabul and Moscow became closer. Moscow used indirect means—military assistance, economic ties, and links with sympathetic groups—to gain influence. When the gains were threatened by a popular revolt, it used direct measures—Soviet forces—to prevent a setback. This forward move took place against a country where U.S. involvement and interest had been very limited. It also took place at a time when the U.S. had suffered a number of setbacks in the area: The Iranian revolution had dealt a devastating blow to the U.S. position. U.S.-Pakistani relations were at a low ebb because of the dispute between the Carter administration and Islamabad on nuclear issues. U.S. weakness in the area did not produce restraint on the part of the Soviets, but instead led to a Soviet thrust southward.

### The Soviet War in Afghanistan: Miscalculations

On December 27, 1986, Moscow's war in Afghanistan entered its eighth year. It has yet to progress according to Soviet expectations. The Soviet-installed regime remains ineffective. Factionalism in the PDPA has increased. But most important, despite a commitment of some 120,000 Soviet troops, the Soviet and Kabul forces have been unable to rout the *mujahidin*. And so the war goes on.

But this is not the story of a stalemate. Rather, it is a tale of changing Soviet tactics against continued partisan resistance and of increasing competition between them for the support of the Afghan people at home and for public sentiment abroad. For its part, Moscow is escalating its military efforts and applying political pressure in the hope of undermining the Afghans' will to resist. The greater military effort is accompanied by a large-scale program of "Sovietization" designed to transform Afghan society along socialist lines. Moscow is also renewing its efforts to lessen support for the *mujahidin* in states friendly to them, especially Pakistan and Iran. It has allowed the Kabul regime to engage in U.N.-sponsored indirect talks with Pakistan, in the hope that diplomacy will supplement its military efforts against the *mujahidin*. Recently two changes have occurred in Soviet tactics: Moscow is expressing more interest than before in a political settlement and is projecting an image of flexibility, and the Soviets

have also increased the political and military pressure against Pakistan. The leaders of the Afghan resistance, for their part, are trying to strengthen their alliance among seven major factions, bring about greater coordination of military operations in Afghanistan, and adopt new political strategies in international forums.

In addition, the Soviet Union has also had to pay a higher price for its involvement than Soviet leaders had probably anticipated. Although exact figures are difficult to come by, the estimates are that between 15,000 and 50,000 Soviet soldiers already have lost their lives in Afghanistan.<sup>11</sup> Hundreds of planes, helicopters, tanks, and armored vehicles have been destroyed. Large facilities for accommodating Soviet forces in Afghanistan had to be constructed, and some of them have had to be rebuilt or repaired after being attacked by the resistance groups. The direct costs of the seven years of war have been estimated at US\$21–42 billion, not an insignificant amount for an economy that already suffers from serious shortcomings.<sup>12</sup> The Soviets also have had to assume some of the burden of the Afghan economy, which has been severely disrupted by the war. Moscow even has had to pay some of Afghanistan's foreign debt.

Afghanistan continues to be a political liability for the Kremlin. To the Soviets' dismay, they are widely seen as being colonialists. The U.N. General Assembly has called for the departure of "foreign troops" from Afghanistan since 1980 with larger majorities each year. The image of the Red Army has been tarnished by reports of the Soviet soldiers' drug abuse and defections. Soviet human rights abuses, detailed for example in the 1985 U.N.-sponsored report by Felix Ermacora,<sup>13</sup> the activities around the world of groups supportive of the *mujahidin*, and the continuing effectiveness of the principal resistance groups in Afghanistan continue to embarrass Moscow.

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<sup>11</sup>Estimates of the number of Soviet fatalities vary a great deal. The *mujahidin* estimated Soviet losses at 60,000 dead by the end of 1986.

<sup>12</sup>For economic costs of the war, see Joseph J. Collins, "The Soviet-Afghan War," in Robert E. Harkavy and Stephanie G. Neuman, eds., *The Lessons of Recent Wars in the Third World*, vol. 1 (Lexington, Mass.: D.C. Heath, 1985), p. 197; also Nake Kamrany and Leon Poullada, *The Potential of Afghanistan's Society and Institutions to Resist Soviet Penetration and Domination* (Los Angeles: Modeling Research Group, 1985). The authors assert the economic costs could be US\$12 billion annually.

<sup>13</sup>Felix Ermacora, *Situation of Human Rights in Afghanistan*, A140–843 (New York: Economic and Social Council of the United Nations, November 5, 1985).

### **Soviet Military Tactics**

The Soviet invasion of Afghanistan began in earnest on December 24, 1979, when Soviet airborne troops began to land at Kabul. Within three days, some 5,000 troops had been airlifted to the Afghan capital. With these forces the Soviets overthrew the communist government headed by Hafizullah Amin, disarmed Afghan soldiers in Kabul, and seized important facilities, such as the radio station.<sup>14</sup> As the airborne troops were taking over the Afghan capital, two Soviet motorized rifle divisions crossed the Amu Darya (Oxus River) from Central Asia. More forces followed. By early January 1980, the number of Soviet soldiers in the country had reached 85,000.

The Soviets divided the country into seven military regions. The 201st Motorized Rifle Division, situated at Konduz and Fayzabad, had primary responsibility for the security of the northeast. The 16th Motorized Rifle Division, based in Mazar-e-Sharif, was responsible for the security of Balkh province and surrounding areas. The 275th Division, operating out of Jalalabad, was assigned the East-Central region. The 105th Airborne Division and the 360th Motorized Rifle Division were made responsible for the security of Kabul and the surrounding areas. The 54th and the 68th were responsible for Herat and western Afghanistan, the 357th for Qandahar in the southeast. The Soviets also have air assault brigades in various locations. Some 30,000 soldiers based in Soviet Central Asia are held in reserve along the Afghan border for possible use in Afghanistan, especially northern Afghanistan.<sup>15</sup>

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<sup>14</sup>As a KGB defector reported, the Soviets deployed in the vicinity of Kabul moved to eliminate Amin with speed and efficiency:

Along the road, the column was stopped at an Afghan checkpoint. Afghan troops gathered around to find out what was happening. Suddenly the flaps of the front vehicle went up and the Afghans were machine-gunned to the ground. The column rolled on. When it reached the palace, the special troops attacked from three sides, while Colonel Bayerenov led the attack on the palace. The attack got off to a good start. It would have been better had the leading armored vehicle not got caught up in the palace gates. Moscow wanted no Afghans left to tell the tale of what had happened in the palace. No prisoners were to be taken. Anybody leaving the building was to be shot on sight. Amin was found drinking in a bar on the top floor of the palace. He was shot without question.

*Time*, November 27, 1982.

<sup>15</sup>*New York Times*, October 9, 1980; David Isby, "Afghanistan, 1981: The War Continues," *International Defense Review* (Geneva), no. 11 (1982); and the International Institute for Strategic Studies, *The Military Balance, 1984-1985* (London: IIS, 1985).

The number of Soviet troops stationed in Afghanistan was increased by about 10,000 soldiers annually in 1981, 1982, and 1984. There are indications that in 1985 the increase was around 5,000. There was no increase in 1986 and there has not been any increase so far this year. In 1986 some three thousand forces were withdrawn. Thus, the total number of Soviet troops committed to Afghanistan is approximately 147,000—117,000 inside Afghanistan and some 30,000 on the Afghan border.<sup>16</sup>

The Soviets have also upgraded their weapons. MiG-21 aircraft have been replaced by MiG-23 fighters and MiG-27 strike planes. Two squadrons of the sophisticated Su-25 fighters have been deployed in Afghanistan. The Soviets have also dramatically increased the number of Mi-24 helicopter gunships and have introduced a large number of heavy-lift helicopters. The Soviet ground troops are also using much more sophisticated equipment.<sup>17</sup>

Soviet military tactics have changed over the years, indicating a trial-and-error search for approaches that might work. During 1980, believing that the *mujabidin* could easily be defeated, the Soviets employed large formations in an offensive strategy against the resistance forces, pursuing them to their strongholds. Intense fighting took place in the eastern and northeastern parts of the country, especially in Konar and Badakhshan provinces. But the *mujabidin*—not surprisingly—used tactics different from those Moscow expected them to use. Rather than standing in place and fighting a conventional war, they adopted hit-and-run tactics.<sup>18</sup>

Lack of success led Moscow to change its approach. Rather than pursuing the resistance and seeking quick victory, the Soviet forces went on the defensive. They sought to maintain control over the cities and towns, key communication points, military facilities, and main transportation arteries, leaving the countryside to the resistance. The shift, which occurred late in 1980, was influenced by two other factors. First, major uprisings occurred in several Afghan cities including Kabul, Herat, Jalalabad,

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<sup>16</sup>U.S. government sources estimate that the total number of Soviet troops in Afghanistan was 120,000 in the fall of 1985. *Washington Post*, December 27, 1985.

<sup>17</sup>Collins, *Soviet-Afghan War*, p. 197 and passim.

<sup>18</sup>For a discussion of Soviet military efforts, see Zalmay Khalilzad, "Soviet Occupied Afghanistan: The Soviet Experience," *National Defense*, vol. 66 (1982), pp. 20–22; Nearby Observer, "The Afghan-Soviet War: Stalemate or Evolution?" *Middle East Journal* (Washington, D.C.) (Spring 1982); and Charles Dunbar, "Afghanistan in 1986," *Asian Survey*, February 1987.

Sorubi, and Aybak.<sup>19</sup> Second, the resistance groups were complicating Soviet logistical problems and the normal economic functioning of the country by attacking the country's lines of communication. The Soviets were, as they continue to be, particularly concerned with threats against the Salang Tunnel on the road linking Kabul to the Soviet border in the north. The Panjshir partisans, led by Ahmed Shah Massud, who is by now the best known of the *mujabidin* commanders, were a continuous threat to the Salang Pass.

The Soviets left the responsibility for pursuing the *mujabidin* in the outlying areas largely to the Afghan regular forces under the control of the Karmal government, which had been installed after the Soviet invasion. These forces, however, were much weakened after the invasion by the defections of between 30,000 and 40,000 soldiers to the *mujabidin*.<sup>20</sup> Moscow also began to rely on small and mobile forces conducting search-and-destroy operations. According to many reports, including a number of documents released by the U.S. government, the Soviets also began to use chemical weapons on a significant scale against the *mujabidin*.<sup>21</sup>

Soviet operations in 1981 reflected the new approach. The biggest operations were carried out in Panjshir, because of concern over the security of the Salang Road, and in the Paghman area, which is sixteen miles northwest of Kabul. Between June and September both regions were subjected to major attacks by the Soviets. The Soviets responded to an uprising in the city of Qandahar with artillery bombardments.

The disappointing results of the 1981 operations prompted the Soviets to send a high-level delegation headed by First Deputy Defense Minister Sergey Sokolov to Afghanistan at the end of the year. Apparently, Sokolov concluded that the number of Soviet forces was inadequate even for a defensive strategy and recommended that more forces be sent to Afghanistan. While their forces focused on holding the cities and keeping the lines of communication open, the Soviets encouraged Karmal to go on the offensive against the *mujabidin* in the rural areas. Karmal exhorted his forces to take "the revolutionary struggle" to the provinces, districts, and villages.

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<sup>19</sup>Henry Bradsher, *Afghanistan and the Soviet Union* (Durham, N.C.: Duke University Press, 1983), p. 208.

<sup>20</sup>*Ibid.*, p. 206.

<sup>21</sup>U.S. Department of State, *Special Report*, nos. 98 and 104 (Washington, D.C.: U.S. Government Printing Office, 1982).

Soviet efforts in 1982 again failed to bring major victories. Soviet forces bombed the Shomali region near Kabul because the *mujabidin* had attacked the Bagram Air Base from that area. Moscow also applied substantial force against Herat in July after part of that city fell to the *mujabidin*. The Soviets also carried out two offensives in the Panjshir Valley to reduce the pressure against the Salang Road (May and August). The May offensive was one of the biggest military operations since the invasion, involving some 12,000 to 15,000 soldiers. The Panjshir offensive was followed by a similar move once again against Paghman in June-July.<sup>22</sup> By the end of July the Kabul regime had declared the area free of *mujabidin*. However, in October and November the Soviets carried out yet another offensive against the area. In both Paghman and Panjshir the Soviet dilemma in 1982 was that when they moved into the area the *mujabidin* retreated from the valley to the mountains and then carried out attacks against the Soviets and the Karmal troops at times of their choosing. In order to flush out the *mujabidin* from caves where they had hidden, the Soviets continued to use chemical weapons—incapacitants, lethal chemicals, and perhaps even mycotoxin biological weapons. According to the U.S. government estimates, some 3,000 deaths resulted from Soviet use of these agents in 1981 and 1982.<sup>23</sup>

It was probably not until 1983 that the Soviet leaders realized that, short of a massive increase in the number of their forces, a quick military victory in Afghanistan was unlikely. Yet the Soviets did not augment their forces in 1983. Moscow might have begun considering at that point the possibility that the negotiations on a settlement, initiated in 1982 under U.N. sponsorship, might bring about international acceptance of the Soviet-installed regime. Moscow may also have been reacting to growing international criticism of its conduct of the war, especially the use of chemical agents (which became considerably less frequent during 1983).<sup>24</sup>

From a military viewpoint, 1983 was a mixed year for the Soviets. Having failed to defeat the *mujabidin* in Panjshir, the Soviets sought to divide the resistance parties by offering Massud a cease-fire, to which he

<sup>22</sup>Edward Girardet, "How Stubborn Tribesmen Nibble Russians to Death," *U.S. News and World Report*, July 12, 1982; and U.S. Department of State, *Afghanistan: Three Years of Occupation*, Special Report, no. 106 (Washington, D.C.: U.S. Government Printing Office, December 1982).

<sup>23</sup>U.S. Department of State, Special Report, nos. 98 and 104; also the *Christian Science Monitor*, September 16, 1982.

<sup>24</sup>William Branigan, "Afghanistan: Inside a Soviet War Zone," *Washington Post*, six-part series, October 1983.

agreed. (The ceasefire, which lasted until spring 1984, caused some resentment against Massud both within his own group as well as among other resistance leaders.) However, in several other areas the Soviets faced increased military pressure. During the summer Kabul itself, its Bala Hissar barracks, and the Soviet military headquarters and embassy came under attack on a number of occasions. For several months the Soviets lost control in parts of Herat, Mazar-e-Sharif, and Qandahar. To deal with these *mujabidin* attacks, the Soviets bombed the western suburbs of Herat in April, causing heavy casualties.<sup>25</sup>

Soviet frustrations led to more modifications in tactics in 1984, including increased attacks on civilians, a greater reliance on Soviet troops, and the establishment of security outposts manned by Soviet troops. The Soviets apparently made a conscious decision to go directly after civilian targets in areas of strong resistance. Crops were burned, animals killed, and houses destroyed. At times, hundreds of civilians were killed. This led to the depopulation of some resistance strongholds—for example, Paghman and parts of Panjshir, Logar, and Paktia. In some areas, the resistance units now have to bring along their own food supplies since the local population is no longer there to provide it. The object of this policy was to complicate the logistics of the resistance among the non-combatant population. Moscow might also have intended to increase the number of refugees in Iran and Pakistan in the hope of turning around the positive attitude toward the *mujabidin* in both countries.<sup>26</sup>

The Soviets also began to employ a mix of large conventional forces and small special forces units in their operations. The special forces increasingly engaged in guerrilla-type operations against the *mujabidin*. Another innovation was the use of helicopter units for night-time attacks. The use of Soviet forces in challenging resistance control in the countryside increased, thus modifying an earlier tendency to leave that job to Kabul regime forces. A large Soviet force was sent to Paktia province during April and May to relieve the besieged Khost military outpost, but it failed to achieve this objective.

To make Kabul secure, security roads were built around the city. These made large-scale infiltration of the city difficult. As a result, the resistance had to acquire rockets with a greater range so as to hit the Afghan

<sup>25</sup>Louis Dupree, "Afghanistan in 1983: And Still No Solution," *Asian Survey*, February 1984; Sayed B. Majrooh, "Afghanistan 1983," *Monthly Bulletin*, nos. 32, 33 (November-December 1983) (Peshawar: Afghan Information Center); *U.S. News and World Report*, August 1, 1983, p. 22.

<sup>26</sup>John Keegan, "The Ordeal of Afghanistan," *Atlantic Monthly*, November 1985; Kamrany and Poullada, *Potential*, p. 121.

capital. Moscow also increased the number of fixed military posts along important highways, for example, on the roads between Kabul and Konduz and between Kabul and Jalalabad.

The Soviets used a large number of their own forces to attack Panjshir in April. Heavy bombers based in the Soviet Union were used for high-altitude saturation bombing. The Soviets also built five garrisons running the length of the Panjshir River valley.<sup>27</sup> Most of the 40,000 civilians still there left the area and have not returned. However, the areas in the mountains remained in Massud's hands. Soviet efforts to kill or capture him also failed. This time, the operation against Panjshir was a bigger success than on previous occasions, as it decreased the pressure on the Salang Pass and significantly increased Massud's difficulties. However, Soviet forces in the area were subjected to sustained attacks and also suffered many casualties.

The Panjshir operation was followed by similar attacks in Herat, Takhar, and Qandahar provinces. Again hundreds of civilians were killed because of indiscriminate bombing of residential areas in the cities of Herat and Qandahar. The resistance in turn increased its pressure against Soviet strongholds including the military base Khair Khana (near Kabul) and shelled the city of Kabul itself, causing frequent and serious disruptions in the supply of electricity and other services.<sup>28</sup>

The attacks in 1984 began a new phase in Soviet military policy in Afghanistan that can be characterized as an incremental escalation aimed at breaking the stalemate in the war. In 1985 the Soviets accelerated this trend. They carried out several major offensives against resistance strongholds—Herat was attacked twice, in April and October, Konar in June, Panjshir in July, and Paktia in September.<sup>26</sup>

Soviet military actions in 1985 also had two additional goals. First, the Soviets strengthened their efforts to cut off or limit the supply routes of the *mujahidin*. Increased military activity near the Iranian and Pakistani borders was intended in part to serve this purpose. Lacking the manpower in Afghanistan to seal off the more than 1,500 miles of Pakistani border and the more than 400-mile-long border shared by Afghanistan with Iran,

<sup>27</sup>"Panjshir—The Seventh Offensive," *Central Asian Survey* (Oxford), Incidental Papers Series, no. 1, 1985.

<sup>28</sup>U.S. Department of State, *Afghanistan: Five Years of Occupation*, Special Report, no. 120 (Washington, D.C.: U.S. Government Printing Office, December 1984).

<sup>29</sup>For reports on these attacks see the fortnightly bulletin, *Afghan Realities*, published by the Afghan Information and Documentation Center, Peshawar, Pakistan. Also see *Monthly Bulletin* and the reports in *Afghanistan Forum* (New York).

the Soviets have relied on land mines and occasional special forces operations in the border areas. The Soviets have supplemented these efforts by seeking support among the Pashtun tribesmen in the Pakistani border area in the hope that these tribesmen would prevent the *mujabidin* from crossing into Afghanistan.<sup>30</sup> According to the *mujabidin*, however, Soviet efforts to close the supply routes have made access only more difficult, not impossible.

By bringing the war closer to the Pakistani and Iranian borders, the Soviets were pursuing their second goal, namely, to induce Pakistan and Iran to cease supporting the *mujabidin*.<sup>31</sup> In late 1985 the Soviets carried out two major military offensives close to Pakistani territory in Konar and Paktia. Air and ground incursions into Iranian and Pakistani territory were increased. During 1985 there were more than two hundred such incursions against Pakistan. The same pattern continued in 1986, but the Soviets began to indicate a greater desire than before for a political settlement. At the military level in 1986, Moscow continued its 1985 tactics, making greater use of its 4,000–5,000 special forces (*spetsnaz*). These forces also reportedly fight well and intelligently. The Soviet forces also used more sophisticated tactics to ambush *mujabidin* supplies and forces. These tactics have forced the *mujabidin* to move more carefully and in smaller groups.

Moscow made frequent use of heliborne assaults and airpower in general. The airpower was an important factor in the Soviet operation in Paghman in late 1985 and in the temporary occupation of Zhawar Kelli—a strong resistance military base near Pakistan—in April 1986. During 1986 the effectiveness of Soviet airpower was challenged by a dramatic increase in *mujabidin* antiaircraft capabilities.

In 1987 frustration inside Afghanistan led Moscow to accelerate its pressure on Pakistan. Cross-border air and ground attacks against Pakistan have increased. Soviet-inspired terrorist bombing in Pakistani cities, including Peshawar, has also been on the rise. Recently, the air attacks have declined and the number of terror bombings has been on the rise. The Soviets probably hope that these measures will lead to increased domestic pressure on the Pakistani government to weaken its position on Afghanistan.

### **The Sovietization Program**

The Soviets have paired greater military efforts with a substantial political and economic program to mold Afghan society in the Soviet

<sup>30</sup>Author's interviews in Pakistan and New York, fall of 1985.

<sup>31</sup>*Muslim* (Islamabad), October 11, 1985.

image.<sup>32</sup> This has produced a crippling dilemma. While the Sovietization program seeks to convert Afghans into loyal supporters of the communist regime, the massive use of force only increases the Afghans' hostility toward the Soviets and the communist regime they support. Yet to transform Afghanistan into a pacified Soviet satellite, the Soviets must first subdue the Afghan resistance militarily and politically. Soviet co-optation efforts are unlikely to work as long as Moscow conducts what amounts to a genocidal war against the Afghans. Nevertheless, in the long term, Moscow's program might have some effect, especially if the war goes badly for the *mujabidin*.

Moscow's program has many elements, including the expansion of existing Afghan coercive institutions and the creation of new ones under Soviet control. Moscow has sought to increase the size and competence of Kabul's armed forces in hopes of turning the war into a purely Afghan struggle and so gradually ending direct Soviet participation. (Here the Soviets have failed, as Soviet direct involvement in the fighting against the *mujabidin* has increased.) To augment the regime's forces, draft laws have been changed several times. Each change extended the length of service and lowered the draft age. At times, conscripts were made to remain in service even though they had completed their term. The regime also resorted to press gangs and street roundups of young men for military service. But these measures—accompanied as they are by attacks against civilians and the misuse of Afghan soldiers and officers—have resulted in widespread defections and evasion of military service. Before the Soviet invasion the Afghan armed forces had numbered close to 100,000; at present they number around 50,000 men, many of whom are of questionable loyalty and some of whom directly or indirectly aid the *mujabidin*. Afghan pilots have been known to drop their bombs in the desert rather than on the target area. On several occasions Afghan regular forces have sabotaged Soviet-controlled military facilities. One dramatic example of this occurred in May 1985 when some twenty aircraft were destroyed by Afghan officers at the Shindand military base. In another instance officers with ties to the resistance flew two Mi-24 helicopters to Pakistan.<sup>33</sup> In November 1985 four army generals were arrested and reportedly executed for collaborating with the *mujabidin*.<sup>34</sup> Defections by senior Afghan regime military officers have continued.

<sup>32</sup>See Zalmay Khalilzad, "The Soviet Dilemma in Afghanistan," *Current History*, October 1985, p. 334.

<sup>33</sup>*Afghan Realities*, July 16, 1985.

<sup>34</sup>See U.S. Department of State, Special Report, no. 135, December 1985, p. 7.

Struggles between adherents of the two factions of the PDPA—the Parcham and Khalq—have particularly affected the armed forces. Before the Soviet takeover, Khalqi officers dominated the armed forces. However, since 1979 the number of Parchamis has been increasing so fast in the armed forces that they might now be predominant. This is clearly resented by the Khalqis. Khalqi officers have been reluctant to follow the orders of Parchami officers. At times actual battles between the two factions have taken place. For example, in June of 1983 fighting in the 25th Division between the two groups raged for three days. Parchamis often accuse Khalqi officers of cooperating with the *mujabidin*.<sup>35</sup> Babrak Karmal's replacement by Najibullah as the General Secretary of the PDPA in the summer of 1986 has led to a fragmentation within Parcham.

The state secret police, KHAD, has grown considerably since the invasion. This KGB-run organization is spreading its influence over the state and party apparatuses. Its status was enhanced officially in 1986 when it became the Ministry of Internal Security (WAD). It carries out surveillance over the government and the military, employing a mixture of brutal tactics and economic rewards to undermine popular support for the *mujabidin*. It also seeks to infiltrate the resistance and probably has been responsible for the assassinations of several of its commanders. There are reports that KHAD may have more than 20,000 operatives among whom are a number of common thugs. The Soviets run a large training program for KHAD personnel.<sup>36</sup> KHAD is embroiled in conflicts with other institutions, notably the military.<sup>37</sup>

The Soviets have also had some successes with the militias whose formation they have promoted. The purpose of the militias is to decrease the military burden on the Soviet and Afghan armed forces and to win over critical local leaders. Local leaders are encouraged to form militias to keep the *mujabidin* out of their areas. In return, they are allowed to keep their weapons and receive financial support and weapons from Kabul. The formation of militias has been fostered especially in the border areas to limit the infiltration and resupply of *mujabidin* from neighboring states. However, militias in urban institutions, in factories and schools for example, have been created as well. The militias have at times been a significant problem for the resistance, even though some local leaders have sided with the *mujabidin* after getting money and weapons from Kabul.

<sup>35</sup> *Washington Times*, January 13, 1986.

<sup>36</sup> Henry Bradsher, "Afghanistan," *Washington Quarterly*, Summer 1984, p. 51.

<sup>37</sup> Edward Girardet, "Russia's War in Afghanistan," *Central Asian Survey*, July 1983, pp. 94–95.

Another form of the Sovietization effort has been the expansion of the PDPA. Since the original communist coup of 1978, when party membership stood at 5,000, the PDPA has expanded to more than 180,000 members according to Soviet and Kabul sources. Actual membership is probably less than half that number. Nevertheless, the party and its affiliated organizations have become a means for expanding the base of support for the regime. Under Soviet prodding, the Kabul regime has pressured government personnel, especially Afghan military officers, to join the party. A refusal to do so can bring loss of position and benefits. Many of those who have joined the party have done so for practical reasons—to obtain government jobs and contracts, admissions to the university, scholarships to study abroad, or merely to avoid problems with the occupying power.

These members would no doubt abandon the PDPA in large numbers if the collapse of the pro-Soviet regime became imminent or if the Soviet forces were about to leave. However, should the Soviets win the war or be perceived as doing so, the party would find many more recruits. Yet the influx of new party members has done little to dilute the factional conflicts.

A number of PDPA-dominated institutions have been established under the communist government. They are intended not only to make Afghanistan structurally similar to the USSR but also to facilitate the political indoctrination and mobilization of the population. This is especially true of institutions such as the Democratic Youth Organization, similar to the Soviet Komosol, and its affiliate, the Pioneer organization for children between ages 10 and 15. The Kabul regime and the Soviets are sparing no efforts to influence Afghan youths. Since the Soviet invasion 25,000 to 40,000 Afghans have been sent to the Soviet Union to be educated. There are presently more students in the Soviet Union from Afghanistan than from any other country with the possible exception of Vietnam. The adults who are educated in the Soviet Union are rewarded upon their return, generally with government positions.<sup>38</sup>

Increasingly, the Afghan students being selected for training in the Soviet Union are orphaned and quite young. They currently number between 5,000 and 10,000. Most are expected to spend as many as ten years in the USSR. The emphasis on children and orphans is a newly visible element in Moscow's Sovietization program.<sup>39</sup> Afghan resistance commanders have reported capturing "child soldiers" between ages 8 and 15

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<sup>38</sup>*Der Spiegel* (Hamburg), November 4, 1985.

<sup>39</sup>*Ibid.*

who, they claim, have been trained in the Soviet Union to perform espionage work and carry out assassinations.

Yet the Soviet experience with Afghan students so far has not been entirely positive. The ongoing war obviously generates hostility toward Moscow even among them. Moreover, some face discrimination when in the Soviet Union. Nevertheless, even if only half of the students currently in the Soviet Union and Eastern Europe return to work in collusion with the Soviets, it undoubtedly could have a substantial impact on the future of Afghanistan. Moscow probably believes that Afghanistan will not be pacified until its Sovietization program succeeds in transforming traditional Afghan social patterns. No doubt the Soviet investment in Afghanistan's youth is intended to bring about such a transformation.

In Afghanistan itself, although a large number of the country's educational institutions have been disrupted or destroyed (50 percent according to Kabul government figures), those that remain under regime control are being restructured along Soviet lines. Russian is being made a required subject beginning with the fourth grade, while English, French, and German classes are being phased out.<sup>40</sup> Many of the administrators and teachers in Afghan schools come from the Soviet Union or Eastern Europe. All cultural and educational cooperation agreements with Western nations have been terminated. The curriculum now includes courses on "sociology," which in fact teach communist ideology. The version of Afghanistan's history now being taught has been tailored to inculcate pro-Soviet and pro-regime attitudes.

Sovietization extends also to the economic sphere. The Soviet Union has not only increased its economic ties with Afghanistan since the invasion but has encouraged the Kabul regime to sever its ties to the West. Some 70 percent of Afghan trade is now with Soviet-bloc countries.<sup>41</sup> The Soviets have encouraged the exploitation of Afghan natural resources. They have tripled their gas imports from Afghanistan, but pay less than the international price. Payments for gas are deducted from the growing "Afghan debt" to the Soviet Union. Afghan officials cannot tell how much gas is being exported to the USSR, since the meters are situated inside the Soviet Union and the Afghans do not have access to them.<sup>42</sup> Intrastructural ties

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<sup>40</sup>*Christian Science Monitor*, December 30, 1985, pp. 7-8, and January 6, 1986, pp. 11-12; and Professor Matinshah Safi, "Russification of Education in Afghanistan," mimeo (Peshawar: Afghanistan Education Committee, n.d.).

<sup>41</sup>*IMF Directions of Trade 1985* (Washington, D.C.: International Monetary Fund, 1985).

<sup>42</sup>Edward Girardet, *Afghanistan: The Soviet War* (New York: St. Martin's Press, 1985), p. 155.

to the Soviet Union have been multiplied. Moscow has even replaced the Afghan airline's planes acquired in the West with planes made in the Soviet Union. As in the political and military sphere, the Soviets are basically drafting the economic plans and programs to be followed by the Kabul regime.<sup>43</sup>

It is clearly Moscow's expectation that a combination of escalating military pressure and the ambitious Sovietization program will wear down the Afghan resistance over time. The results so far are mixed.

### Political Settlement

Since 1982 Moscow has allowed the Kabul regime to participate in negotiations with Pakistan aimed at finding a political settlement. Presently, the formal negotiations on Afghanistan are the "proximity" (indirect) talks between the Kabul government and Pakistan. These talks are sponsored by the United Nations. The talks have gone through several phases, during which conflicting proposals were made both on the format and substance of a settlement. In December 1985 reports were issued that the two sides had agreed that a settlement should consist of four instruments.<sup>44</sup> Reportedly, Kabul and Islamabad have already reached agreement on three of the four documents comprising the settlement. The first document deals with what is called "noninterference and nonintervention" and is to be ratified by Islamabad and Kabul. This instrument will require the end of outside assistance to the *mujabidin*. Presumably, Kabul will undertake not to interfere in Pakistani affairs by ceasing to support Pashtun and Baluch separatists and tribal opponents of Islamabad and thus implicitly recognize the disputed border between the two countries—the Durand line.

The second document deals with international guarantees of the settlement. The two sides have agreed that Washington and Moscow should be the guarantors of an Afghan settlement. The United States has announced its willingness "to play an appropriate guarantor's role in the context of a comprehensive and balanced settlement," and has informed the United Nations that it finds this document acceptable.<sup>45</sup> The American

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<sup>43</sup>Ibid.

<sup>44</sup>Abdul Waheed (Pakistan Ambassador to the Federal Republic of Germany), "Afghanistan—A Forgotten War," paper presented at a conference on Afghanistan sponsored by the Hanns-Seidel-Stiftung, Munich, December 16–17, 1985; and the *New York Times*, January 1, 1986.

<sup>45</sup>Waheed, "Afghanistan."

declaration reversed an earlier posture by which Washington would not support any one component of the settlement until the entire agreement was completed.

The third document focuses on the return of Afghan refugees to Afghanistan. According to the Pakistanis, before the refugees return to Afghanistan they will be consulted regarding the "conditions" acceptable for their return, which will be "voluntary."<sup>46</sup> An agreement on the fourth instrument—which is to set out the interrelationship among the first three documents as well as deal with the withdrawal of foreign troops—is yet to be reached. This document is expected to have specific dates as to when the withdrawal will begin and when it will be completed. Until 1986 the Kabul regime refused to provide these dates, making their provision conditional on Pakistani acceptance of face-to-face negotiations in future talks. Pakistan rejected this demand and finally the Kabul government agreed to submit a timetable of four years in 1986.

The negotiations suffer from several potentially serious problems.

First, since they do not directly include the *mujabidin*, the partisans have opposed these talks for fear that Islamabad might agree to something unacceptable to them. Islamabad might implicitly (or explicitly) agree to accept a communist-dominated government in Afghanistan and stop supporting the *mujabidin* in exchange for a promise of Soviet withdrawal and the willingness of the Kabul government to take back the Afghan refugees. The *mujabidin* are likely to reject such a formula since the removal of the communist-dominated government is one of their principal demands. To achieve it, at least some of the *mujabidin* are likely to continue their resistance even without Pakistani support. Yet without Islamabad's support, the *mujabidin* would be dramatically less effective, and thus make it possible for Moscow and its local surrogates to overcome an increasingly weak opposition. Moreover, if continued opposition became threatening, Moscow might "delay" the withdrawal of some of its troops or even bring in more troops at the "invitation" of a "legitimate" government. Such a move might be perceived by many as entirely proper. The Geneva talks as currently constituted do not deal with the issue of the shape of a post-Soviet political system in Afghanistan.

Second, Iran is not a party to the U.N. talks and might oppose an agreement concluded by Pakistan. Iran has refused to participate because the *mujabidin* are not represented. Pakistan and U.N. negotiator Diego Cordovez have kept the Iranians "informed," but Tehran's attitude to the negotiations is not known. The Iranians proposed an international con-

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<sup>46</sup>Ibid.

ference to be attended by the *mujahidin*, Pakistan, Iran, and the Soviet Union for settling the Afghan issue. The Soviets have not accepted Iran's proposal and are unlikely to do so, since it excludes Kabul regime participation. Should Tehran oppose an agreement reached through the United Nations, it might continue support for the *mujahidin* resistance, which in turn might move closer to Iran. Even if Iran were not to supply major weapons to the *mujahidin*, the Soviet Union might take a negative Iranian official position to be a reason for delaying or stopping its troop withdrawal. Given Iran's unpopularity in the international community, the Soviet move would probably elicit only a muted world reaction.

But the basic problem with the talks has been that Moscow has not yet given a timetable based on the logistical requirement for the withdrawal of its troops from Afghanistan. It also continues to insist that the PDPA should play a principal role in any future Afghan government.

### Recent Political Move

Since 1986, with Gorbachev at the Soviet helm, the political side of the war has acquired greater Soviet attention. The Soviets have taken a number of steps indicating a possible interest in a political settlement. These include:

- Moscow's dropping its insistence on direct talks between Pakistan and the Kabul regime
- Gorbachev's speech to the 27th Soviet Party Congress, in which he called the Afghan war a "bleeding wound"
- Announcement of a national reconciliation government, the declaration of a unilateral cease-fire in January 7, 1987, and a willingness to accept a coalition government that could include the *mujahidin* and the deposed Zahir Shah (now living in Italy)
- Reduction of the timetable for withdrawal to sixteen months.

Gorbachev has shifted the focus of the negotiations from the length of the timetable to the issue of national reconciliation in Afghanistan. It appears that without such an agreement the timetable issue will not be resolved. At present the parties are far apart. Moscow insists that its departure from Afghanistan will take place only if a secure, pro-Soviet (PDPA-dominated) regime is left behind in Kabul. It wants others—in the opposition—to join the existing regime. Recently, because of the uncertainty injected into Soviet-Pakistan relations over the recent nuclear issue and the increased difficulties in U.S.-Iran relations, Moscow appears even less anxious than before for a settlement. Apparently it has adopted a

wait-and-see attitude in the hope that regional changes more favorable to its interests might emerge. It remains active, however, in seeking greater international legitimacy for the Kabul regime's national reconciliation program and hopes to reduce international opposition to its Afghanistan policies.

The *mujahidin* have rejected a coalition with the PDPA. Instead they call for the establishment of an interim, transitional government consisting of *mujahidin* or at least people acceptable to them. In May the Mujahidin Alliance agreed to establish a council (Shoora), with members selected through party-based elections in refuge camps and inside Afghanistan. What the Shoora is supposed to do and whether it will succeed remain to be seen. However, even if it does succeed, the Soviets are unlikely to accept a government selected by a *mujahidin*-dominated Shoora. For the near future, no fundamental change in Afghanistan is likely.

### **Soviet Stakes in Afghanistan**

Apparently, the Soviet leadership remains convinced that a Soviet withdrawal from Afghanistan and the establishment of a noncommunist regime there would damage Soviet prestige and have adverse repercussions elsewhere. Although Moscow's perception of damage to its interests from a failure in Afghanistan is probably exaggerated, such a perception nevertheless plays a role in Soviet persistence. Accepting defeat in a country where, because of territorial contiguity and past and present investments, substantial interests are involved could undermine the legitimacy of Soviet domination elsewhere and lead to the questioning of Soviet capability and resolve. Undoubtedly Moscow has its own domino theory, making a retreat very difficult. Western support of the resistance might be taken by Moscow as an indication that Western powers would insist on gaining influence on security issues in Afghanistan if the communist regime fell. The Soviets have repeatedly made the argument that—had they not invaded Afghanistan—the United States would have turned Afghanistan into an American military base.<sup>47</sup> On more than one occasion, the United States has sought to reassure the Soviets that the United States does not seek any unilateral advantage in Afghanistan, the United States does not want to bleed the Soviets, and the United States does not want to take "revenge" for Vietnam. The Soviets have continued to express views indicating that

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<sup>47</sup>*Pravda*, November 10, 1985, trans. in Foreign Broadcast Information Service, *Soviet Union*, November 18, 1985, p. D1.

they do not accept U.S. assurances. It is possible that as long as Moscow is intent on continuing the war, rejecting U.S. assurances serves its interests.

Soviet domestic factional politics reinforce external considerations for accepting failure in Afghanistan. Gorbachev's unwillingness so far to accept withdrawal from Afghanistan reflects a desire to avoid personal responsibility for a setback there. Being associated with failure could encourage challenges by his rivals.

Another factor deterring Moscow from accepting a noncommunist Afghanistan is the Soviet expectation of significant gains from stabilizing a communist-dominated government there. Soviet credibility would be strengthened by a demonstration that it supported its friends and stood firm in the face of pressure.<sup>48</sup>

### Soviet Options

The Soviet options in Afghanistan include continuing the present level of involvement, escalating it, or deciding on some form of disengagement. Disengagement under the right circumstances could lead to a political settlement. Continuing with the same level of involvement will mean the continuation of the war for many years to come.

Escalation would certainly make life more difficult for the Afghan resistance and for Pakistan. An escalation of the war, including the use of more brutal tactics, would also be likely to lead to intensified military activities by the resistance against Soviet strongholds. International friends of the *mujahidin* might respond by increasing their support, as they have done in the past. Clearly, the Soviets would be able to hurt the Afghans more than vice versa, but the result could be greater Afghan hatred for the Soviets. If the alliance among the *mujahidin* holds, the Afghans might also be able to exact a much higher political price for the Soviet occupation than has been the case in the past.

In another possible scenario of escalation, the Soviet Union might increase pressure on Iran and Pakistan—especially Pakistan—to abandon the Afghan resistance. As already mentioned, Soviet relations with Pakistan remain tense, and Soviet pressure on Pakistan has increased. Greater Soviet pressure on Pakistan could take several forms. First, Moscow might increase its efforts to destabilize Pakistan politically. Such efforts have not

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<sup>48</sup>For a detailed discussion of Soviet gains from bases in Afghanistan, see Khalilzad, "The United States and the War in Afghanistan."

had much success so far, however, and an active Soviet policy of destabilization runs the risk of undermining the very tribes and parties in Pakistan that are more receptive to Moscow than the current regime is. The Soviet invasion of Afghanistan actually strengthened the position of Pakistan's President Zia. Evidence of significant efforts at destabilization might be seen by many Pakistanis as an indication of a Soviet plan to use Afghanistan as a base for expanding in the region. Nevertheless, Moscow is likely to pursue the destabilization option before fundamentally changing its policies on Afghanistan.

Second, Soviet escalation might take the form of direct military pressure through air strikes against major Pakistani targets. Successful attacks could increase opposition pressure on the government to respond decisively.

Soviet military pressure could also force Pakistan to seek closer security relations with the United States, something Moscow does not want. It could dispose Washington, at the very least, to increase its military supplies for Islamabad. In response to a Soviet cross-border attack against purely Pakistani targets in 1985, the Reagan administration expedited the shipment of sensitive air defense equipment to Pakistan. Washington has also indicated to the Soviets that direct military pressure on Pakistan can have significant repercussions on the state of Soviet-American relations. In response to the recent Soviet air attack against Pakistan in 1987, the United States is considering the provision (through sale, lease, or contract of services) of the American early-warning system (AEW) to Pakistan.

Third, major military incursions into Pakistan are a possibility, including, perhaps, the takeover of Pakistani territory for a time. The Soviets might justify such action as being directed against Afghan refugee camps in Pakistan. For Moscow to carry out such operations against Pakistan, however, major logistical preparations and the formation of supply lines would be necessary. These would be visible and could be vulnerable to *mujahidin* attack. In sum, a substantial investment of resources would be required for Moscow to mount a significant territorial incursion into Pakistan. Should this occur, Pakistan, which has a 500,000 man army and some very modern equipment, including F-16s, would be likely to resist—as did the Iranians in 1982.

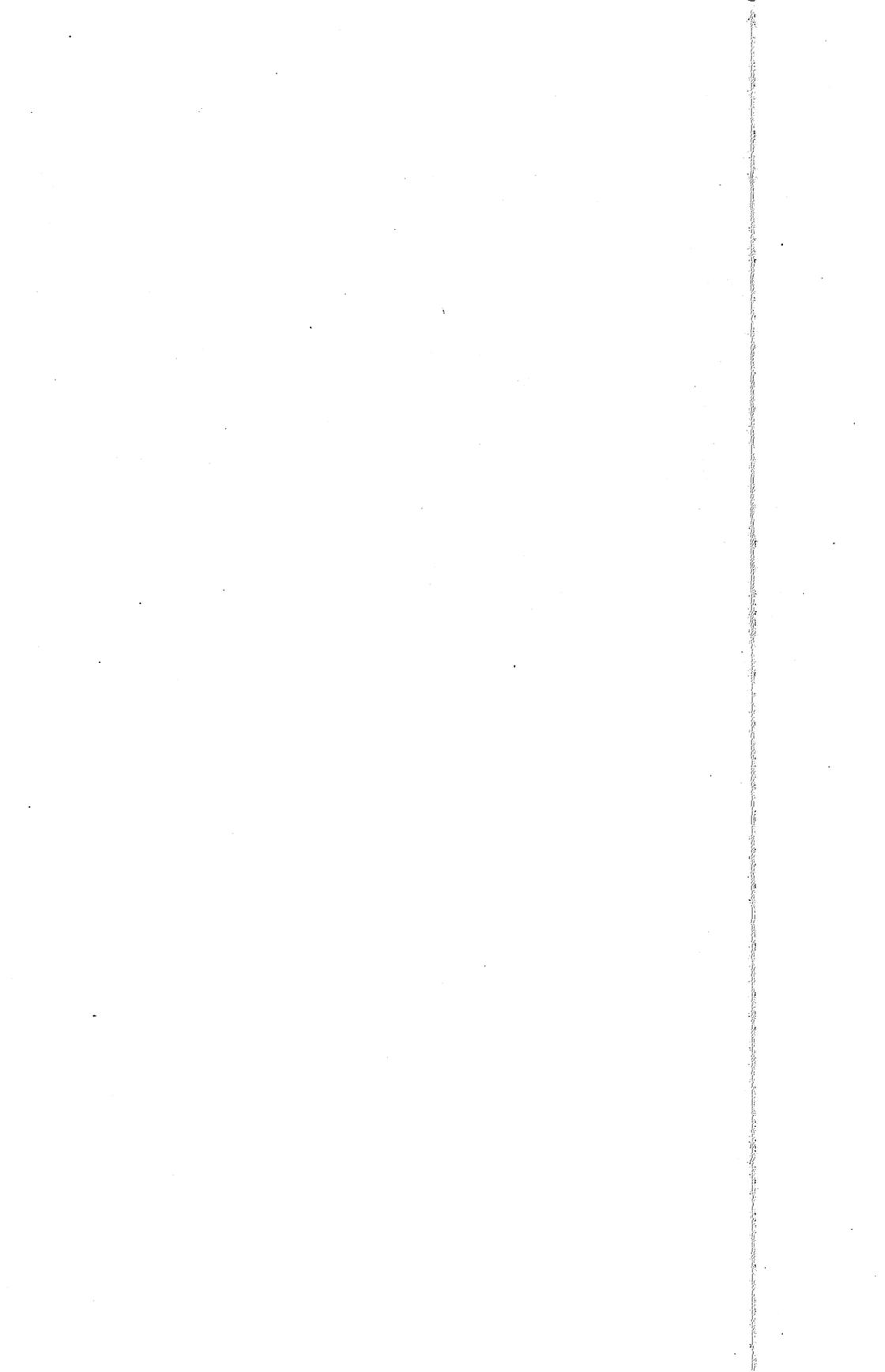
A Soviet attempt to hold Pakistani territory would probably lead to a major crisis in American-Soviet relations. The Reagan administration takes pride in having restored a strategic relationship with Islamabad. Thus a Soviet attack against Pakistan would be viewed by the United States as a major challenge and could lead to a major confrontation. International censure would also increase dramatically. A Soviet attack would damage Moscow's tenuously better ties with China, which has a long-standing

security relationship with Pakistan. Clearly then, escalation of the current conflict is a very risky option for the Soviet Union.

### **Prospects**

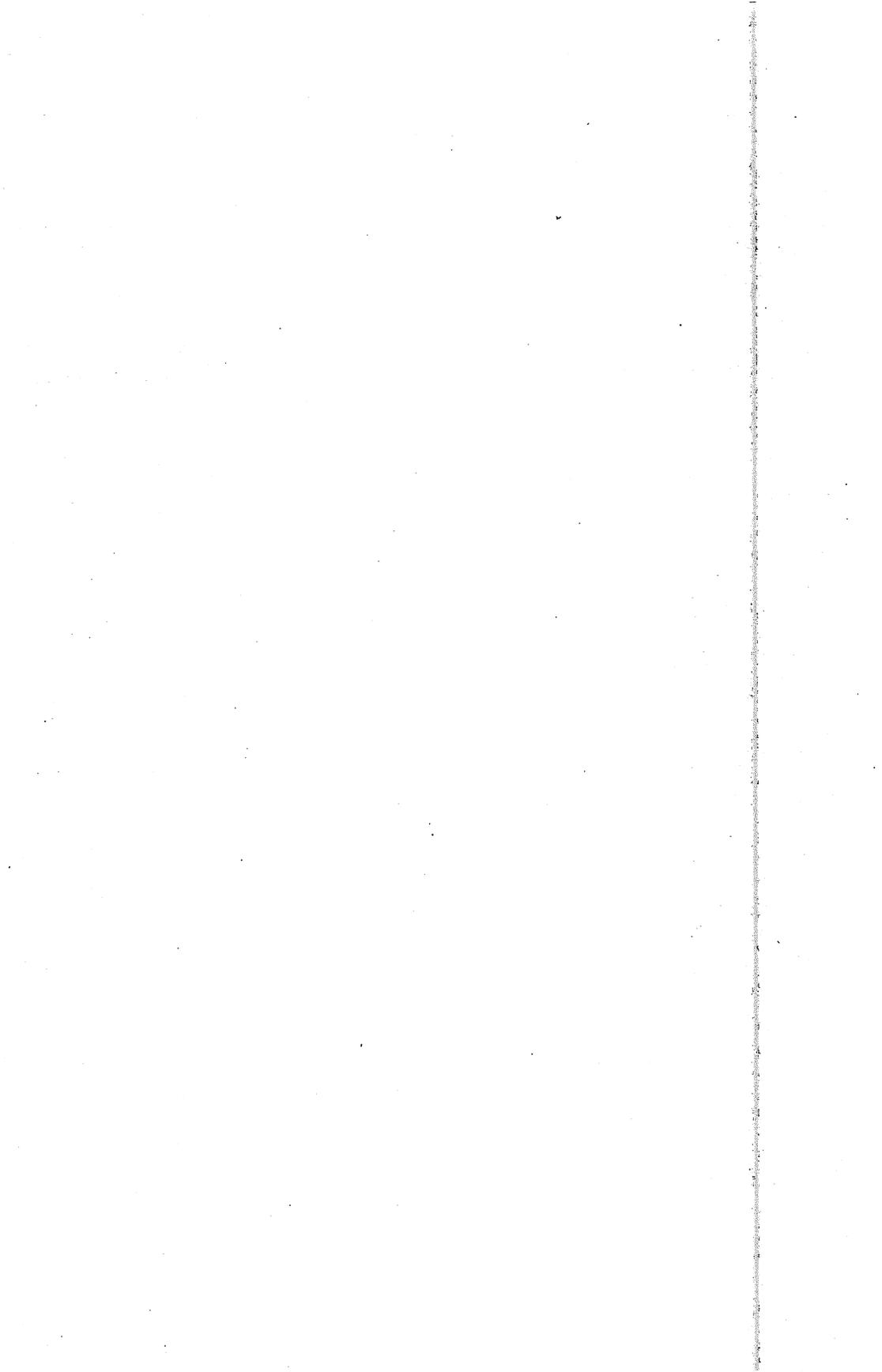
In the aftermath of recent Soviet declarations, there has been much speculation that peace might be at hand in Afghanistan. Unfortunately, this does not appear likely. Moscow still insists that Afghanistan should be dominated by pro-Soviet communists. The *mujabidin* still reject this Soviet goal.

It is possible that when Moscow realizes that escalation against the *mujabidin* and neighboring countries will not result in a communist-dominated Afghanistan, it might begin to consider a settlement that meets Soviet security concerns and allows for Afghan self-determination. It is not self-evident that the Soviets would never accept anything short of a communist-dominated Afghanistan. In the past, the Soviets have changed their minds, and they may do so again.



**PART THREE**

**South Asia**



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## 7. Issues of Peace and Security in South Asia

RASUL B. RAIS

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National and subnational conflicts and, more importantly, extra-regional threats have confounded issues of peace and security in South Asia. A complex variety of conflicting national images as well as mistrust continue to fuel hostility between India and Pakistan. Asymmetries of size and power have produced a structural imbalance in the security of the region, which has been effectively exploited by the leadership in India to achieve a position of military preponderance. India's expansion of its defense establishment modernization of force structure, the indigenous production of sophisticated weaponry, and the capability to manufacture nuclear weapons enable it to assert power and exploit regional imbalances for the purposes of effectuating its own variety of the Monroe doctrine.<sup>1</sup>

The states on the periphery of India have viewed its military potential as threatening and instrumental to its regional aspirations. Since the dismemberment of Pakistan, India has urged the extraregional powers to acknowledge its vital position in the South Asian power equation. Indian diplomacy has focused on enforcing the primacy of its interests in preventing external powers from military commitments to the threatened states in the region. The intent for domination, aggressive posture, and political pressures on neighboring states have invoked serious apprehensions about India's usable military power. Indian determination to project its power image in the area has brought it to the center of regional threat phenomena. The objective realities of India's size, location, and military strength have infused assertiveness in its strategic outlook for the region, which aims at keeping the defense capabilities of neighboring areas in a permanent state of vulnerability. In recent years, Indian policies have been directed toward isolating South Asian states in order to effectively impose its will and assert its military capabilities against recalcitrant states.

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<sup>1</sup>Rasul B. Rais, "Mounting Threats to Stability," *Pakistan Times* (Lahore), October 27, 1983.

Within this perceptual milieu, antagonistic national purposes and mistrust continue to influence the security environment of the South Asian region. The potential for a subnational conflict, the specter of nuclear proliferation, and the war in Afghanistan also deserve careful examination for assessing their impact on South Asian security.

### War in Afghanistan

The Soviet military intervention in Afghanistan and the ensuing protracted conflict have significantly enhanced the geopolitical vulnerabilities of the adjacent regions of South and Southwest Asia. The active involvement of Soviet military forces in the suppression of the national Afghan resistance in order to stabilize a preferred socialist regime and to consolidate its strategic position has revived old apprehensions about Soviet domination in vulnerable areas on its southern periphery. The geopolitical dynamics of Soviet intervention in Afghanistan have considerably altered the threat perceptions of the neighboring states.<sup>2</sup> It is generally assumed that the Soviet Union's stable political control in Afghanistan, success of the sovietization<sup>3</sup> process, and consolidation of a dependent socialist regime would not only energize the separatist and radical subnational groups in Iran and Pakistan, but would also provide the Soviets with greater diplomatic leverage to neutralize the adjacent regions. The growing militancy of the subnational groups in the politically less integrated areas bordering on Afghanistan would greatly influence Soviet options and its

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<sup>2</sup>Sultan Muhammed Khan, "Pakistani Geopolitics: The Diplomatic Perspective," *International Security* 5(1) (Summer 1980):26.

<sup>3</sup>The Soviets are attempting to reshape Afghan culture by restructuring educational and information systems. The purges in the educational institutions, induction of ideologically conformist teachers, and preference to the party cadres in admissions, along with the prominent role of Soviet advisers in the reformulation of the curriculum, are aimed at making the political developments in Afghanistan irreversible. The indoctrination of the younger generation and training programs for thousands of workers in the Soviet Union will promote a new elite class in Afghan society essentially interested in preserving the post-1978 political balance. The dependent linkages of the Afghan economy and the rapid development of communications networks with the Soviet Union will also accelerate the sovietization process. The Soviet Union has also initiated a massive program for the training of approximately 10,000 Afghan students, who will be assigned important administrative positions to ensure consistent and stable sovietization. See Department of State, Bureau of Public Affairs, *Afghanistan: Three Years of Occupation* (Washington, D.C.: December 1982), pp. 10-11.

patterns of power projection in the future. The fragmented political structures of the Southwest Asian states and their limited military capabilities render them extremely vulnerable to the Soviet threat. Pakistan, in particular, lacks the requisite security means for countering a determined Soviet political and military offensive.

The future role of the Soviet Union will be largely influenced by the internal political dynamics of the adjacent regions. The typical problems of underdevelopment—absence of adequate political institutionalization, authoritarianism, lack of consensus on national issues, parochialism, ethnic loyalties, subnationalism, economic disparities, dissatisfaction with the central government, and the absence of integrative policies—might worsen existing or latent internal tensions in Southwest Asia, which would provide the Soviets opportunities to influence political events. The Soviet intervention in Afghanistan is a unique model of superpower intervention in a territorially contiguous Third World state. The most significant and fearsome element of this model is massive military intervention at the “request of a legitimate friendly government.” The existence of pro-Moscow groups in neighboring states and their revolutionary activism directed toward the destabilization of existing political, social, and economic arrangements, which is not alarming at present, would largely determine Soviet moves in the area after the complete subjugation of Afghanistan.

In the past, Soviet ideologues and strategies have valued Afghanistan's geographical position as an attractive base for launching revolutionary offensives in the South and Southwest Asian regions. While fighting a large-scale national insurgency in Afghanistan, Soviet diplomacy in the adjacent regions has focused on seeking recognition of the primacy of its security interests.<sup>4</sup> On various occasions, Soviet leaders have drawn a parallel between U.S. interests in Central America and Soviet interests in Afghanistan,<sup>5</sup> which implies acknowledgment of its security role in the unstable bordering regions.

In view of Afghanistan's important geographical location, Soviet leaders have always valued its potential revolutionary role.<sup>6</sup> After the

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<sup>4</sup>Shirin Tahir-Kheli, “The Soviet Union in Afghanistan,” in Robert H. Donaldson, ed., *The Soviet Union in the Third World: Successes and Failures* (Boulder: Westview Press, 1981), pp. 217–31.

<sup>5</sup>V. Smirnov, “Collective Security in Asia and the Soviet Union's Treaties of Peace, Friendship, and Cooperation with Newly Free Countries,” *Strategic Studies* 7(2) (1983):61.

<sup>6</sup>Harish Kapur, *Soviet Russia and Asia, 1917–1927* (Geneva: Michael Joseph Ltd., 1966), p. 220.

successful process of sovietization, a stable socialist regime in Afghanistan may become a vanguard for the regional revolutionary movements. A stronghold in Afghanistan would undoubtedly provide the Soviet Union a unique position from where it could launch political and revolutionary offenses with relative ease, using a surrogate well-indoctrinated Afghan cadre. The Soviet military presence and definite security commitments would effectively blunt any regional response to the ideological subversion of adjacent states. The radicalism of the alienated subnational groups that have operated in the areas contiguous to the Afghan borders will remain an attractive option either to pressure the regional states to accommodate Soviet interests or, worse, actively support the separatist elements in order to impose a direct hegemonical system.

Despite risks of fighting a limited protracted war against the Afghan resistance, the Soviet Union has been able to mobilize its forces beyond the Amu Darya for the first time since its subjugation of the central Asian republics. Historically, Afghanistan has played an important strategic role as a buffer between the tsarist and British expansionist empires. After the withdrawal of Britain from the South Asian subcontinent, regional states have refused to share the traditional notion of the strategic unity of the region. Worse, they have adopted dialectically opposite positions on the issue of the Soviet occupation of Afghanistan. India, the largest and most powerful state in South Asia, has passively accepted the Soviet rationale for military intervention and has asserted that the People's Republic of China (PRC), Pakistan, and the United States were interfering in Afghanistan in order to destabilize a pro-Moscow regime, thereby prompting the Russians to invade that country.<sup>7</sup> Pakistan inherited the British security role along the Hindu Kush.<sup>8</sup> Pakistan's defense infrastructure was sufficient to deter Afghanistan from posing a serious security threat in its irredentist claims over the frontier regions until December 1979. After the Soviet intervention in Afghanistan and annexation of the Wakhan corridor, the geopolitical situation along the Hindu Kush has undergone drastic changes. The depopulation of Wakhan and its assimilation into the Soviet Pamir military district not only give the Soviet Union direct border contact with Pakistan, but dangerously exposes the Karakoram Highway and the disputed state of Jammu and Kashmir.<sup>9</sup>

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<sup>7</sup>Bimal Prasad, "India and the Afghan Crisis," in K. P. Misra, ed., *Afghanistan Crisis* (New York: Advent Books Inc., 1981), p. 77.

<sup>8</sup>Sir Olaf Caroe, "Afghanistan: The After-Effects of Partition," *Round Table*, no. 278 (April 1980):126-42.

<sup>9</sup>Noor Husain, "Alternative Futures of Afghanistan," *Strategic Studies* 7(2) (1983):44.

Although the facade of an independent Afghanistan may be maintained, its autonomous role may not be more than what has been granted to the Mongolian Republic. The Soviet geographical contiguity to Pakistan in the wake of Afghanistan's occupation raises many questions regarding the future security of Pakistan. In the past, the Soviets have actively pursued a policy of distancing Pakistan from the United States and subsequently from the PRC. Soviet political and psychological pressures have significantly increased because of Pakistan's unyielding position on Afghanistan. The Soviet leaders have persistently urged Iran and Pakistan to refrain from supporting the *mujabidin* resistance and to accept the Afghan reality. Iranian and Pakistani leaders fear that recognition of the Soviet occupation of Afghanistan will amount to appeasement, which will unquestionably strengthen Moscow's hand in edging toward the Persian Gulf region.

The liberation war launched by the Afghan *mujabidin* has effectively prevented Soviet control in the interior of Afghanistan, where the resistance has enjoyed popular support among the masses for the past six years.<sup>10</sup> A historic tradition of Afghan resistance to foreign encroachments and the cultural religious orientation of the liberation war have made it unexpectedly costly for the Soviet Union to dominate the country.

The Soviet occupation of their country has pushed the Afghan resistance groups to base themselves in Iran and Pakistan. Invariably, all the resistance groups have established their political headquarters in Peshawar. Pakistan's acceptance of over 3 million Afghan refugees and its permission to their political organizations to set up offices have been considered by the Soviet Union as direct assistance to the *mujabidin* groups. The guerrilla operations of the Afghan *mujabidin* from Pakistani territory have invoked sharp threats from the Soviet Union and have considerably undermined Moscow's bilateral relations with Pakistan. Islamabad has repeatedly denied the existence of guerrilla camps, training facilities, or arms supplies in Pakistan for the *mujabidin* and has invited the Soviets and international agencies to probe such allegations. In fact, it is the very nature of the terrain along the Hindu Kush in neutral areas around the Durand Line that provides difficult but porous passes, ideal for infiltration.

In the past, the 2,100-kilometer-long border between Afghanistan and Pakistan has never been controlled by any power primarily because

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<sup>10</sup>Nake M. Kamrany, "Afghanistan Under Soviet Occupation," *Current History*, May 1982, p. 222; Tyler Marshall, "Major Goals Eluding Soviets in Afghanistan," *Los Angeles Times*, December 19, 1982; Edward Girardet, "Soviet Two-Edged Sword in Afghanistan," *Christian Science Monitor*, December 22, 1982; Peter Arnett, "Report from a War Zone," *Parade* magazine, February 2, 1983.

of tribal sensitivities and underdeveloped communications systems. It is feared that the Soviet Union, frustrated by the protracted conflict in Afghanistan and by its failure to accomplish its interventionist objectives, may decide to smash border towns and villages inside Pakistan on the pretext of hot pursuit. In the past, Afghan-Soviet forces have bombarded the tribal areas of Pakistan, killing hundreds of Afghan refugees and Pakistani nationals.<sup>11</sup> Air strikes against Pakistan's bordering areas are primarily meant to harass the *mujahidin* and to signal to Pakistan the consequences of its existing stance on the Afghanistan question.

### **Subnationalism**

Subnational groups have been active in the less integrated areas of Iran and Pakistan where backwardness, disparities in income distribution, and a strong sense of alienation from the centers of power have energized ethnic loyalties and have facilitated uncompromising extremist elements to capture leadership positions. The demands of subnational groups have ranged from provincial autonomy to complete territorial secession. Among all the subnational groups in Pakistan harboring separatist ambitions, the Baluch nationalists are the most organized, well equipped, and determined to pursue subnational goals.<sup>12</sup> Although a general consensus has not evolved within the Baluch leadership on the issue of a separate greater Baluchistan to unify all Baluch areas presently incorporated in Afghanistan, Iran, and Pakistan, the young generation of Baluch leaders might capture leadership roles from the cautious and paranoid tribal chiefs, who have been equally hostile to their central governments during the past three decades.

The overthrow of an elected government of the National Awami Party (NAP), which was dominated by the Baluch leaders in Baluchistan by the Bhutto regime, led in 1974 to protracted guerrilla warfare. The insurgency was launched by the Baluch nationalists in order to restore

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<sup>11</sup>*Dawn* (Karachi), July 19, 1984.

<sup>12</sup>For details, see Selig S. Harrison, *In Afghanistan's Shadow: Baluch Nationalism and Soviet Temptations* (Washington, D.C.: Carnegie Endowment for International Peace, 1981); Inayatullah Baloch and Hans Frey, "Pakistan and the Problems of Subnationalism," *Journal of South Asian and Middle Eastern Studies* 5(3) (Spring 1982):60-69; Aijaz Ahmad, "The National Question in Baluchistan," in Feroz Ahmad, ed., *Focus on Baluchistan and the Pushtun Question* (Lahore: People's Publishing House, 1975), pp. 30-31.

national rights through armed struggle.<sup>13</sup> The electoral process and democratic participation, which the Baluch nationalists had for the first time in the history of Pakistan, did not last very long when Bhutto maneuvered to dislodge the NAP government by pretending that an emergency existed and by accusing the Baluch leaders of secessionist motives. Mobilization of Pakistan's armed forces and a sustained military action over a period of three years failed to achieve a decisive victory for the central government. After the imposition of martial law in July 1977, a general amnesty was declared by the military authorities, and political dialogues were instituted with the Baluch leaders to calm the situation, which eventually demobilized the Baluch nationalist guerrillas. Non-political measures to redress the grievances of the past have not succeeded sufficiently in accommodating the legitimate aspirations of the Baluch leaders. Except for a few instances of violence, the situation in Baluchistan has ever since remained peaceful. Important Baluch leaders such as Atta Ullah Mengal and Khair Bux Mari have, however, opted for self-exile. The latter is based in Kabul, anxiously awaiting the outcome of the Afghan war.

The political front of the Baluch movement considered inadequate the political autonomy provided in the 1973 constitution. Despite their original acceptance of the 1973 constitutional arrangements concerning distribution of power between the center and the provinces, the regionalist parties in general and the Baluch leaders in particular have become increasingly skeptical of the efficacy of constitutional guarantees to the exercise of provincial autonomy against the undue interference of the central government. Absence of a national consensus on the issue of provincial autonomy is likely to push the moderate and autonomy-seeking Baluch leaders into oblivion. Persistent denial of political power to the Baluchis might aggravate the moderate Baluch leaders' frustration with the central government and bring to the fore the diehard nationalists, who would be less inclined to compromise on the question of sovereign national rights.

Even after the declaration of a general amnesty to the Baluch insurgents, provision of funds for compensation to the affected families and the withdrawal of criminal cases registered by the Bhutto regime have not induced many of the Baluch guerrillas to resettle in Pakistan. It is estimated that over 5,000 Baluchis from the Mari and Mengal tribes have opted to live as exiles in Afghanistan. Funds for their maintenance are provided by the Kabul regime. The question of nationalities, national rights, and separatist movements may be used by the Soviet Union for the purposes

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<sup>13</sup>For a detailed account of the 1974-77 insurgency in Baluchistan, see Selig S. Harrison, "After the Afghan Coup: Nightmare in Baluchistan," *Foreign Policy* 32 (1978):136-66.

of ideological and political destabilization of the area, which in the long run would accrue to its unrivaled strategic position in the South and Southwest Asian regions.<sup>14</sup>

The subnational groups have remained active in Iran's borderlands for a long period of time. The Azerbaijani and the Baluchi and Kurdish nationalists have fought an intermittent "liberation war" against the central government of Iran. Since the revolution in Iran, the Kurdish nationalists have launched a war of resistance against the Islamic republic. Despite its preoccupation with the Gulf war, Iran has been forced to maintain a large military force in Kurdish areas where widespread armed struggle continues to deny Iranian forces absolute control. Azerbaijan and Baluchistan have generally remained peaceful during Iran's dilemma of consolidating the revolution. However, the potential for an insurgency in non-Persian regions of Iran do exist and might be exploited by the Soviet leaders to use either as a means of diplomatic pressure or to achieve indirect control in situations of political turmoil.

Soviet policies regarding ethnic nationalities and the likelihood of covert support to the Pashtun and Baluchi militant groups in Pakistan and similar subnational elements in Iran raise potential dangers to the political stability of Southwest Asia. Soviet ideologues and political leaders have vehemently supported the concept of four nationalities in Pakistan on the basis of their distinctive ethnic and linguistic characteristics. The Soviet conceptualization of Baluch, Pashtun, and Sind nationalities has been historically perceived to be directed against the Islamic ideological justification of Pakistan.

The sovietization of Afghanistan would certainly embolden the anticenter elements in Baluchistan, the North-West Frontier Province (NWFP), and Sind. In the past, the Afghan and Soviet governments have backed subnational groups in Pakistan. The Baluch leadership and guerrillas were provided sanctuaries in southern Afghanistan during the 1974-77 insurgency in Baluchistan. Afghan-Soviet support to separatist elements in the future may include bases inside Afghanistan, training camps, intelligence support, arms, and financial assistance. Keeping in view the political and material costs of direct military involvement in Afghanistan, Soviet assistance to subnational groups would be conditioned by many factors. In this connection the lessons of the ongoing Afghan war, if any, might signal caution and realistic assessment of future risks and opportunities. Also, the relative strength of the subnational groups, the internal political dynamics of Pakistan, and the overall balance of

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<sup>14</sup>Hafeez Malik, "The Afghan Crisis and Its Impact on Pakistan," *Journal of South Asian and Middle Eastern Studies* 5(3) (Spring 1982):48-50.

superpower forces and security commitments in the region would influence the Soviet options concerning its covert or overt support to the subnational groups.

The clandestine supplies of weapons, advice, and political backing to the dissidents in Southwest Asia with its objective of encouraging instability may multiply internal troubles for the unstable regimes. A strong Soviet hold in Afghanistan will provide Moscow a springboard to fish in the troubled political waters of neighboring states. Iran's military action against the Kurdish subnational groups and disbanding of the communist Tudeh Party, which had operated as an ideological ally of the Soviet Union for more than three decades, occasioned the expulsion of Soviet diplomats from Teheran in 1983. Iranian authorities have claimed that members of the Tudeh Party and certain Kurdish elements have been receiving foreign assistance, which they imply comes from the Soviet Union, to sabotage the Islamic revolution. It is feared that the anticentrist activities of political dissidents in the bordering areas of Iran and Pakistan would be supported most likely from sanctuaries in southern Afghanistan. Identical demographic characteristics and the geographical terrain in this region are quite suitable for guerrilla infiltration. Further procrastination in resolving the political issues in the Baluch areas of Iran and Pakistan and continuing indifference to the legitimate aspirations of dissident groups would more likely push them in the Soviet strategic gamble for the northern rimlands of the Indian Ocean.<sup>15</sup>

### **Nuclear Proliferation**

Since India's "peaceful" nuclear explosion in 1974, the issue of nuclear proliferation has attracted a wide array of conceptualization on the future trends of nuclear politics in South Asia. Much of the formulation of hypotheses about the nuclear behavior of India and Pakistan has been influenced by the past pattern of their conflict and rivalry in the region. Given the central dynamics of Indo-Pakistan relations, the exercise of the nuclear option by either adversary would result in a nuclear arms race in South Asia. The postindependence history of Indo-Pakistan relations reveals a persistent phenomenon of confrontational and action-reaction strategies. Therefore, regardless of the peaceful motives of their nuclear programs, India and Pakistan would, out of psychological and political necessities, attempt to acquire rough nuclear parity. It is a simple as well as sound assessment that deployment of nuclear weapons by

<sup>15</sup>Harrison, *In Afghanistan's Shadow*, p. 200.

India would activate Pakistan's nuclear option, and if Pakistan explodes a nuclear device to compensate for its limited conventional defense posture, this would certainly lead to India's acquisition of nuclear weapons.

The development of nuclear technology for peaceful purposes can provide the potential for nuclear weapons since nuclear power generation technologies support and enhance the ability to produce weapons-usable materials. Therefore, the mere production and possession of fissionable materials intended for use in nuclear power-generating facilities cannot be construed as nuclear weapons proliferation. Despite the fact that a nuclear weapons program would require an absolutely different quality of nuclear materials, the ability to produce fissionable materials undoubtedly provides a potential for a nuclear option.

The Pakistani goals of a static geopolitical equilibrium in South Asia, which has, of course, drastically shifted in favor of India on account of its massive conventional capabilities, might be better served in the nuclear sphere by its presently perceived capability to produce fissile materials.

Pakistan's traditional threat perceptions of India—India's superiority in conventional weapons and its quest for political preeminence in the region—have appeared to be a plausible motivating force for Pakistani policymakers to pursue a bomb option. However, the argument—that Pakistan's nuclear military capability would not only deter India from invading Pakistan but would also redress the latter's inferiority in conventional weapons and achieve for it a reasonable degree of stability in its strategic environment—needs to be qualified. The perception of Pakistan as a nuclear balancer against India's conventional superiority does not hold any ground in the face of India's open option to deploy nuclear weapons and to use its comparative advantage in nuclear technology and weapons delivery systems to remain decisively ahead of Pakistan and thus reduce the credibility of the latter's nuclear option.

The political appeal of the atom and the economic justification for nuclear energy have popularized nuclear programs in South Asia.<sup>16</sup> In the realm of domestic politics, Indian and Pakistani nuclear programs have received widespread publicity and public support during the past decade. In both these countries pro-bomb lobbies are gaining strength. In Pakistan, the nuclear issue remains highly volatile, and it might become a focus of political rhetoric in the future. Political opinion from the extreme left to the fundamentalist right has supported the nuclear program in Pakistan, urging disregard of foreign pressures aimed at influencing its nuclear

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<sup>16</sup>G. S. Bhargava, "The Bomb for Pakistan: Ambitions and Constraints," *The Statesman*, March 13, 1982.

policies. There is a common feeling among the political and bureaucratic elites in Pakistan about latent hostility on the part of the Western powers toward the Islamic countries. It is generally perceived that the Christian West would not allow Islamic countries to emerge independent, self-reliant, and powerful enough to pursue an effective role in world politics. It is generally argued that the proponents of nuclear nonproliferation, while acquiescing to the nuclear capabilities of India and Israel, have tended to discriminate against Pakistan.

India's nuclear capabilities have been the main influence on the political perceptions of Pakistan's policymakers concerning the choice of nuclear technology and development of the full nuclear fuel cycle aimed at acquiring self-sufficiency in the production of nuclear materials. Pakistan's unwillingness to sign the Non-Proliferation Treaty (NPT) is related to the Indian factor. A careful examination of Pakistan's nuclear diplomacy suggests that it has quite often made its acceptance of NPT and full scope safeguards conditional to the acceptance of these measures by India.<sup>17</sup> In addition to offering joint ratification of the NPT, Pakistan has proposed bilateral arrangements for the inspection of each other's nuclear facilities, but this has not cut much ice in India.

Stringent controls on the export of nuclear materials, in particular, and strict evaluation of all technological items for their applicability to the nuclear program, in general, have adversely affected Pakistan's civilian nuclear program. This denial strategy has been combined with security cooperation and persuasion by the United States. The economic assistance and military sales program have provided the United States with leverage to seek a commitment from Pakistani authorities not to develop a nuclear device.<sup>18</sup> But this may only delay the exercise of Pakistan's nuclear option if India decides to deploy nuclear weapons.

### **The Indian Ocean**

The superpowers have steadily enlarged and strengthened their naval deployments in the Indian Ocean. They have acquired and equipped ports, bases, and naval facilities in the region to support their political and security needs. The primacy of U.S. and Soviet interests in the region, the

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<sup>17</sup>*Link* (New Delhi), August 7, 1983, p. 19.

<sup>18</sup>U.S. Congress, Senate, Committee on Foreign Relations, 98th Congress, 2nd Session, *United States Security Interests in South Asia* (Washington, DC: G. P. O., 1984) p. 18.

threats to their self-defined interests, and the nature of their bilateral relations have not changed enough to promote a stable, peaceful, and tension-free environment in the region. Rather, political events, since 1979—the revolution in Iran, the Soviet military intervention in Afghanistan, and the Iran-Iraq war—have considerably enhanced the presence of the superpowers. Deterrence, credible naval force construction, the ability to sustain and reinforce power projection capabilities through a combination of local facilities, and the allocation of significant forces elsewhere to achieve a variety of security objectives have gained priority in the strategic thinking of the superpowers, especially the United States, the nation that sees a lot at stake in the region. This scrambling of the superpowers for supplying themselves with greater resources of power is indicative of not only the unpredictable and unstable security environment of the Indian Ocean region, but also of the nature of the approach that they have adopted to protect their self-defined national interests. The drifting away of the superpowers from their “stabilization” talks of 1976–78 to present endeavors to increase their forces also explains the crisis in their bilateral relations, which has quite often spilled over into their policies in Third World regions.

The regional security environment has provided greater impetus to the deployment of task forces or the expansion of naval facilities by the superpowers than the often exaggerated dynamics of strategic competition. The need to show strength or to augment forces on several occasions was influenced more by diplomatic and political calculations than strategic interests. Assuring allies of credible support has required basing or moving naval forces near points of tensions. Political instability, conflict, rivalries among local powers, and unresolved disputes have been the catalyst of external influence. And given the diversity of cultures, nations, and conflicting interests, the region may continue to attract external allies.

The transformation of the Indian Ocean region into another zone of superpower naval deployments has attained greater significance in light of the fact that many regional states might be tempted to seek close military collaboration with them. Of equal note is the apprehension that the proximity of friendly superpower forces might tempt some regional powers to involve themselves in local disputes. In conflict situations, the superpowers have tended to use their military presence to support client states—the U.S. presence to augment Israeli capabilities during the 1973 war and the Soviet sea and airlift during 1977–78 to bolster Ethiopian defense are cases in point.

For the most part, the lack of regional unity and the absence of a community of interest have prevented the formation of a unified

political front to thwart the designs of external powers.<sup>19</sup> Regional disputes and the hegemonic aspirations of the "middle powers" also motivate small and weaker states in the area to seek external alliances to counterbalance threats to their national security. A serious lack of functional and symmetrical equilibrium in the regional equation will continue to provide fertile ground for outside political as well as military penetration.

Despite unanimous calls for a zone of peace, there are serious policy differences among the littoral states over the strategic implications of the superpowers' naval policies in the area. For example, while Iran and India have argued that the removal of the superpower presence would facilitate their "legitimate aspirations" in the region, others have feared that the complete withdrawal of external forces would lead to the intensification of regional conflicts and to attempts by regional "middle powers" to pursue hegemonic policies.<sup>20</sup>

Among the regional states, India, greatly aided by the Soviets, has launched a massive program of rapid deployment and modernization of its naval fleet. It has built the largest naval force in the Indian Ocean next to the naval deployments of the superpowers. The Indian navy has twelve submarines, ten destroyers, twenty-seven frigates, a cruiser, an aircraft carrier with fifty-one combat aircraft, and a large number of combat helicopters.<sup>21</sup> Also, India has acquired Sea Harriers for its aircraft carrier *Vikrant*. The Indian defense minister told the *Rajya Sabha* in December 1983 that India might go in for a nuclear-powered submarine.<sup>22</sup> The strengthening of the Indian navy is part of a massive armament program that is aimed at making India the largest military power in Asia next to the Soviet Union. This has been motivated by India's aspirations to play a dominant role in the region. The Soviet Union's strategic interest in beefing up the Indian military complex, which is a part of its China policy and which enables it to buy Indian consumer goods for its own market, has generated fears of Indian domination among its smaller neighbors.

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<sup>19</sup>K. P. Misra, "International Politics and Security of the Indian Ocean Area," *International Studies* 12 (January-March 1973):141.

<sup>20</sup>Samina Ahmad, "Indian Ocean Peace Zone Proposal," *Pakistan Horizon* (32) (1979):122-23.

<sup>21</sup>*Christian Science Monitor*, September 23, 1985, pp. 12, 27.

<sup>22</sup>*San Francisco Chronicle*, March 27, 1985, p. 13.

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## 8. U.S. Perceptions of Peace and Security in South Asia

SHIRIN R. TAHIR-KHELI

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The initial American involvement with South Asia came in the formative days of the emergence of the United States as a world power. Consequently, South Asia became a reflection of the hopes and fears that the United States perceived at the time. Cooperation in building security through defense (as in the case of Pakistan) and development (as in the case of India and other South Asian countries with no major defense cooperation programs with the United States) were the hallmarks of earlier U.S. interaction with the subcontinent. Peace and security were seen to be inextricably linked, and the United States worked to improve peace through security.

Tempting though it is, I prefer not to get into a historical accounting of the interactions between South Asia and the United States as a reflection of American perceptions. A number of papers at this conference ably deal with Pakistan's relations with the region and the superpowers. Instead I will confine my remarks mainly to the perceptions and efforts of the administration that I know best, the Reagan administration, as they relate to security and stability in South Asia.

### **Challenging Soviet Occupation of Afghanistan: Peace Through Security**

Superpower intrusion into South Asia was dramatized by the Soviet invasion of Afghanistan in December 1979. American fears of communist pressure, often scoffed at not only abroad, but also within the United States, were swept aside by the changed reality of Moscow's control of Afghanistan. None denied that Pakistan had, essentially overnight, become the buffer state Afghanistan had been before 1979.

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The views expressed here are those of the author and do not necessarily reflect official positions of the U.S. government.

Pakistani attempts to actively engage the United States in the area after the 1978 communist coup in Kabul and prior to the Soviet invasion of Afghanistan, although unsuccessful at that time, were an important catalyst for subsequent events. In other words, these events were not part of an "American masterplan" thrust upon a reluctant friend. Indeed, Pakistani perceptions of a changed strategic environment in South Asia were shared by many other countries. These perceptions have been consistently reflected in successive votes of overwhelming majorities calling for Soviet withdrawal from Afghanistan at the United Nations and in the Islamic Conference.

Thus, the issues of peace and security came together as leaders in many nations sought to find practical ways of stemming Soviet pressure on South Asia.<sup>1</sup> The United States, for example, worked to augment Pakistan's capability to deal with the threat. On September 15, 1981, President Reagan signed an evenly balanced aid package that provided for \$3.2 billion in economic and military assistance to Pakistan over a five-year period. This great increase in aid was an acknowledgment that the security picture had changed. In response to the continued presence of 126,000 Soviet troops in Afghanistan, a second program for Pakistan was agreed to on March 22, 1986. The \$4.02 billion assistance package covers a six-year period beginning on October 1, 1987.

While thus helping to provide security through strength, the United States was also cognizant of regional sensitivities. The United States made no attempt to seek a quid pro quo in the form of bases or access facilities in Pakistan. Despite some lingering public suspicions in Pakistan, and in the region, that the United States had demanded a price, none emerged.

Pakistani officials were also straightforward in laying down the confines of the relationship. Particular emphasis was placed on maintaining Pakistan's nonaligned credentials. Agha Shahi, then Pakistan's foreign minister, speaking to Pakistani newspaper editors on June 30, 1981, stated that the United States-Pakistani agreement did not close the "door to a political settlement on honorable terms for the Soviet Union, for Afghanistan, for ourselves and for this region."<sup>2</sup> The United States accepted this view.

U.S. policy in the area also continues to be based on the U.S. perception that Soviet withdrawal from Afghanistan is not only desirable but also possible. It is a decision that Moscow must make. Toward that end, the

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<sup>1</sup>Shirin Tahir-Kheli, *The United States and Pakistan: The Evolution of an Influence Relationship* (New York: Praeger, 1980).

<sup>2</sup>*Pakistan Times*, July 1, 1981.

United States has consistently supported Pakistan's efforts through the U.N. Secretary General for a political settlement. Recognizing that lasting security requires total withdrawal, and contrary to popular misperceptions in Pakistan, the U.S. has not prevented a political settlement.<sup>3</sup> However, there can be no settlement without Soviet withdrawal and self-determination for the Afghans. Despite several rounds of talks at Geneva Moscow has yet to offer anything approaching a reasonable withdrawal schedule.

In addition, the U.S. leadership has consistently augmented its support for a lasting peace through indirect negotiations on Afghanistan in its own dealings with the Soviet hierarchy. At the Geneva summit, President Reagan brought before General Secretary Gorbachev the need for a political settlement that provides for lasting peace. At a series of U.S.-Soviet Experts' Meetings, the latest of which occurred in early September 1986 in Moscow, the United States tried to bridge the gap between the reality of the Soviet occupation of Afghanistan and Moscow's sometimes implied desire to end the conflict. However, the Soviets remain unrelenting.

A final Afghanistan-related perception deals with United States efforts to assist innocent Afghan victims of Soviet occupation. These are the Afghan refugees in Pakistan. American assistance has been the largest component of all external funding, totaling approximately \$559 million through 1986 (inclusive of contributions to the United Nations High Commissioner on Refugees [UNHCR] and the World Food Program). This effort is based on the premise that Pakistani hospitality must be supplemented in order to reduce the burden on the host country.

U.S. sensitivity to regional security is not based on an American desire to add Afghanistan to the already long list of items hindering East-West relations. Were the United States to forget Afghanistan, as sometimes is simplistically desired, security and stability in South Asia would be hindered, not helped. The Soviets invaded Afghanistan in 1979, when Pakistan ranked relatively low in American priorities in the region. In other words, reduced U.S. interest in Pakistan in 1976-79 proved disastrous for the latter's security.

### **Regional Cooperation: Security Through Peace**

U.S. South Asian policy has often been characterized as reflecting a zero-sum game. The Reagan administration has operated from the premise that it is possible for the United States to have good relations simultaneously with all South Asian countries. Washington has not asked

<sup>3</sup>These views are examined and refuted in Leo E. Rose, "United States and Soviet Policy Toward South Asia," *Current History* 85:509 (March 1986):97-98.

one country to give up its friendship with another in order to improve its ties to the United States. Neither has the United States been willing to sacrifice friendship with one country in order to suit the proclivities of another.

In approaching the subcontinent, the United States has simply built upon the positive trends that have emerged in South Asia. While the United States has no desire to be intrusive, it can often act as a facilitator; consequently, U.S. interactions with all South Asian governments have been extensive since 1981. This period has also coincided with the establishment of the South Asian Association for Regional Cooperation (SAARC). This organization's first summit in December 1985 was a genuine testament to the vision of the leaders who have sought to institutionalize an era of peace. In a message to the leaders at the summit in Dhaka, President Reagan pledged U.S. support for all regional efforts to build a secure and peaceful South Asia. SAARC has started cooperative ventures in a number of non-political areas. In addition, it is encouraging to see that member countries have agreed to collaborate on two issues that can be most effectively dealt with at the regional level: narcotics and terrorism. A great start was made in 1985. The November 1986 summit in Bangalore can begin to further the efforts begun at Dhaka.

Improved Indo-Pakistani relations are at the center of any attempt at regional cooperation. Movement toward a more collaborative relationship between the two largest countries is obviously a source of encouragement. American policy, quietly and privately, has helped nurture progress. We are realistic enough to recognize that progress will be slow and that temporary setbacks can easily rekindle old suspicions. Yet it is obvious that the leaders of both countries are themselves desirous of peace. It is worth noting that in a Gallup/Pakistan poll earlier this year, the Soviet Union was seen as a greater threat than India by a ratio of two to one.<sup>4</sup> Public perception seems to have kept pace with government policies.

Despite skepticism about U.S. staying power, the administration's record has shown that U.S. involvement is steady, ongoing, and responsive to the needs of the countries in the region. The improved U.S. relationships with both India and Pakistan have been put to the service of improved Indo-Pakistani relations. It is in our mutual interest to promote peace. The agenda that leaders of India and Pakistan set for themselves has been lauded by the United States. Greater movement between the two countries, improved communications, trade, and tourism are all building blocks in the structure of peace. The progress toward improved relations has been followed with great interest at the highest levels of the U.S. government.

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<sup>4</sup>*Gallup Political Weather Report* (Islamabad: Gallup Pakistan), February 1986.

During this administration, South Asian leaders have had unusual access to the top leadership in Washington. Prime Minister Gandhi and President Zia were the only two nonallied leaders with whom President Reagan met during the course of the fortieth anniversary of the United Nations (October 1985). The president has also received at the White House leaders from Bangladesh, Sri Lanka, and Nepal. These contacts have allowed for personal relationships which help sustain policies over the years.

Such presidential involvement has been a reflection of U.S. perception of the important role India and Pakistan play in bringing peace and security to and sustaining it in South Asia. Additionally, Vice President Bush has also been very deeply involved in South Asian affairs. His visit to the two countries in May 1984 afforded a valuable opportunity for a dialogue with the leaders of India and Pakistan. This discussion was continued in some detail during the visit of Prime Minister Gandhi to the United States in June 1985. The more recent visit of Prime Minister Junejo to Washington in July 1986 was an occasion for talks with a new leader.

Collaborative measures under SAARC sponsorship offer an important avenue for institutionalizing peace. SAARC set up several technical committees to discuss ways of improving cooperation.<sup>5</sup> The areas chosen were telephone and telegraph, weather forecasting, and health care. Study groups for cooperating against terrorism and narcotics should eventually lead to strengthening of regional laws for extradition of terrorists and drug traffickers.

In the ambitious agendas of the SAARC countries, there is no room for another war. Regional cohesion and strength offer the best chance for a secure and peaceful South Asia. U.S. perceptions of the need for such arrangements are a key aspect of American foreign policy. Washington has worked hard to convince its friends in South Asia that U.S. interest in their well-being is lasting.

### **Nuclear Issues**

There cannot be any discussion of American perceptions of peace and security in South Asia without a reference to the nuclear issue. In a speech before the Pakistan Institute for International Affairs in Karachi in early 1986, President Zia-ul Haq referred to U.S. nonproliferation

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<sup>5</sup>Steven Weisman, "South Asia Sets Up a Regional Panel," *New York Times*, December 9, 1985; and Vyvyn Tenorio, "South Asian Nations Launch Bid for Greater Unity," *Christian Science Monitor*, December 6, 1985.

concerns as a "kink" in American policy.<sup>6</sup> Nowhere is a mismatch of perceptions more evident than on this issue. U.S. concern for the complications resulting from a South Asia armed with nuclear weapons is deep and abiding. The United States acknowledges that American policy must realistically address the insecurities of states that lead them toward arming themselves with nuclear weapons. It is for this reason that the Reagan administration has focused on the twin pillars of enhanced security and regional reconciliation. The quarrel is not with nuclear energy; it is with the development, testing, manufacture, and deployment of nuclear weapons. Speaking of nuclear proliferation and the prospect of additional countries acquiring nuclear weapons, Admiral Poindexter, former national security adviser to the president, said: "This problem is not American obsession, or something that we can't quite shake. It is a fact of life. In opposing the spread of nuclear weapons, we are seeking to preserve the relationships that we value and that we consider mutually beneficial. Nations that expect to be our partners must reckon with this resolve."<sup>7</sup>

In recent years we have seen a growing discussion, not yet a dialogue, by leading thinkers in both India and Pakistan on ways of reaching a nuclear détente. Their proposals have ranged from simple bilateral declarations to institutionalized agreements. Specific ways of building mutual confidence and a more secure nuclear environment have been discussed. Limits on production of fuel beyond need, safeguarded facilities, and exchanging nuclear field experts are all cited as "the concrete building blocks" of peace.<sup>8</sup>

Cooperation in the nuclear area received a major boost when President Zia and Prime Minister Gandhi agreed in Delhi in December 1985 that India and Pakistan would refrain from attacking each other's nuclear facilities. The threat of war was thus reduced as, in the past, both countries have understood that a preemptive attack on nuclear facilities would mean war. Further progress along these lines will not only ensure peace and security, but will also save the huge costs of building a nuclear deterrent force. A peaceful South Asia is also more conducive to the kind of technological cooperation that both India and Pakistan are seeking from the United States.

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<sup>6</sup>*Dawn* (Karachi), February 15, 1986.

<sup>7</sup>"Regional Security, Collective Security, and American Security," remarks by John M. Poindexter, assistant to the president for national security affairs, 1986 Armed Forces Day dinner, Indianapolis, May 16, 1986.

<sup>8</sup>"Subcontinental Détente?" Editorial, *Wall Street Journal*, October 22, 1985.

The United States concluded a Memorandum of Understanding (MOU) with India in November 1984 to facilitate transfer of U.S. technology to India. During the visit of Prime Minister Junejo to the United States in July 1986, Secretary of State Shultz and Foreign Minister Yaqub Khan signed an MOU on technology transfer between the United States and Pakistan. These agreements govern the rules under which U.S. technology will flow to each country. In signing these agreements, the United States did not side-step its nonproliferation concerns. Administration policy and U.S. law preclude that.

In sum, the United States cooperates with the countries of South Asia to help protect regional peace and security. Cooperation among the countries of the region ensures that the peace is lasting and that security is enhanced.

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## 9. Pakistan's Relations with the People's Republic of China

ABDUR RAZZAQ KHAN ABBASI

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Relations between Pakistan and the People's Republic of China (PRC) are deeply rooted in the history, geography, politics, economy, and culture of the region. Friendly relations between the PRC, the demographic Asian giant,<sup>1</sup> and Pakistan, a developing country of South Asia, are essential for the peace, stability, and prosperity of the South Asian region in particular and for world peace in general. This chapter attempts to review this relationship in geopolitical, historical, and geostrategic terms within the South Asian context.

### Geostrategic Background

The PRC has common frontiers with twelve countries in South Asia, of which Afghanistan, Pakistan, India, Nepal, Sikkim, Bhutan, and Burma have common frontiers of about 3,500 kilometers. The PRC became interested in the South Asian region around 115 B.C., when, motivated both by political and economic considerations, it succeeded in establishing a valuable network of caravan routes, known as the silk road,<sup>2</sup> which connect it with distant centers of trade and civilization. Two routes passed through the Pamir area connecting Wakhan with Gilgit and Srinagar via the Boroghil Pass. Even Marco Polo, following the silk route, crossed the Pamirs in quest of China in 1271.<sup>3</sup> These routes were again used by famous pilgrims, such as Husan Tsang, who, after fifteen years in India, returned to China in 1644 via Badakhshan and Pamir.<sup>4</sup>

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<sup>1</sup>Basic data about the People's Republic of China are based on published documents; see Appendix I.

<sup>2</sup>*New Encyclopaedia Britannica*, 15th ed., Micropaedia, p. 208.

<sup>3</sup>*Ibid.*, vol. 14, p. 758.

<sup>4</sup>Vincent, A. Smith, *The Oxford Student's History of India* (Oxford: Oxford University Press, 1951), pp. 69–70.

Tibet and Sinkiang, with its common borders with India and Pakistan, had given China a South Asian connection. Ladakh, Nepal, Sikkim, Bhutan, and northeastern India had ties with both Tibet and China.<sup>5</sup> Sino-Hunza and Sino-Gilgit relations are also documented from the seventh century to the nineteenth.<sup>6</sup>

At the turn of the nineteenth century, there were political tussles among czarist Russia, China, and imperial Britain in the Central and South Asian regions. Dorjjeff, a Russian Buddhist and tutor of the Dalai Lama, led Tibetan missions to Russia in 1898, in 1900, and in 1901, spreading rumors that he had concluded a treaty with Russia that made Tibet a protectorate.<sup>7</sup> This invited action by the British, resulting in the Anglo-Tibetan convention of 1904, the Anglo-Chinese convention of 1906, and the Anglo-Russian convention of 1907, all of which stipulated that Britain would neither annex Tibetan territory nor interfere in its internal administration.<sup>8</sup>

With this policy in mind and in a move to stabilize the Himalayan region, China proposed the concept of a Himalayan federation consisting of Nepal, Sikkim, Bhutan, Nagaland, and the Northeast frontier area, now called Arunachal Pradesh, in 1906, which was again revived in 1946.<sup>9</sup> The concept envisaged a China-guaranteed confederation of independent states as a buffer zone between it and India. As inheritors of the Raj, India rejected the proposal, claiming a special relationship with Nepal, Sikkim, and Bhutan and treating the area as its sphere of influence.

The Chinese suzerainty over Tibet had thus been firmly recognized when the British withdrew from the Indo-Pakistan subcontinent in August 1947. The Tibetan government claimed extensive territories spreading from Assam to Ladakh, including Darjeeling and Sikkim. India took military action in Ladakh and Sikkim in 1948 and 1949, respectively, and covertly supported Khamba tribes against Lhasa, forcing the PRC's move into Tibet in 1950. Finally, Tibet was recognized by India as part of the PRC in 1954.

As proof of its policy of good neighbors, the PRC demarcated and concluded border agreements with Burma in 1960, with Nepal in 1961,

<sup>5</sup>Dorothy Woodmand, *Himalayan Frontiers* (New York: Praeger, 1969), pp. 90–91.

<sup>6</sup>R. C. Majumdar, *Modern India, Part III* (London: Macmillan, 1951), p. 908.

<sup>7</sup>Parshotam Mehna, *The North-Eastern Frontier, Vol. 2, 1914–1954* (New Delhi: Oxford University Press, 1979), pp. 82–83.

<sup>8</sup>Ibid.

<sup>9</sup>D. E. Kennedy, *The Security of Southern Asia* (London: Chatto & Windus, 1968), p. 204.

with Pakistan in 1963, and with Afghanistan in 1964. Today, the Chinese provinces of Sinkiang and Tibet have common borders with five South Asian countries. Therefore, the peace and security of the region are of common concern as much for the countries of South Asia as for the PRC.

### Contemporary Relations

Pakistan was one of the first countries and the first Muslim country to accord diplomatic recognition to the PRC. On January 4, 1950, Pakistan announced that it recognizes "the Central government of the People's Republic of China established at Peking as the *de jure* government of China."<sup>10</sup> On September 25, 1950, advocating the PRC's admission to the United Nations, Pakistan's Foreign Minister Zafarullah Khan said in the General Assembly: "China is not applying for admission to the U.N. It is a member state, a permanent member of the Security Council, one of the big Five. . . . It is entitled as of right to be represented in the United Nations like every other member state."<sup>11</sup>

The first Afro-Asian nations conference, held April 18–24, 1955, in Bandung, was a milestone in the history of Pakistan-China relations as the two countries had supported each other's stand in Bandung. It was here that Prime Minister Muhammad Ali Bogra clarified Pakistan's position in SEATO, saying that Pakistan would not be involved in the U.S.-China conflict and that Pakistan has no fears from the PRC. Premier Zhou Enlai accepted Pakistan's assurances. During this conference Zhou Enlai extended an invitation to Prime Minister Bogra to visit the PRC, which was finally undertaken by Prime Minister Suhrawardy in 1956. Three months later, Zhou Enlai paid a return visit to Pakistan. Both leaders resolved to "strengthen the relationship further despite the differences between the political systems."<sup>12</sup>

The Sino-Pakistan border agreement signed on March 3, 1963, was a major landmark in Sino-Pakistan relations. It demarcated a 300-kilometer strategically vital frontier, beginning at the junction of Afghanistan, Pakistan, and Sinkiang and running in a northeasterly direction to the Karakoram Pass, a border that had never been surveyed or demarcated

<sup>10</sup>*Dawn* (Karachi), January 5, 1950.

<sup>11</sup>*G.A.O.R.* (General Assembly Office Record), 5th Session, 1950, 283 plenary meeting, p. 97.

<sup>12</sup>*S.C.M.P.* (Survey of China Mainland Press) (Hong Kong), no. 1440, December 31, 1956.

before and that had often been referred to as the "roof of the world," where five powers converged. In a magnanimous gesture, the PRC ceded 750 square miles of territory in its possession, including the Operang valley and the salt-mining areas east of the Shimshal Pass,<sup>13</sup> whereas Pakistan did not part with any territory under its actual control. This gesture is unprecedented in diplomatic history and speaks volumes for the goodwill and friendship of the PRC. Simultaneously, the PRC, in its first categorical announcement, stated that it had never accepted without any reservation the position that Jammu and Kashmir were under Indian sovereignty. This was in response to a protest note by the Indian government. Thus, the PRC accorded de facto recognition to Pakistan's claim that Jammu and Kashmir were disputed territory.<sup>14</sup>

A civil aviation agreement between the PRC and Pakistan followed on August 29, 1963, providing for an air link between the two countries and for all facilities necessary to ensure the smooth flow of traffic between Karachi, Dhaka, Canton, and Shanghai. Pakistan was the first South Asian and first Muslim country to establish with China an air bridge across the world's largest and highest mountain ranges. This agreement evoked a strong protest from the United States, which was already alarmed at the Pakistani foreign minister's statement in the National Assembly that if Pakistan was attacked by India, it would be aided by the largest Asian power.<sup>15</sup> U.S. Senator Wayne Morse called it "a breach in the free world solidarity,"<sup>16</sup> and as a reprisal, the United States stopped economic aid for the construction of a new airport at Dhaka.<sup>17</sup>

During Premier Zhou Enlai's third visit to Pakistan in February 1964, President Ayub Khan publicly declared that the people of Pakistan "favor the convening of a second conference on Afro-Asian countries."<sup>18</sup> The preparatory meeting of twenty-two Afro-Asian countries' foreign ministers

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<sup>13</sup>Samina Yasmin, *Pakistan's Relations with China, 1947-1979*, Islamabad Papers no. 9 (Islamabad: Institute of Strategic Studies, December 1980), p. 17.

<sup>14</sup>Ibid.

<sup>15</sup>Ibid.

<sup>16</sup>P. L. Bhola, *Pakistan-China Relations: Air Transport Agreement* (Jaipur: R.B.S.A. Publications, 1986), p. 114.

<sup>17</sup>Richard P. Stebbins, *The United States in World Affairs 1963* (New York: Harper and Brothers, 1964), p. 174.

<sup>18</sup>*Dawn*, February 21, 1964.

held in Djakarta April 10–15, 1964, brought the PRC and Pakistan even closer on regional perceptions.<sup>19</sup>

President Ayub Khan visited the PRC in March 1965, and a joint communique referred to the PRC's abiding support for Pakistan's position on Kashmir. Pakistan supported the PRC on a number of issues, like its right to a seat in the United Nations, condemnation of nuclear proliferation, and a call for a world summit conference to consider the prohibition and destruction of nuclear weapons.

During the short Rann of Katch conflict between Pakistan and India, the PRC supported Pakistan's case, and again in the September Indo-Pakistan conflict, it stood by Pakistan.<sup>20</sup> In 1969, the Soviet Union's concept of an Asian collective security system was denounced by Premier Zhou Enlai and rejected by Pakistan.<sup>21</sup>

By 1970, the United States, under President Nixon, felt the geo-strategic compulsion to establish a new superpower equilibrium in Asia and turned to Pakistan for cooperation and assistance in establishing rapprochement with the PRC. This decision by the United States was personally carried and conveyed by President Yabya Khan of Pakistan in November 1970, who persuaded Chairman Mao Tse-tung and Premier Zhou Enlai to open a new chapter in their relations with the United States and to avail themselves of benefits in economic, technological, and strategic terms.<sup>22</sup>

On the historic issue of the admission of the PRC to a permanent seat in the Security Council, during the twenty-sixth session of the General Assembly, on October 25, 1971, Pakistan cosponsored the Albanian resolution, which met with resounding success after twenty-one years of diplomatic efforts by the PRC, Pakistan, and other allies and well-wishers. Out of twenty-two cosponsors of the resolution, eleven were Muslim countries.

During Indian covert and overt military operations against East Pakistan and subsequently India's attack on West Pakistan, the PRC again provided diplomatic, moral, and material support to Pakistan. After the fall of Dacca, Premier Zhou Enlai said, "The fall of Dacca would be the

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<sup>19</sup>*Dawn*, April 22, 1964.

<sup>20</sup>*Peking Review*, no. 37, September 10, 1965, p. 6.

<sup>21</sup>*Washington Star*, July 15, 1969; *Peking Review*, no. 27, July 4, 1969, pp. 22–23; L. L. Whitten, "Moscow's Anti-China Pact," *The World Today*.

<sup>22</sup>Henry Kissinger, *White House Years*, quoted in *India Today*, October 1, 1979, p. 27.

beginning of endless explosions, when international frontiers are disappearing, old spheres of influence crumbling, new ones emerging, so chaos for the next twenty-five years."<sup>23</sup> Ethnic "explosions" have been occurring in Assam, Tripura, Darjeeling, East Punjab, Kashmir, South India, and Sri Lanka. In the words of Zhou Enlai, India will "eat the bitter fruits of its own making."<sup>24</sup>

Answering a question about the PRC's role in international affairs, General Zia ul-Haq, on returning from the PRC in December 1977, said: "Although our big neighbor called itself a developing country, because Chinese were a modest people, I consider them as a superpower. . . . I know China fairly well; I can say that they are peace-loving. They are helping developing countries . . . they have helped Pakistan to stand on its feet militarily and to develop indigenous capability. They have provided economic help, which is without strings, and military aid without any payments involved. There is no trace of expansionism so far as the Chinese were concerned. . . . China has a definite role to play—a role toward maintenance of world peace."<sup>25</sup>

PRC Vice Premier Geng Biao visited Pakistan in June 1978 on the occasion of the inaugural ceremony of the Karakoram Highway performed by Pakistan's President Zia ul-Haq. At the state banquet, the Chinese vice premier praised the completion of the highway as an outstanding example of close friendship and cooperation between the two countries.<sup>26</sup> This highway, carved through the Karakoram mountain range, is a lasting tribute to the daring 9,000 Chinese who worked with 15,000 Pakistani workers.<sup>27</sup> The highway has opened up a new chapter in promoting trade, culture, commerce, and civilization in the northern areas of Pakistan and the Xinjiang region, which had hitherto remained inaccessible.

The Soviet invasion of Afghanistan in 1979 brought the two countries closer as the PRC perceived it "as an escalation of aggression and

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<sup>23</sup>In Noor A. Husain, "India Regional Foreign Policy: Strategic and Security Dimensions," *Strategic Studies* 8(1) (Autumn 1984):34.

<sup>24</sup>K. Arif, "Chou En-lai's Speech at the Banquet," *China-Pakistan Relations* (Lahore: Vanguard, 1984), pp. 133-34.

<sup>25</sup>*Ibid.*, p. 176.

<sup>26</sup>Arif, *China-Pakistan Relations*, pp. 182-83.

<sup>27</sup>During its construction, 88 Chinese died and 154 Chinese workers were injured. The Chinese labor graveyard at Danyore-Gilgit reminds us of the Chinese contribution.

expansion to a dangerous stage.’’<sup>28</sup> Both the PRC and Pakistan consider it a threat to the peace and security of the Gulf region, South Asia, and Asia as a whole, endangering world peace and security.<sup>29</sup> The PRC has consistently and openly supported Pakistan’s stand on Afghanistan at the United Nations and in other international forums, and it continues to extend humanitarian assistance to the Afghanistan refugees.

### **Economic Relations**

Although dozens of trade and commerce agreements have been undertaken, the first trade agreement between the PRC and Pakistan was signed on January 4, 1963,<sup>30</sup> the terms of which granted each country most favored nation treatment in trade, commerce, and shipping.<sup>31</sup> Within the framework of this agreement, a number of barter contracts and trade protocols were signed in subsequent years. The PRC extended four loans covering trade and military aid during 1965. The total assistance rendered was US\$1.1 billion. These loans were due for repayment in 1974, but after the 1971 war and the economic burden on Pakistan, the PRC, in a magnanimous gesture, wrote off the loans. The loan, granted up to 1970, amounted to US\$2 billion, due for repayment in 1980. But after India’s aggression in East Pakistan in 1971, these loans were deferred for payment for another twenty years.

In the post-1971 period, the continuity of economic assistance was of greater value and significance. In 1972, a three-year commodity agreement was signed, at a total value of US\$70 million. A new trade agreement was also signed in June 1972. This followed a number of border trade and barter trade agreements.<sup>32</sup> The November 1979 agreement pertained to the supply of textile machinery worth US\$3.5 million in the private sector (for the first time by the PRC).

The PRC has charged reasonable prices on a cost basis and provided credit for military hardware as well. Some loans have been extended for

<sup>28</sup>Arif, *China-Pakistan Relations*, p. 191.

<sup>29</sup>Ibid., p. 189.

<sup>30</sup>See Appendix II, Agreement/Protocol Type.

<sup>31</sup>Ibid.

<sup>32</sup>See Table 3 for border trade agreements. Details of barter trade agreements from 1966 to 1984 are reflected in Table 2. For overall trade, see Appendix II.

further expenditure on factories, such as the heavy mechanical complex, the heavy foundry and forge, and the tank and aircraft rebuild factories. Trade during this period remained at an encouraging level,<sup>33</sup> and a joint ministerial commission was established in 1982 during the visit of President Zia ul-Haq to the PRC to promote economic, trade, scientific, and technical cooperation. Three meetings of the ministerial commission have been held so far.

### **Military Relations**

The advent of Sino-Pakistan military relations can be ascribed to 1963, when the border agreement was signed, but Pakistan turned toward the PRC positively at the end of September 1965, when the United States placed an arms embargo on Pakistan. Until then, Pakistan had been entirely dependent on the United States for its military hardware. In its hour of desperate need to bolster Pakistan's defense and security, the PRC agreed, toward the end of 1965, to provide military assistance.

During the 1971 war China again agreed to provide military assistance. Premier Zhou Enlai was reported to have said to Pakistan's prime minister in Beijing in February 1972: "We are not ammunition merchants; whatever your defense requirements are, they will be met gratis." Thus, the PRC equipped more than three army divisions, a few tank regiments, and artillery regiments of Pakistan army.

Chinese assistance has been substantial. In addition to guns and ammunition, more than 1,000 T-59 tanks were supplied.<sup>34</sup> Q-5 fighter aircraft equipped three squadrons, and the PRC's 170 F-6s have equipped nine squadrons of the Pakistan Air Force. Similarly, the navy has a prominent component of about twenty-four crafts, comprising twelve Shanghai II, four Hu Chuwan hydrofoils, four Huangfen (4 HY-2 SSM), and four Hoku Class (2 HY-2). In addition, the PRC's military assistance includes the technical upgrading of defense production factories and installations that help Pakistan overhaul tanks, guns, and aircraft. Most spare parts are also produced with Chinese assistance. In 1985, the Pakistan Ordnance Factory at Wah started production of 12.7mm antiaircraft guns with Chinese assistance. The PRC also helped set up a heavy rebuild factory and Kamra Aeronautical complex. These two projects are being extended further to help Pakistan in defense production and repair facilities. In

<sup>33</sup>For level and pattern, see Table 2.

<sup>34</sup>*The Military Balance*, respective years.

addition to many exchanges of delegations, the defense ministers of both the countries have exchanged visits. A significant visit was that by the Naval Squadron Ex-South Sea fleet, under Commander Nie Kuiju, comprising a guided missile destroyer armed with HY-12 surface-to-surface missiles (range about 75 kilometers) and an ocean-going oil and water supply ship, all comprising about 500 personnel, which carried out a flag-showing mission to Sri Lanka, Bangladesh, and Pakistan for the first time since 1949.<sup>35</sup>

### **Cooperation in Other Fields**

The PRC is also actively cooperating with Pakistan in the industrial and power-generation field. It has helped Pakistan develop a steel-based industry and in the establishment of heavy foundry and forge factories, in addition to the heavy mechanical complex at Taxila. The PRC is also helping Pakistan in its energy-development program and technical development in the fields of agriculture, oil, mushroom, and fisheries and is assisting in the Guddu No. 4 thermal power project. This project has been completed with Chinese aid and is producing 200 megawatts of electricity. The heavy electrical complex agreement was signed in June 1985 to construct this complex in Pakistan to fulfill its needs for electrical equipment. The foreign exchange component of US\$12.07 million will be met by the Chinese government. There are numerous other Chinese-assisted programs and supplementary help under discussion between the two governments, such as armament production units, an Islamabad sports complex, the Larkana sugar mill, the Hazara fertilizer factory, the Tarbela cotton mill, transmission lines, more sugar mills for Punjab and Sind, and a cement plant at Daud Khel. Greater cooperation and assistance in nuclear technology for the generation of power and electricity as a result of the September 1986 agreement is also envisaged.

### **Conclusion**

For Pakistan, the PRC has been a model neighbor, a supplier of substantial defense and economic assistance, and a pillar of strength and security. As a demographic giant and an emerging superpower, the PRC acts as a restraint on the hegemonic aspirations of India and other powers

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<sup>35</sup>"Chinese Navy in Afro-Asian Ocean (Strategem)," *Strategic Studies* 9(2) (1986):13.

in Asia. In the words of our president, "No country in the world has been so kind and generous, as China was after the 1965 war." During Foreign Minister Sahibzada Yaqub Khan's visit to the PRC, Huang Hua said: "No matter how stormy and unstable the international situation may be, the Chinese government and people will always stand with the government and people of Pakistan in their struggle to safeguard their national independence and state sovereignty and would oppose threats and interference from outside." Huang Hua added: "Deeply rooted in the hearts of the people, Sino-Pakistan friendship has a solid foundation."<sup>36</sup>

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<sup>36</sup>A. R. K. Abbasi, "Thirty-Five Years of Pakistan-China Relations," *Strategic Studies* 9(4) (1986):40.

## Appendix I

**BASIC DATA ABOUT THE PRC**  
**Date of Independence: October 1, 1949**

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1. Area of Independence	9,597,000 square kilometers
Population	1.02 billion ( $\frac{1}{4}$ of the world's population) expected to be 1.20 billion by 2000
Growth rate, 1979-83	1.03 percent
Density	107 per square kilometer
Number of Muslims	14.59 million
Types of other nationalities	56
Constitution in force	1982 (fourth)
2. Per capita income, 1985	US\$350
Per capita income, 1980	US\$300
Per capita income rate of increase, 1979-84	6.8 percent ( <i>Source: World Bank reports</i> )
Total value of agricultural/industrial output	Over US\$1,000 billion
Rate of growth gross value of industrial and agricultural	14.2 percent
Total state revenue, 1984	US\$146.5 billion
Total state expenditures, 1984	US\$151.5 billion
Foreign loans, 1984	US\$3.50 billion
Foreign exchange reserves in mid-1985	US\$11 billion—Official. Actual reserves are estimated as 8 billion.
Currency	Renminbi (PRC currency)
Unit of currency	yuan
Exchange rate, prevalent on September 23, 1985	US\$1-2.98
3. Total value of exports, 1984	US\$58 billion
Total value of imports, 1984	US\$62 billion
Trade deficit	US\$4 billion

## Appendix I, continued

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**4. Trading partners in 1985 (in billion yuan):**

Japan	31.36
Hong Kong (Macao)	22.9
United States	14.5
EEC	12.4
ASEAN	6.6
Canada	3.0
U.S.S.R.	2.9
Australia	2.6
Brazil	1.9

**5. Major exports**

Coal, crude oil, petroleum, foodstuffs, tea, textiles, cotton, rayon, cloth, silk and satins, carpets, billet forging, grain processing machinery, machine tools, bicycles, motor vehicles, and surgical instruments

**6. Major imports**

Cereals, coffee, sugar, cassettes, sophisticated technology, steel, and calculators

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SOURCE: Compiled by the author from various official published sources.

**Appendix II**  
**AGREEMENT/PROTOCOL TYPE**

Serial Number/Year	Type of Agreement (between the PRC and Pakistan)
27/53	Trade
12-13/56	Coal
46/56	Trade
30/56	Joint statement: Suhrwardy and Zhou Enlai, December 24, 1956
32/58	Barter of rice, cotton, and jute
42/62	Agreement on the principles and immunities of the International Atomic Energy Agency
40/63	Air Transport, amended December 26, 1972
3/63	Boundary demarcation
1/63	Trade
27/65	Economic and technical cooperation (terms of repayment loan to the PRC)
3/65	Joint communiqué
56/66	Annual program of cultural exchange
42/66	Maritime transport
31/66	Record joint shipping services
14/67	Cultural exchange
27/68	Economic and technical cooperation
25/69	Boundary dispute between the PRC and Pakistan
10/70	Economic and technical cooperation
19/71	Three coastal cargo ships
20/71	Bank of China branch transfer
28/74	Trade protocol
39/74	Multipurpose stadium
46/74	Trade protocol
12/76	Scientific and technical cooperation
44/76	Border trade
4/77	Embassy
21/77	Border trade
23/77	Trade protocol
14/78	Border trade
15/78	Sale of ship
11/79	Trade protocol
12/79	Border trade
8/80	Border trade

## Appendix II, continued

Serial Number/Year	Type of Agreement (between the PRC and Pakistan)
9/80	Trade protocol
38/82	Khunjerab Pass opening
7/84	Barter trade protocol no. 13
11/85	Border trade
1/86	Note on joint boundary inspection committee
2/86	Note on chief representation
3/86	Opening of Khunjerab Pass for foreigners on May 1, 1986
?/86	Agreement on cooperation in science and nuclear technology

SOURCE: Compiled by the author from various sources.

Table 1  
**VOLUME OF OVERALL PRC-PAKISTAN TRADE**  
**SINCE 1971-72**  
**(US\$ millions)**

Year	Exports to Pakistan <sup>a</sup>	Exports to the PRC <sup>b</sup>	Balance (Pakistan)
1971-72	24.33	16.72	7.71
1973	19.34	34.12	- 14.88
1974	3.97	57.67	- 53.70
1975	15.01	53.49	- 38.48
1976	17.55	54.94	- 37.39
1977	9.73	63.99	- 54.26
1978	38.65	62.43	- 23.78
1979	14.41	99.06	-74.65
1980	145.63	147.86	- 2.23
1981	360.69	178.32	162.37
1982	1,559.39	1,891.24	- 331.85
1983	1,680.24	1,791.17	- 110.93
1984	770.30	1,706.17	- 935.87
1985 (July-May)	964.38	2,249.05	-1,279.67

<sup>a</sup>Raw cotton, cotton yarn, cotton textile, leather, and leather goods.

<sup>b</sup>Machinery tools, iron, steel, steel goods, coal, coak, chemical paper, and board and urea papers.

SOURCE: Compiled by the author from various sources.

Table 2  
BARTER TRADE AGREEMENTS  
(US\$ millions)

Barter Protocol Number	Year	Total
1.	1966	10.51
2.	1968	12.85
3.	1970	13.55
4.	1972	10.91
5.	1974	19.10
6.	1975	21.12
7.	1977	24.00
8.	1979	26.00
9.	1980	28.50
10.	1981	20.00
11.	1982	18.00
12.	1983	16.00
13.	1984	15.00

SOURCE: Compiled by the author from official records.

**Table 3**  
**BORDER TRADE AGREEMENTS**  
**(Rs. millions)**

Border Protocol Number	Year	Total
1.	1969	2.40
2.	1970	2.68
3.	1971	4.50
4.	1972	10.00
5.	1973	12.00
6.	1974	14.00
7.	1975	25.00
8.	1976	30.00
9.	1977	30.00
10.	1978	32.00
11.	1979	34.00
12.	1980	36.00
13.	1981	39.00
14.	1982	41.00
15.	1983	43.00
16.	1984	45.00

SOURCE: A. R. K. Abbasi, "Thirty-Five Years of Pakistan-China Relations," *Strategic Studies* 9(2) (1986):40.

**Table 4**  
**GRANT ASSISTANCE: AGREEMENTS SIGNED**  
**AND CREDITS/LOANS RECEIVED BY**  
**PAKISTAN FROM THE PRC 1979-80**  
**(US\$ millions)**

Period/Year	Grants	Loans/Credits
Before first plan	—	—
First plan (1955-60)	—	—
Second plan (1960-65)	60.000	—
Third plan (1965-70)	46.363	—
1970-71	—	217.391
1971-72	—	—
1972-73	—	—
1973-74	—	—
1974-75	—	—
1975-76	—	4.293
1976-77	—	—
1977-78	—	5.718
1978-79	—	3.618
1979-80 (July-March)	—	—

SOURCE: *Pakistan Economic Survey, 1979-80* (Islamabad, 1980), pp. 160, 162.

Table 5  
 TERMS OF FOREIGN LOANS AND CREDITS  
 CONTRACTED BY PAKISTAN WITH THE PRC  
 (US\$ million)

Year	Amount	Interest Rate	Amortization Years
1970-71	217.391	0	40
1971-72	—	—	—
1972-73	—	—	—
1973-74	—	—	—
1974-75	—	—	—
1975-76	4.293	4.5	7
1976-77	—	—	—
1977-78	5.718	4.5-5.0	6.5
1978-79	3.618	4.5	6
1979-80 (July-March)	—	—	—

SOURCE: Pakistan, Finance Division, Economic Adviser's Wing, *Pakistan Economic Survey, 1979-80* (Islamabad, 1980), pp. 154, 156, 158.

Table 6  
 OUTSTANDING EXTERNAL INDEBTEDNESS OF PAKISTAN  
 TO THE PRC AS OF JUNE 30, 1979  
 (payable in foreign exchange) (US\$ millions)

Lending Country	Disbursed and Outstanding (1)	Not Disbursed (2)	Total Debt (1 + 2)
Loans	116.587	186.187	302.774
Export credit	3.846	5.182	9.028
Guaranteed credit	—	2.031	2.031
Total	120.433	193.400	313.833

SOURCE: Pakistan, Finance Division, Economic Adviser's Wing, *Pakistan Economic Survey, 1979-80* (Islamabad, 1980), p. 144.

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## 10. Pakistan's Relations with India and South Asia

FAHMIDA ASHRAF

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### Introduction

South Asia, as it is commonly known today, is a fairly well-defined region in the international system. For the purpose of this chapter, it comprises seven countries, namely, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka, although Burma and southern Afghanistan could also be geopolitically considered part of this region. Apart from their own internal political problems, some of them have interstate disputes as well, such as the Kashmir issue between India and Pakistan, the Ganges water dispute between India and Bangladesh, and strained relations between India and Sri Lanka. The region has common borders with Central Asia, West Asia, the People's Republic of China, and Southeast Asia. Developments on its periphery geopolitically bring South Asia in contact with these regions and their countries as well. The Russian military occupation of Afghanistan, the Iranian revolution, the Iran-Iraq war, and the protection of the oil reserves of West Asia have heightened the interests of the two superpowers in these regions, thereby highlighting its geostrategic importance.

Pakistan, situated at the crossroads of South Asia, Central Asia, and West Asia, acquired in the 1980s a unique geostrategic role after the Soviet occupation of the security zone of these regions—Afghanistan. As an important member of the South Asian fraternity, Pakistan is bound to play a major role in the affairs of South Asia. In this chapter we discuss Pakistan's relations with India and other South Asian countries and the efforts that are being made to promote regional stability and cooperation.

### Pakistan's Relations with India

In 1947, when the British withdrew from the subcontinent, a partition scheme was agreed to by all the parties concerned, but, unfortu-

nately, relations between India and Pakistan were and still continue to be strained.<sup>1</sup> Pakistan's attempts at normalizing relations have not been amicably received by India. India, a far bigger country than Pakistan, inherited a well-established administrative machinery and a better economy whereas Pakistan has had to build itself up from scratch.

In its relations with India, Pakistan has desired an amicable settlement of disputes without use of force, noninterference in the internal affairs of each other, and a South Asia free of any power's hegemonistic control. Unfortunately, since 1947, India has been following a policy of coercive diplomacy and interventionist strategy against Pakistan, as it has not been able to reconcile the realities of the new situation. In short, India accepted the division of the subcontinent with reservation and tried its best to smother Pakistan in its crib. The All-India Congress Committee, in its resolution accepting partition, said: "The picture of India we have learned to cherish will remain in our minds and hearts. The All-India Congress Committee earnestly trusts that when present passions have subsided, India's problems will be viewed in their proper perspective and the false doctrine of two nations will be discredited and discarded by all." A year after partition, Vincent Sheehan wrote in the *New York Herald Tribune*: "I do not take all Pakistani statements for gospel by any means. But all the facts adduced, taken together, do seem to support the general case, which is that India wishes to destroy Pakistan as rapidly as possible so as to restore it to the dominion of Delhi."<sup>2</sup> As a result, Pakistan and India were involved in four unfortunate armed conflicts during a short period of twenty-three years—the last one in 1971 when Pakistan was dismembered by Indian covert and, later, overt military operations.

After the signing of the Simla Agreement in 1972, the process of normalizing relations with India continued until India's so-called "peaceful" nuclear explosion in 1974. Pakistan not only lodged a protest, but successfully campaigned in the United Nations for declaring Southeast Asia a nuclear free zone. A resolution to this effect was also passed by the General Assembly.<sup>3</sup> Relations with India took a favorable turn when the Janata Party came to power in India in 1977. In the tradition of the Indus Basin treaty, the Salal Dam issue was resolved through negotiations and

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<sup>1</sup>See S. M. Burke, *Mainsprings of Indian and Pakistani Foreign Policies* (Minneapolis: University of Minnesota Press, 1974), pp. 118–31.

<sup>2</sup>*Ibid.*, pp. 51–58.

<sup>3</sup>Mahmood Safdar, *A Political Study of Pakistan* (Lahore: Educational Book Co., 1984), p. 203.

an agreement was signed in April 1978.<sup>4</sup> Visits were also exchanged between the foreign ministers of Pakistan and India, and relations were reviewed.

The Indian government was also critical of Soviet intervention in Afghanistan in December 1979. On December 31 Prime Minister Charan Singh told the Soviet ambassador in India that intervention would have far-reaching consequences for the region and suggested withdrawal of Soviet troops from Afghanistan.<sup>5</sup> Unfortunately, as in the past, the elections of 1980 changed the Indian government's attitude toward Pakistan. It also criticized the U.S. decision to lift the arms embargo against Pakistan after the Soviet intervention in Afghanistan.

With that intervention and the return of Indira Gandhi to power in 1980, Indo-Pakistan relations began again to show signs of stress and strain. The Soviet invasion of Afghanistan, the security zone of South Asia, changed the geostrategic balance of the South Asian region. Pakistan now faces over 100,000 Soviet troops across a frontier of approximately 2,200 kilometers, which has over 350 passes and would require an inordinate number of Pakistani troops to defend. The "Brahmaniac" ruling elite in India continued to raise the usual hue and cry over Pakistan's modest efforts to modernize its armed forces after a lapse of almost fifteen years.

In meetings at the ministerial and foreign secretary level, however, continued efforts were made to normalize relations, allay suspicions, and counter India's coercive diplomacy. On April 18, 1980, President Zia ul-Haq and Prime Minister Indira Gandhi, for the first time, had a meeting at Salisbury while attending the independence celebrations of Zimbabwe. They discussed Afghanistan and other regional problems. In continuation of these efforts, Foreign Minister Agha Shahi visited New Delhi July 15-17, 1980.<sup>6</sup> Thereafter, a further round of talks between the two foreign ministers was held and in July 1981, Shahi, during his visit to New Delhi, formally proposed that both countries should determine the level of armed forces and armaments by mutual agreement. In the same year, Pakistan also proposed that both countries should declare South Asia a nuclear free zone, agree to inspection of nuclear installations, sign a nonproliferation treaty, and accept a proposal for banning the manufacture or testing of

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<sup>4</sup>Ibid., p. 213.

<sup>5</sup>*Pakistan Year Book*, 8th ed. (Karachi: East and West Publishing Co., 1980-81), p. 222.

<sup>6</sup>Ibid., pp. 227-28.

nuclear weapons. Pakistan also offered to negotiate a no-war pact with India, a proposal that was originally Indian, dating back to 1949.<sup>7</sup>

As usual, the Indian leadership's reaction was negative. Gandhi, advised by a "kitchen" cabinet, repeated her allegation that the supply of U.S. arms to Pakistan had created an atmosphere of confrontation. Calling it "a trap," she charged that the no-war pact offer made no sense as Pakistan was preparing for war and at the same time talking of peace. The Indian foreign minister described the Pakistani proposals as a propaganda ploy and rejected them.<sup>8</sup>

However, diplomatic notes that identified points considered appropriate for inclusion in the proposed agreement were exchanged. In reply to an Indian aide's memo of December 24, 1981, Pakistan's eight-point memo contained two specific points: renunciation of force and a peaceful settlement of disputes through arbitration.<sup>9</sup> India apprehended that the proposed pact was intended to dilute the spirit of bilateralism provided in the Simla Agreement and thus raise the Kashmir issue at an international forum. Pakistan believes that its legitimate right to raise the Kashmir issue at an international forum is not in any way negated by the Simla Agreement and that it has a right to do so.

Pakistan wanted to strengthen its relations with India on the basis of sovereign equality, viewing that its moderate program of acquiring weapons cannot disturb the balance of power in the region. Further negotiations continued, and India proposed the establishment of a joint commission to review and promote bilateral relations. In reply to Pakistan's proposal for a no-war pact, India formally proposed a treaty of peace, friendship, and cooperation in August 1982, whereas Pakistan's offer, made in 1981, remained pending.<sup>10</sup>

A formal agreement for establishing a joint commission was signed during President Zia's visit to New Delhi in March 1983 in connection with the Non-Aligned Movement (NAM) summit.<sup>11</sup> The inaugural session of the joint commission was held in June 1983, when four subcommissions dealing with trade, agriculture and industrial cooperation, scientific collaboration, and culture and education were set up. The subcommis-

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<sup>7</sup>*Pakistan Year Book*, 10th ed. (Karachi: East and West Publishing Co., 1982-83), p. 229.

<sup>8</sup>*Ibid.*, p. 231.

<sup>9</sup>*Ibid.*, p. 223.

<sup>10</sup>*Ibid.*, p. 236.

<sup>11</sup>Safdar, *A Political Study of Pakistan*, p. 215.

sions held a series of working sessions, and their recommendations were adopted by the joint commission. Meanwhile, Indo-Pakistan relations again came under a cloud when, in August 1983, the Indian prime minister and foreign minister, as part of coercive diplomacy, issued statements supporting the Movement for Restoration of Democracy in Pakistan, thus interfering in Pakistan's internal affairs.

A seminar on the Sindhi language, held in India, was inaugurated by Gandhi, wherein Indian members of Parliament openly called for the integration of Sind with India.<sup>12</sup> India accused Pakistan of supporting the Sikh movement of Khalistan and continued to repeat the allegation despite Pakistan's repeated denials. As part of interventionist strategy in 1982, India also militarily occupied the Siachen glacier, which was considered a part of the northern areas under Pakistan's control. As part of its coercive diplomacy, India also continued to allege that Pakistan was developing a nuclear capability in spite of Pakistan's repeated declaration that its program is purely for peaceful purposes. In order to remove misperceptions, Pakistan has proposed (1) a declaration making South Asia a nuclear weapons free zone, including the renunciation of nuclear weapons; (2) a joint declaration by South Asian countries to renounce nuclear weapons; (3) reciprocal inspection of each other's nuclear installations; (4) placing all nuclear facilities under nondiscriminatory international safeguards; and (5) the signing of a nonproliferation treaty by both countries. These concrete measures have been rejected by India, which conducted a nuclear explosion in 1974.

In yet another effort to improve relations, President Zia, while returning from Dhaka after attending the South Asian Association for Regional Cooperation (SAARC) summit in December 1985, stopped in New Delhi to discuss bilateral relations,<sup>13</sup> and an understanding was reached that the two countries would not attack each other's nuclear installations. They also agreed to discuss the Siachen issue and the proposals for a no-war pact and treaty of peace, friendship, and cooperation at the secretarial level. Subsequent meetings were held, but a settlement is yet to be reached because of India's internal political pressures. India's peculiar interpretation of bilateralism in the proposed friendship treaty governing the whole range of Indo-Pakistan relations, including the case of Kashmir, is intended to compromise Pakistan's sovereignty and independence. While the proposed friendship treaty's draft provides for the prohibition of bases, it is silent on more relevant principles, such as nonintervention and

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<sup>12</sup>Ibid., p. 216.

<sup>13</sup>*Dawn* (Karachi), December 19, 1985.

noninterference in internal affairs, sovereign equality, and abandonment of hegemony by the larger power in South Asia.

Rajiv Gandhi planned to visit Pakistan in the first quarter of 1986, but the visit has not taken place, and the distrust between the two countries continues to persist because of the compulsions of India's internal politics. Moreover, Pakistan's proposal of a nonaggression pact made in 1981 and India's proposal of a treaty of peace, friendship, and cooperation made in 1982 are still under consideration. We will see if these negotiations will come to any successful conclusion.

### Regional Cooperation

On the bilateral level, Pakistan's relations with other South Asian countries, namely, Bangladesh, Bhutan, the Maldives, Nepal, and Sri Lanka, are cordial and based on respect for each other's sovereign status. Economic cooperation and trade relations are developing, with no areas of conflict. Bangladesh, Nepal, and Sri Lanka have supported Pakistan's stand on the Afghanistan issue and have been cooperating with one another in NAM.

As in the case of Pakistan, the Indian ruling elite also practices the policy of coercive diplomacy and interventionist strategy against other South Asian countries. In 1949, it occupied Sikkim and concluded a treaty with Bhutan whereby the foreign relations and economy of Bhutan are controlled by India. In 1950, it imposed a treaty on Nepal involving it in the Indian security system.<sup>14</sup> Sri Lanka has voiced several protests against India for its role in the Tamil-Sinhalese conflict, accusing India of involvement in Sri Lanka's internal affairs by harboring and training Tamil insurgents.

At the regional level, Pakistan's cooperation with other South Asian countries is of paramount importance. The idea of regional cooperation emerged as SAARC in December 1985.<sup>15</sup> The approved charter states

<sup>14</sup>For details, consult Lorne J. Kavic, *India's Quest for Security: Defense Policies, 1947-1965* (Berkeley: University of California Press, 1967).

<sup>15</sup>The idea was conceived and proposed by President Zia ur-Rehman of Bangladesh in May 1980. In November 1980, he circulated a working paper suggesting a meeting of the foreign secretaries at Colombo, Sri Lanka, to discuss the concept of cooperation. Since then, secretary/minister level meetings were held in Colombo (April 1981), Kathmandu (November 1981), Islamabad (August 1982), Dhaka (March 1982), Mali (July 1984), and Thimpu (May 1985). Finally, in December 1985 the heads of state met at summit level in Dhaka and approved the charter of the organization.

that "cooperation within the framework of the association shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, noninterference in the internal affairs of other states, and mutual benefit."<sup>16</sup> Meetings of the various subcommittees, as laid down in the charter, have been taking place in their respective fields, such as civil aviation, rural development, antiterrorism, and narcotics. The second annual meeting of the heads of states was held at Bangalore (India) in November 1986.

The success of the regional cooperation association depends on the attitude of India toward its smaller neighbors. In this connection on May 10, 1985, Sri Lanka threatened to withdraw from SAARC because of the Indian government's attitude on the Tamil issue. The matter was, however, amicably resolved as a result of mediatory role played by President Zia. Sri Lanka attended the foreign ministers' meeting in Bhutan on May 13, 1985, calling for preparatory work for the first summit meeting to be held in December 1985. Only regional cooperation based on mutual trust and sovereign equality will result in security in the region and resistance to foreign intervention. However, there is one major external factor that continues to cast its shadow heavily on the South Asian region; that is India's treaty and alignment with the Soviet Union, in spite of India's historic championship of neutrality and nonalignment.

The twenty-year, 1971 Indo-Soviet treaty virtually makes India and Afghanistan the two pillars of Brezhnev's "Asian Collective Security System," refurbished by Gorbachev with a new name, the All-Asia Forum.<sup>18</sup> This, together with the fact that almost 60 to 70 percent of imported Indian military hardware, including aircraft, tanks, and submarines, is of Soviet origin has been generating, since 1971, a new arms race in South Asia. This has serious long-term strategic implications, not only for the countries of South Asia but also for West Asia, Southeast Asia, and the Afro-Asian region.

During his visit to Australia, Rajiv Gandhi is reported to have said on October 16, 1986, that the military assistance Pakistan is getting from the United States would have to be equally matched by India. However, he brushed aside a question whether India was spending \$25 million daily on military expenditure by saying, "Ours is one of the lowest spending on armaments in terms of our gross national product."<sup>19</sup> Neither

<sup>16</sup>See text of the SAARC charter in *Strategic Studies* 9(2) (Winter 1986):90.

<sup>17</sup>*Pakistan Times* (Lahore), May 12, 1985.

<sup>18</sup>See Gorbachev's speech delivered at Valdivostok, *Daily Review*, July 29, 1986.

<sup>19</sup>*Times of India*, October 16, 1986.

India nor Pakistan can afford to engage in an arms race, especially when half the Indian population is living below the poverty line, and there are various levels of insurgency in East Punjab, Darjeeling, and Tripura.

Peace, progress, and stability in this region depend on a harmonious relationship among its member states and on sovereign equality irrespective of the size of its members. Pakistan continues its efforts to improve its relations with India on the basis of sovereign equality, national independence, noninterference, and mutual goodwill. Unfortunately, the Indian ruling elite's policy of coercive diplomacy and interventionist strategy has proved to be a stumbling block in achieving any real and substantial progress and goodwill. As the biggest country in the region, it is up to India to gain the confidence of its smaller and poorer neighbors. Unless this is accomplished, it will be difficult to attain stability in the region, which is now all the more vital in view of the Russian occupation of Afghanistan—the geostrategic security zone of South Asia. India should realize that as warden of this region, a strong, friendly Pakistan is essential for its security, as well as for the security and stability of the whole region. Toward that realization, the United States, which has fought three major and costly wars in Asia since 1941, can play a vital role.

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## 11. U.S. Relations with India and Its Neighbors

THOMAS PERRY THORNTON

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The relations of the United States with South Asia are in some respects typical of U.S. relations with any part of the Third World—a mixture of bilateral interests, intrusion of concerns from the global and transregional arenas, and the impact of the intraregional developments in South Asia itself. The balance of these factors in South Asia differs in many respects from other areas of the Third World—e.g., Central America or Southern Africa. In South Asia, the bilateral relationships are especially weak; the global intrusions are extensive but less than volatile; transregional concerns (especially the Persian Gulf but also China) are strong; and the internal dynamics of South Asia itself have an especially important impact on U.S. policy choices.

South Asia is both a region and a collectivity of individual nations, and we shall look at it from both perspectives, as well as factoring in important outside influences. By definition, this chapter is not concerned with the U.S.-Pakistan relationship; but given the importance that Pakistan plays in South Asian affairs, Pakistan must be a well-appreciated presence in the background.

### **Bilateral Relationships**

Relations with Bhutan are certainly the most uncomplicated of any that the United States has with a South Asian state for the simple reason that they are minimal. Since the late 1950s, Bhutan has followed a three-fold diplomatic course designed first to keep the goodwill and support of India, then to gain added recognition of its independent status, while avoiding entanglement with international politics outside South Asia.<sup>1</sup> The second of these goals would point toward more formal and extensive relations with the United States, but the other two do not, and the Bhutanese

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<sup>1</sup>See Leo E. Rose, *The Politics of Bhutan* (Ithaca, N.Y.: Cornell University Press, 1977), ch. 4, esp. p. 100.

have moved circumspectly in dealing with Washington. Aside from India, Bhutan exchanges ambassadors with only Nepal and Bangladesh; any attempt to extend this to Washington would probably incur Indian displeasure, and require, for balance's sake, the exchange of ambassadors with Moscow. The two countries encounter each other in the United Nations, and the Bhutanese foreign minister is no stranger to the United States; the staff of the American embassy in New Delhi, in turn, occasionally samples the considerable delights of Bhutan. These contacts are amiable, and the United States is receptive to Bhutanese initiative aimed at strengthening them; but the initiative is left to the Bhutanese. Since it stretches the imagination to think of any interest that the United States needs to pursue more intensively in the high Himalayas, Bhutan's cautious approach is fully acceptable in Washington.

At the other end of South Asia, U.S. relations with the Maldivian Islands are also extremely thin. There is a small amount of trade between the two countries, some American tourists visit the islands, and the United States provides a very modest amount of food and education assistance. There is, however, no Maldivian ambassador in Washington, and the United States is represented in Male only by a consular agent; our ambassador in Sri Lanka is accredited to the Maldives, and he and his staff make regular visits there.

While it is difficult to think of any potential U.S. interest in Bhutan, the location of the Maldives could make them of some interest in Washington. The British long maintained an air station at Gan, in the south of the archipelago, and the Maldives could offer a promising site for bases for an outside power that sought to establish a naval presence in the Indian Ocean. Given our access to Diego Garcia, however, the Maldives are of no immediate interest as a possible American base site; and despite occasional rumors of Soviet interest there, Moscow would seem unlikely to force its presence in the face of an inevitably hostile Indian reaction. For the time being, at least, the Maldives do not figure significantly in American calculations about South Asia.

Contacts between the United States and Nepal are qualitatively greater than those with Bhutan and the Maldives. There has been an American ambassador in Kathmandu since 1959; we have maintained a significant aid program there; and Nepal is strategically located between two countries of importance to the United States—India and China. Indeed, in the period following the Sino-India War of 1962, Nepal figured extensively in American thinking about South Asia. Washington became deeply involved in the East-West Highway project and other programs designed to strengthen Nepal against any possible Chinese pressure and to ensure that it formed a strong forward buffer for India. Times have changed since

1962 and there is little concern now in Washington. The Chinese threat has dwindled; the Nepalese have shown considerable skill in managing their affairs; and American concerns about Indian security are markedly reduced.<sup>2</sup>

Nonetheless, the United States continues to pursue an active role, for it is interested in a strong and independent Nepal. Disarray there could tempt Indian and Chinese meddling and trigger a conflict posing great difficulties for the United States. That does not seem to be a significant problem for now at least, but any program that strengthens Nepal without precipitating undue concern in New Delhi will serve also to underpin Nepalese independence. In addition, support to Nepal is warranted on humanitarian grounds since most of the indicies of world poverty place Nepal very near the botton of the list.

The principal manifestation of U.S. concern is the U.S. aid program. Since the inception of the program in 1951, the United States has provided about \$350 million in various forms of assistance to Nepal, and there is extensive Peace Corps involvement. Most recently, the United States promised in 1983 a five-year program that would result in a flow of \$75 million, and the first years of the program have run at a slightly higher rate than that. Despite Nepal's lack of a coherent development program and the cuts mandated under the Gramm-Rudman budget act, Nepal will probably continue to receive funds at almost a \$15 million annual level.

Relations otherwise run on smoothly. The annual chronicle of Nepal published by *Asian Survey* for 1982, for example, could find nothing more exciting to report than a contretemps over the handling of the American ambassador's baggage in Kathmandu. There are minor disagreements over human rights issues and Nepal's policy of forbidding religious conversions, but Nepal's rather idiosyncratic political system seems to function and be acceptable to the population, thus attracting little attention in the United States. A royal visit early in the Reagan administration and an appearance by Ambassador Jeane Kirkpatrick in Nepal in August 1981 marked long-time high points in the relationship. Trade problems affecting Nepal's growing exports of manufactured garments to the United States were settled amicably in the spring of 1986, and Nepal's considerable macroeconomic problems are mainly issues with the international lending organizations rather than with the United States directly.

U.S. relations with Sri Lanka are a significant step up the diplomatic ladder for a combination of reasons, including Sri Lanka's traditionally

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<sup>2</sup>See Leo E. Rose, *Nepal: Strategy for Survival* (Berkeley and Los Angeles: University of California Press, 1971); and Rishikesh Shaha, *Nepali Politics: Retrospect and Prospect*, 2d ed. (Delhi: Oxford University Press, 1978), chs. 3 and 4.

higher international posture, much more extensive bilateral interests, and the domestic problems of that most troubled island. The relationship has not always been a smooth one, as Sri Lanka's international policies have shifted back and forth between left-leaning nonalignment and fairly solid support of Western positions, and its domestic policies from extremes of welfare socialism to reliance on market forces. American interest in the affairs of Sri Lanka has also changed, depending on U.S. appraisal of Sri Lanka's position in global politics, on concern with the Indian Ocean, and on considerations of the extent to which Sri Lanka might be something of a model for the kinds of development policies favored in Washington.

With the election of the J. R. Jayawardene government in 1977, most of the signs became favorable for the relationship. Sri Lanka's market-oriented development has enchanted the Reagan administration just as its focus on basic human needs had pleased the Carter administration. Jayawardene's strongly pro-Western policies have been welcome in Washington throughout the entire period, and the striking success of Sri Lanka's economic programs resulted in levels of assistance that are unparalleled on a per capita basis for South Asia (five times as great as for instance, as U.S. aid to India), and indeed rank among the world's highest. Jayawardene's increasing authoritarianism has raised few eyebrows in the Reagan administration.

Some very dark clouds have, however, come to overshadow the generally warm ties between Washington and Colombo, especially the impact of communal tension on the island. The U.S. government unequivocally supports the integrity of Sri Lanka and condemns the classic terrorist tactics that the Tamil insurgents have so skillfully used. The Tamils have, however, been adept in cultivating public opinion in the United States, while the Sri Lankan government has made little effort to put its case across to the broader American public. (It should be emphasized that even on an issue like this the total "attentive public" in the United States is at most a few thousand people.)

The insurgency had no significant ill effects on the U.S.-Sri Lanka relationship as long as it remained localized and, essentially, a small if bloody terrorist operation. Over the past year or so, however, Americans have been disturbed by some basic shifts in the situation on the island. First of all, the Tamils' terrorist techniques have succeeded in fanning Sinhalese racism and provoking overreaction by an ill-trained Sri Lankan military, thereby solidifying popular Tamil support for a cause that had originally been espoused by few and at the same time raising a high degree of international concern about the policies of the Sri Lankan government, especially its respect for human rights. The excesses of the military are well documented, and when a government has to bomb and strafe one of

its own largest cities (Jaffna), there is clearly something fundamentally wrong with its policies.

The plight of the Colombo government is inevitably of concern to Washington. In addition to a strong general preference for a stable, unified Sri Lanka, the Reagan administration is particularly attentive to the symbols espoused by the Jayawardene government—anticommunism, support for U.S. positions at the United Nations, resistance to terrorism, and preservation of a free market economy. In addition, Sri Lanka has provided the site for a new transmitter that the Voice of America badly needs if it is to get its message into the Central Asian regions of the Soviet Union. The Marxist-Leninist proclivities of some of the Tamil separatists are far from reassuring about the future orientation of a Tamil state on the island.

Strategically, Sri Lanka remains a potentially vital site in the Indian Ocean that must be at a minimum denied to the Soviet Union, if not utilized by the United States. There are rumors that Sri Lanka has in fact offered the United States Navy access to its facilities in return for support against its domestic enemies and that the United States has sought the use of Trincomalee. These rumors have been categorically denied, but they do point up elements of a deal that would have been extremely attractive to some American policymakers and would have been compatible with the rhetoric of the early Reagan years.

Jayawardene understandably feels entitled to the strongest possible support from his fellow septuagenarian in Washington, but the United States has largely stood aside from the security problems of Sri Lanka. Requests for arms aid have been discouraged, and there has been no evident interest in the development of closer security relationships, even those that would be of distinct benefit to the United States (such as basing or prepositioning in Trincomalee).<sup>3</sup> An active schedule of ship visits has been maintained, but there seems to be no desire—on the American side at least—to go beyond that. The September 1983 visit of Defense Secretary Caspar Weinberger to Sri Lanka was predictably viewed with foreboding in India but led to no U.S.-Sri Lanka military relationship beyond the ongoing program of ship visits for recreational purposes.

Economic assistance is at least as important to Sri Lanka as is military aid. High levels of international support (including from the United States) have been regularly maintained over the past years, helping Colombo to fight an increasingly costly internal war without cutting back too drastically on its economic growth programs. Under the circumstances, real growth of 4 percent in 1985 is an impressive achievement.

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<sup>3</sup>See *Asian Recorder*, 1984, p. 17739.

The economic outlook is not, however, bright. Growing military costs put an ever-greater burden on the government's finances, and the deficit is rising rapidly. These economic pressures have come precisely when American assistance began to taper off because of (1) budgetary pressures in the United States symbolized by the Gramm-Rudman act and (2) the completion of the Mahaweli Ganga project that had consumed a very large part of U.S. aid to Sri Lanka. Thus the U.S. fiscal year 1986 aid budget proposed only \$20 million for Sri Lanka in comparison to \$32 million in the previous year. The U.S. government asserts—and there is little reason to disbelieve—that reduction in aid to Sri Lanka is not a reflection of lessening support for the Sri Lanka government or an expression of displeasure over its domestic policies. Certainly \$20 million is a substantial figure when one realizes that the population of Sri Lanka is only 16 million and that Sri Lanka is scarcely a frontline state in terms of American policy concerns.

From Sri Lanka's point of view, however, this is a time when the United States should be greatly increasing its support to a nation that has demonstrated real friendship for the United States and support for its policies but has now fallen on its hour of need. It appears, however, that Washington sees its role as marginal in the face of the island's pressing communal problems and recognizes that the solution to them is not going to be found through simple application of armed force by the Colombo government or exceptional infusions of U.S. aid. The key to a solution lies in a political compromise between the contending actors, and in a larger sense, within the regional setting, since Indian interests are directly involved. Recognizing that it does not have the capability to be a decisive part of the solution to Sri Lanka's difficulties, Washington has apparently decided not to become part of the problem by inserting itself ineffectively.

The last of the "smaller" nations to be discussed (and only in South Asia does a nation of 100 million count as "small") is Bangladesh. It is hard to think of any state whose manner of coming into existence so predestined it for bad relations with the United States. The American government had steadfastly opposed the breakup of Pakistan in 1971 and had shown concern for the plight of the Bengalis only under strong pressure from public opinion. The last-minute, unsuccessful intervention of the United States Navy served only to solidify Indian (and Bangladeshi) bitterness toward the United States. The Soviet Union, on the other hand, ultimately backed Mrs. Gandhi's decision to support an independent East Bengal, and after 1971 both India and the Soviet Union could bask in the success of their policies while the United States and Pakistan were faced with failure, albeit of very different degree. The new Bangladesh government was staunchly pro-Indian and seemed to follow India's domestic and

foreign lead at a time of great Indian bitterness toward the U.S. There was, then, little hopeful prospect for U.S.-Bangladesh relations.

Yet only a few years later the picture had changed radically, and the United States enjoyed close and friendly ties with Dhaka—a situation that has persisted up to the present.<sup>4</sup> Despite all that had gone before, the government of Bangladesh found it advisable to mend its relationship with Washington. First, of course, the United States is not exactly a negligible quantity in international relations, and even a nation with such bitter memories as Bangladesh necessarily took that into account. Second, the new nation was confronted with horrendous economic problems that could not be met by the efforts of India and the Soviet Union. Newly elected President Mujib had to look elsewhere, and that inevitably meant the United States and the international lending institutions dominated by Washington.

The basis for a supportive economic relationship had been laid well before Bangladesh's independence, when sympathy for the Bengali cause compelled the Nixon administration to contribute substantially to the welfare of the estimated ten million Bengali refugees in India. The plight of the country evoked a vast outpouring of American public support running the gamut from the American Friends Service Committee to rock concerts. Bangladesh was the humanitarian cause of its time, and an enthusiastic Congress pressed for a development assistance program as soon as Bangladesh became independent and before Washington decided to extend recognition to the new country.

Once the issue had been settled, Nixon and Kissinger were themselves willing enough to get down to doing business with the Dhaka regime. Recognition was delayed until April 1972, just long enough to assuage Pakistani sensibilities; but after that hurdle was passed, it made sense to see what could be made of a relationship with a country that might be a "basket case" but was a very large basket case, one of the world's ten largest nations, one that would inevitably play some significant international role—and one that represented a popular, humanitarian cause for an administration desperately in need of one.

Political motivations were also present on the Bangladesh side. Mujib himself seemed willing to maintain intimate, even dependent, ties with India; but after the initial euphoria, the Bangladesh public soon recalled old suspicions of Indians (and of the USSR, which suffered from guilt by association), and sentiment mounted for a policy that would diversify

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<sup>4</sup>For a useful general survey by an Indian writer, see Jayasree Biswas, *U.S.-Bangladesh Relations—A Study of the Political and Economic Development During 1971-1981* (Calcutta: Minerva Associates, 1984).

Bangladesh's foreign ties. When Mujib was assassinated in 1975, conditions were ripe for a reorientation of priorities in Dhaka. The new leadership altered the domestic determinants of Bangladesh foreign policy and shared the popular perception that if the country was not to slide into a Nepal-like situation, it would have to develop new foreign-policy options. The series of traumatic events that took place in Bangladesh in the mid-1970s also erased much of the historical memory of the U.S. (and even Pakistani) roles in the events of 1971. Taken together with the economic imperatives, this opened the way for a rapprochement with the United States and the establishment of ties with China and the Islamic world (especially its wealthier parts), both of which were highly compatible with improved relations with Washington.

The U.S.-Bangladesh relationship prospered as Ziaur Rahman consolidated his rule. The Soviet Union was increasingly in bad odor, and Dhaka kept India at arm's length even while accepting realistically the need for a nonhostile relationship. Bangladesh increasingly emerged from behind the Indian shadow on international issues, attaching itself more to Islamic causes. It assumed an active role in the United Nations and the nonaligned movement as a means of establishing its independent voice in international affairs and also extended its efforts on the South Asian regional scene. The ouster of Indira Gandhi from power in 1977 reduced tensions between Delhi and Dhaka, and since Washington also found the Janata government compatible, U.S.-Bangladesh ties were strengthened. Bangladesh continued to receive large amounts of aid; and although Zia, faced with internal unrest, occasionally resorted to human rights practices that did not quite meet the Carter administration's standards, their impact on U.S.-Bangladesh relations was only a minor irritant.

Bangladesh explored the possibility of a military supply relationship with Washington but came up with nothing of substance for its efforts. Cutbacks in arms transfers were another central tenet of the Carter administration, and there was no point in adding Bangladesh to the list as a new recipient; the need was hardly evident, and it was felt that Bangladesh was about the last nation that should devote scarce resources to military procurement.

The dramatic changes of 1979 and 1980 in South Asia and in the United States strengthened U.S.-Bangladesh ties. The return of Mrs. Gandhi and her tilt toward the Soviet Union was as distasteful in Dhaka as in Washington. Under Zia, Bangladesh began to play an increasingly important international diplomatic role, both on global issues and in regional terms, as Dhaka launched—and successfully pressed—the idea of a South Asian regional organization.

While the murder of Ziaur Rahman represented a serious setback to the internal development of Bangladesh, it did not have much impact on the country's foreign relationships. Dhaka has continued to elaborate its international ties, including those with the United States. Bangladesh continues to be much more the suitor, reinforcing the "pull" aspect of the U.S.-South Asian relationship in a pattern that is analogous to Pakistan's search for a regional equalizer, but pursued much more gingerly. The burden of history weighs much less heavily than on the Indo-Pakistani tie; the Bangladeshis have learned something from the Pakistani experience; and, perhaps most important, Dhaka does not have much to offer strategically as a lure to the United States; being the front-line state vis-à-vis Burma is not much of an attention-getter in Washington.

The faltering progress of the Ershad regime toward restoration of representative rule has been a cause of some concern in Washington and the subject of urgings to the Dhaka government. Such matters do not loom very large in Reagan's Washington, however, and relations with Bangladesh are extremely good, highlighted by the largest economic aid program that the United States has with any country that does not have a "strategic" relationship with the United States.

In a time of reduced availability of funds for assistance programs and growing demands from "strategic" relationships, it will be difficult to maintain the level of the Bangladesh program. For U.S. fiscal year 1986 the program totaled \$165 million, of which \$75 million was development assistance and the remainder Public Law (PL) 480 food aid. The program is focused on key segments of the Bangladesh economy—population control, rural employment, and agricultural productivity—and these are likely to remain the target areas, for they are the key to the United States' main concerns with Bangladesh—stability and growth.

In recent years, U.S. trade with Bangladesh has grown considerably, to the point that textiles have now outpaced jute and jute products as the principal exports. Predictably, this change has triggered concern in the United States and several other Western importing countries, but with the United States, at least, Dhaka was able to negotiate a new textile agreement that should permit exports to continue at a satisfactorily high level.

Bangladesh is likely to remain low on the list of countries with which the United States might want a "strategic" relationship. The role that Bangladesh now plays is much to American liking, and it is hard to see realistically how it could be improved upon. Rumors of the United States seeking bases in Bangladesh surface occasionally but are taken seriously only by enthusiasts in such matters, and even those observers have a hard time explaining what the advantage of a naval base in Chittagong would be. The U.S. Navy does make ship visits to Bangladesh but only for flag

showing and recreational purposes and on a very modest schedule. While Dhaka would still like to receive military assistance from the United States, such assistance remains restricted to sales of nonlethal items, and a small International Military Education and Training (IMET) program.

The scope of this chapter precludes anything like a general review of U.S. relations with India. This topic has received much attention, and most readers are familiar with it.<sup>5</sup> A few brief points may serve as an aid to memory, especially concerning the bilateral relationship (relevant global and, especially, regional matters are developed below).

Bilateral relations have improved in the past several years, particularly since the advent of Rajiv Gandhi, who looks to the United States (and the industrial nations associated with it) to help implement his vision of a modernized India. His desire to open up and liberalize the Indian economy has found resonance in Washington, and the prospects for dramatically improved ties might seem bright—thus offering the prospect that the United States could, for the first time, have warm relationships with all the nations of South Asia.

Certain regional and global issues becloud this prospect, however, and even in bilateral terms the outlook is not that bright. After the surge of excessive expectations that arose in the first half of 1985 as Gandhi introduced his new economic policies, Americans responded enthusiastically, but the Gandhi-Reagan meeting proved unrealistic. Hopes for the growth of the Indian economy and for American responses went beyond all reasonable expectations and soon began to feel the cold showers of reality—not just as political relations once again soured but also because of built-in limitations to India's capacity to reform (and hence attract outside private resources) and on the American capacity to respond. Even under optimal political and politico-economic conditions (which surely are not the case here), the low base of the economic relationship sets a narrow scope for near- and midterm expansion. American trade with India has grown substantially, but much of it is in textiles (where there are many claimants for a share of the U.S. market) and in petroleum (which India exports to the United States but then immediately reimports in product form; hence it is not a significant element). Indian manufacturers are only slowly gaining a share of the U.S. market, and they face heavy

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<sup>5</sup>The most recent survey is Norman D. Palmer, *The United States and India—The Dimensions of Influence* (New York: Praeger, 1984). More narrowly focused on immediate policy matters are Thomas Perry Thornton, *The Gandhi Visit—Expectations and Realities of the U.S.-Indian Relationship* (Washington, D.C.: Foreign Policy Institute, SAIS, Johns Hopkins University, 1985); and Robert Hardgrave, *India Under Pressure* (Boulder, Colo.: Westview, 1984), ch. 3.

competition. Bilateral assistance has ceased to be a significant element of India-U.S. relations; current levels of under \$200 million barely cover debt repayment. Annual American investment in India had been running only about \$30 million; and although there has been a gratifying surge in collaborative ventures, even a multifold increase would not have a major impact on the overall economy. The U.S. government has decided to encourage technology transfer, but it can do little beyond giving positive signals and removing barriers. In the United States technology belongs to private companies, and India will have to bargain hard to get it.

There are prospects for improved India-U.S. economic cooperation, especially in the longer term, but the more immediate potential has been greatly exaggerated. Furthermore, economic considerations cannot sustain a positive relationship if political and strategic considerations are negative. And while political concerns have not been grossly disruptive over the past year or so, they have certainly contributed little to strengthening the relationship. The familiar global and regional differences have kept their heavy hands well in place.

One modestly hopeful element in the India-U.S. equation is a somewhat greater interest in India in the United States. All the nations of South Asia are painfully aware that the United States looms much larger in their consciousness than vice versa. (This is of course hardly unique in South Asia; Englishmen and Brazilians feel the same way, if in different degrees.) This sensitivity has run particularly high in India, with its substantial aspirations to international status. In the past several years, for a variety of reasons, Americans' awareness of India has grown and perhaps also their understanding of India's problems and potentials. This factor should not be exaggerated, but it could provide some basis for a better understanding of India, and ultimately, for the other South Asian nations as well.

It is difficult to characterize the overall India-U.S. relationship. In the eyes of those who are concerned with India's size, its power potential, and its functioning democracy, relations are obviously very disappointing. When seen from another perspective, however—the great physical distance between the two countries; the huge economic, social, and even political gaps between them; and their inevitably divergent positions on major international issues—it is surprising that relations are as good as they are.

This cursory review of U.S. bilateral relations with the individual nations of South Asia underlines the point made earlier—that from the American point of view, South Asia is very near, if not at, the bottom of our scale of concerns. The reverse of the proposition is of course not true. The United States is tremendously important to Sri Lanka, Bangladesh,

Nepal, and India because of its economic strength and ability to project significant power and influence across the globe. Over time, the flood of South Asian immigrants in the United States will no doubt make some impact on U.S. policy and begin to weaken Americans' seemingly invincible ignorance about things South Asian. These same immigrants' friends and families will serve as a pro-American lobby in New Delhi, Islamabad, Colombo, and Dhaka that will have significant impact on these countries' policies toward the United States and perhaps lend more realism to their attitudes toward the United States.<sup>6</sup>

If bilateral ties are thin, they are for the most part reasonably positive. Few issues separate the United States and Bangladesh; problems with Sri Lanka arise from that country's divisions; the restrained U.S. role may disappoint the government of Sri Lanka, but neither side really has alternatives to generally good ties. U.S.-Nepal relations are good, and such modest ties as the United States has with the Maldives and Bhutan are friendly. There are naturally economic differences with almost all of these countries, but the differences are minor. India is the exception, but both sides seem interested in preserving their ability to deal with each other; if the U.S.-India relationship turns sour, it will probably not be because of bilateral issues.

### **Global and Transregional Issues**

This broad pattern persists when viewed through the global prism. None of the South Asian states takes radical positions on global economic matters, and the one that is most critical of the United States in nonaligned circles (India) counts as a leading moderate. On vital East-West issues, Nepal, the Maldives, Sri Lanka, and Bangladesh are all viewed by Washington as genuinely nonaligned—skeptical of Soviet intentions and akin to the ASEAN nations in outlook and actions. Even Bhutan, which “receives guidance” in its foreign affairs from India, took a position on the issue of Kampuchean representation in the United Nations that differed from that of its mentor—admittedly, on an issue of no direct importance to New Delhi.

Regarding global issues, India is, too, the odd man out, this time at odds not only with the United States but also with its own neighbors.

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<sup>6</sup>Attitudes in South Asia indeed need some shaping. See Ainslie Embree, “Anti-Americanism in South Asia: A Symbolic Artifact,” in Alvin Z. Rubinstein and Donald E. Smith, eds., *Anti-Americanism in the Third World: Implications for U.S. Foreign Policy* (New York: Praeger, 1985).

Rajiv Gandhi's decision to look westward for his economic ties is paralleled by his determination to use the Soviet Union as his security support and his willingness to pay some political costs for that support. The question of which side gives and which gets more in the Indo-Soviet relationship is a much discussed one, and need not be pursued here. India's pro-Soviet tilt on global matters has, however, been the most serious of Washington's reservations. One would have expected the Reagan administration to relegate India to the outer reaches of darkness of the evil empire, but this has not been the case. Washington has not pressured India nor restricted ties with that country; rather, it has apparently taken the Soviet position in India as a challenge to be met. The attention it has focused on India in political and economic matters and its willingness to sell sophisticated military items to India are just as much a part of the administration's attempt to "roll back" the Soviets in the Third World as has been its military support for Savimbi in Angola, the Nicaraguan *contras*, and the *mujabidin* in Afghanistan. While this is a strategy that may bear fruit over time, it is a very vulnerable one. Both sides seem to assume the primacy of economic over political factors, yet there is little to guarantee that this assumption—in India-U.S. relations at least—offers the basis for a viable midterm strategy.

India is yet again the odd man out with regard to most of the trans-regional issues affecting South Asia and its relationship to the United States. First among these, in the longer term at least, is China. The triangular patterns among Washington, Beijing, and the various South Asian capitals were kaleidoscopic until the Sino-U.S. normalization of the mid-1970s, but matters have settled down to a more understandable pattern as China has turned its back on revolutionary politics and the United States has taken a more measured view of its involvement in South Asia.

Among the smaller South Asian states, China is a direct factor only in Nepal, where the royal government had hopes of playing China off against India but finally recognized that this was a game both too dangerous and beyond its capabilities. As Sino-Indian relations have stabilized in recent years, all sides have apparently settled on a formula that concedes a cooperative Nepal-China relationship within an overall context of Indian primacy. For Bangladesh and Sri Lanka, China represents a welcome international contact to help offset Indian preponderance, but both countries recognize that China is able to do much less for them than is the United States, and even that is little enough should India decide to turn the screws hard.

Over the past decade, ties between Beijing and New Delhi have settled down to a fairly stable pattern. Neither side is preoccupied with the other, nor are there pressing areas of tension. Full normalization is

impossible, however, because of their still unsettled territorial dispute. China is prepared to accept the status quo, and there seems little likelihood that India will ever be able to get a significantly better deal—the Aksai Chin is simply too important for China to relinquish. Indian opinion, however, precludes the government from giving up the claim to the Aksai Chin, and no formula has been found to put the dispute to rest.

In addition to the territorial dispute, there is an at least implicit rivalry between China and India for influence in Asia and for acknowledged great-power status that makes unlikely any return to the heady days of friendship between the two giants. China is also deeply disturbed by India's close ties to the Soviet Union. While Beijing recognizes that the best way to offset Soviet influence in South Asia is by winning Delhi away from Moscow, that remains an unattainable goal in the foreseeable future. Indians, on the other hand, point out that Chinese foreign policy has been mercurial in the past and could become so again; hence, it is advisable to maintain some distance from Beijing.

There are obvious parallels between the approaches of China and the United States to South Asia. By and large, the two countries have the same concerns and policies there—with one striking exception: the United States has no interest in building up Chinese influence in South Asia nor in weakening that of India. For Americans, the barrier of the Himalayas divides two distinct geopolitical regions—"East Asia" and "South Asia"; to the extent that the United States sees a role for China in South Asia it is because of the Chinese role in global triangular politics (e.g., supporting the *mujahidin*), not as a player in the South Asian subsystem as such.

This line of reasoning falls on deaf ears in New Delhi, for Indians have substantial concerns. First of all, any activity that seeks to undermine the Soviet position in South Asia will objectively have some anti-Indian implications, given the close ties between Moscow and New Delhi. Second, because of the remaining disputes between India and China and the possibility that Chinese policy might shift, India voices deep concern over U.S. policies such as military and nuclear cooperation that serve to strengthen China, even though the United States is prepared to do at least as much for India in terms of military supply and offers no objection when other nations assist the Indian nuclear program. Indian concerns have made little impact in Washington, where the senior leadership simply does not see why India should be concerned about Sino-U.S. developments. (Perhaps reflecting a new awareness of the trans-Himalayan interrelationships, however, the October 1986 visit of Defense Secretary Caspar Weinberger to China was continued into South Asia.)

This disagreement is highlighted in regard to the most pressing immediate transregional issue—the Soviet aggression against Afghanistan—

where China and the United States have identical positions, in sharp contrast to that of India.<sup>7</sup> The U.S.-China position is more or less openly shared by all of the other states of South Asia who see the Soviet attack as both an indirect threat to their security and a violation of important international norms designed to protect smaller nations. The Afghanistan situation is dealt with in considerable detail in other chapters in this volume; suffice it to say here that it has served to reinforce the trends we have discussed earlier—isolating India and creating a common set of interests among the United States, the smaller South Asian states, and China. Even sharp disagreements over this pressing issue have not, however, brought relations between any of the parties and India to the breaking point; India is simply too central to the political system of South Asia and to the dealings that outsiders have with it.

With regard to the other critical transregional issue—the Gulf region—there are substantial coincidences of interest between the United States and all of the regional powers including India. All are concerned with the stability of the region, and the role played there by migrants from the major South Asian countries is a helpful one for all concerned. Growing communal problems in India and Hindu suspicions about subversive ties between Indian Muslims and their wealthy coreligionists in the Gulf could becloud this picture but so far have not to any serious degree.

Overall, then, in terms of bilateral, global, and transregional issues, U.S. relations in South Asia are exceptionally good except with India, and even India-U.S. differences in these areas do not cause either side major policy problems. There remains, however, the most interesting and potentially most troublesome arena of relations affecting the United States and South Asia—the impact of South Asian regional issues—where the general patterns noticed above are accentuated to the point of danger.

### **The Regional Setting**

It is precisely the regional setting that underlies India's odd-man-out position in other matters and has brought about the familiar pattern in U.S. relationships with South Asia. For the "smaller" South Asian nations (with the exception of the Maldives), one of the first policy imperatives is to distinguish themselves from India. In part this is simple

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<sup>7</sup>Thomas Perry Thornton, "India and Afghanistan," in Theodore L. Eliot, Jr., and Robert L. Pflatzgraff, Jr., eds., *The Red Army on Pakistan's Border: Policy Implications for the United States* (Washington, D.C.: Pergamon-Brassey's International Defense Publishers, 1986).

psychology; in part, however, it is seen as necessary for national survival. The case of Sikkim—whether or not correctly interpreted—and the implicit limitations on Nepal's freedom of action are not lost on India's other neighbors. Neither Jayawadene nor, much less, Ershad is a local chogyal, but inevitably the heavy hand of their overwhelmingly large neighbor hovers just above them, if it does not directly rest on them. With only minor exceptions (Mujib just after 1971 and the Bandaranaiques until perhaps 1971) differentiation from India and the search for some kind of supplementary, if not alternate, ties have been a keystone of all the South Asian nations' policies and are likely to remain so.

Pakistan has a ready-made choice in this regard: its relationship to the Muslim states of Southwest Asia. The smaller states also have some variety of choice—the Non-Aligned Movement, the Islamic Conference (for some), and the United Nations. A particularly tempting avenue to the outside world is provided by the two superpowers. Given the fact that the Soviet Union is closely tied to India (and demonstrated in 1969 that it would not jeopardize that tie, even over Pakistan), the United States is inevitably the connection of choice for the other South Asian nations. The economic capabilities of the United States reinforce this propensity.

Virtually every South Asian state has harbored hopes of U.S. support at times when Indian policies and actions were particularly burdensome, and most of them have made some attempt to get that support. An exception is Bhutan, which certainly is interested in keeping ties to Washington open, but—in part out of deference to India—has eschewed formal ties with both superpowers and with China. The Maldives have also limited their diplomatic capabilities but in any case have no particular problems with India.

Nepal's attempt to maneuver between India and China proved too threatening to Indian vital interests; hence, Nepal has pulled back in its dealings with Beijing, most recently turning down a Chinese offer to build a road in an area that India found sensitive. Nepal has, however, played an adroit diplomatic game and has been able to command a significant external presence, thus offsetting some of India's geopolitical predominance. In the 1960s Nepal had hopes of drawing the United States into a direct security relationship, but the move was deflected by Washington.

Sri Lanka under Jayawardene has gone to considerable effort to enlist U.S. support both in general terms and against the Tamil insurgency. Coupled with early Sri Lankan hopes of affiliating with ASEAN, the American option has been an important part of Sri Lankan attempts to maximize its maneuverability and put some distance between itself and India.

The case of Bangladesh is even more striking. Once Mujib was gone, U.S.-Bangladesh ties prospered. The economic element was important but

not exclusive; domestic and foreign political imperatives demanded that Ziaur Rahman find alternatives to India and, as noted above, there was strong reason for choosing the United States.

The key point in this discussion is that because of the internal power relationships of South Asia, there is a powerful "pull" directed toward the United States to involve itself in the affairs of the subcontinent in the interests of altering the power relationships to the advantage of the "smaller" regional nations vis-à-vis India.<sup>8</sup> This has historically led to poor India-U.S. relations, suggesting that ties with India will vary in inverse relationship with those the United States has with the other regional states. This need not, however, be the case, for as the Janata—and to some extent the Rajiv—governments demonstrate, a forthcoming Indian attitude toward its neighbors is compatible with the latter's good ties to Washington. This illustrates the basic proposition that when relations between India and its neighbors are relaxed, ties to the United States (or, for that matter, to any outside force) are less controversial in South Asian terms. When, however, relations are tense—whether because of the actions of the smaller state, as the result of a strong, unprovoked U.S. "push" into the region, or (most likely) because India is wielding sticks rather than offering carrots—the external ties of the smaller states become more contentious. This situation can pose difficult political choices for the United States and raise Indian suspicions that the United States is intervening in the subcontinent and even seeking to destabilize it.<sup>9</sup>

Even though this "pull" factor is by far the more important element conditioning U.S. relations with South Asia, there is also a "push" factor that impels the United States into the affairs of the region. As a superpower with (real or imagined) global interests and responsibilities, the United States has a propensity to establish influence everywhere. This energetic globalism was certainly a motivating factor in the United States' early efforts in the area, but by the late 1960s it had largely been exhausted in South Asia and elsewhere. A focus on the "new" range of global issues in the Carter administration triggered a new focus on South Asia but that, too, fell by the wayside.<sup>10</sup> South Asia in itself offers no necessary, useful,

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<sup>8</sup>China is, of course, another alternative, but, except for Pakistan, it is not an acceptable one since it is both dangerously nearby and lacks the capability to intervene directly and effectively in South Asia.

<sup>9</sup>See Surjit Mansingh, *India's Search for Power* (New Delhi: Sage, 1984), p. 262.

<sup>10</sup>For background, see Thomas Perry Thornton, *The Challenge to U.S. Policy in the Third World: Global Responsibilities and Regional Devolution* (Boulder, Colo.: Westview Press, 1986), chs. 1-3.

or even possible advance post for the United States in pursuing a globalist security strategy and, as we have seen, bilateral concerns provide little additional incentive (in contrast, say, to the Middle East or Central America). Thus this aspect of the "push" factor is of decreasing consequence in U.S.-South Asian relationships even under the anachronistic globalism of the Reagan administration.

More important remain considerations external to South Asia that stimulate U.S. interest in the region. Worry about China provided a major incentive in the 1950s and 1960s, but that has long since passed; more important now are concerns with the security of the Gulf region.<sup>11</sup> The most important of all of the "push" factors, however, is the U.S. concern that the Soviet Union may seize a dominant position or preempt it. As noted above, this concern probably supplies much of the reasoning behind the Reagan administration's courtship of Rajiv Gandhi. In another way, it is a key reason for strong U.S. support to the *mujahidin* in Afghanistan and, by extension, to Pakistan. It is the conjunction of the Gulf and Afghanistan factor that explains the resurgence of U.S. involvement in the region.

Countering or limiting the Soviet (or other hostile) role in South Asia could be done in either of two ways. The first would be direct U.S. orchestration of a security system in South Asia that would "contain" the USSR; this was the thrust of early U.S. policy; it receded after the 1965 India-Pakistan war, resumed again briefly in 1971, and still probably lurks in the minds of some who live in the past. This strategy seeks security ties with any or all of the South Asian nations, supplemented as necessary by direct U.S. involvement and support. It can be implemented only if the United States and its regional allies (with perhaps some support from neighboring regions) are strong enough to offset any hostile regional forces and whatever extraregional support these may be able to gain. In practice, this means that the U.S.-led coalition would have to be able to stand off a coalition of India and the Soviet Union. The power realities of South Asia and the geopolitics of the broader region make this a nearly impossible task.

The other alternative is to look to South Asia to guarantee its own security against outside influences, and this in practice can also mean two things. One is a regional security organization of more or less equals (which we will discuss later) while the other involves, in effect, a security system

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<sup>11</sup>These matters have been discussed extensively in the previous meeting in this series, including my contribution "U.S.-Indian Relations and South Asian Regional Issues," in Leo E. Rose and Noor A. Husain, eds., *United States-Pakistan Relations* (Berkeley: Institute of East Asian Studies, University of California 1985).

managed by India. There is no intrinsic reason that the latter would not be acceptable in Washington, and it would seem to be the easiest to implement. Such a system would sharply limit American security and political involvement in South Asia, but given the low level of U.S. interest in the region that would make little difference as long as other (i.e., Soviet) external influences were equally limited.

In its dealings with the lesser South Asian states, the United States has in fact shown considerable deference to Indian wishes.<sup>12</sup> Relations with Bhutan, such as they are, are conducted through New Delhi. As early as 1951 the United States conceded Nepal to be part of the Indian sphere of influence, and in the 1960s assistance given to Nepal was really to help protect India against a Chinese threat through Nepal. Nepalese requests for U.S. and U.K. military equipment were handled through India.<sup>13</sup> Subsequently, political and security ties to Nepal have been carefully kept at levels acceptable to India. Bangladeshi interest in a security tie to the United States has also been fended off with the rationale that any U.S. attempt to enhance Bangladesh's security vis-à-vis the only threat it perceives (i.e., India) would be much more likely to undermine that security since New Delhi would probably take measures against Bangladesh to frustrate the relationship. More striking, however, has been the refusal of the United States to directly assist the Sri Lanka government to combat the Tamil insurgency in spite of the fact that by enthusiastically embracing the Sinhalese cause the United States might have been able to secure valuable strategic advantages for itself on the island. The U.S. restraint is bitterly resented by the Sri Lankan government (and presumably by many in the majority community there). Nevertheless, at least since the passing of Mrs. Gandhi, Washington has steadfastly fended off Sri Lankan initiatives and expressed its support for India as the outside power best suited to provide leadership in solving the problem.

As we noted earlier, U.S. acquiescence in Indian regional leadership is made much easier when India is behaving with consideration toward its neighbors, whether Sri Lanka now or Nepal after 1962. Tacit U.S.-India cooperation in dealing with the problems of the smaller states is certainly an optimal solution from the perspectives of New Delhi and Washington. Even when India does not behave responsibly, however, American choices

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<sup>12</sup>Very soon after the 1971 war, the United States made a point of acknowledging the Indian role in South Asia, although there has always been some semantic confusion whether the role was one of leadership, hegemony, or something else. The first statement to this effect was in a speech by Deputy Secretary of State John N. Irwin. Reprinted in *Department of State Bulletin*, Nov. 20, 1972, p. 611.

<sup>13</sup>See Rose, *Nepal*, pp. 281 and 283; and Shaha, *Nepoli Politics*, p. 124.

are limited. India can offset just about anything the United States undertakes to do in the subcontinent; it has the dominant power and ultimately the responsibility, for it must live with the situation there—unlike the United States, which is half a world away.

Realism might suggest, then, that the United States acquiesce in Indian dominance (however politely phrased) of at least Nepal, Bhutan, Bangladesh, and Sri Lanka: It might even be argued that such acquiescence would reduce Indian suspicions and thereby make India a more comfortable neighbor for the rest of South Asia. Removing the U.S. bogey might also compel India to come to terms with the problems posed by the Soviet role in the subcontinent, especially in Afghanistan.

Things are, of course, not that simple. As long as the United States and Pakistan maintain a security relationship it probably does not matter much what U.S. policy is toward the other South Asian countries; India will remain suspicious and hostile.<sup>14</sup> Many would argue that nothing short of an imposition of the raj from New Delhi will meet Indian desires. Even short of that, it is extremely difficult for the United States to turn its back on significant nations such as Bangladesh and Sri Lanka. In the former case, paramount Indian influence would also entail pressure to hew to the Indian line on global issues. In practice, this often means supporting Soviet global interests rather than those of the United States; and even assuming that India will continue to resist Soviet influence in South Asia itself, such a policy would be costly to U.S. global concerns. Similarly, the government of Sri Lanka points out that one of the principal issues between Delhi and Colombo—and one that contributed significantly to Indira Gandhi's support of the Tamil insurgents—was Jayawardene's support of U.S. regional and global positions and his refusal to follow India's line. It reflects poorly on the United States, Sri Lankans assert, when this display of friendship is rewarded by advice to turn to India, not the United States, in Sri Lanka's hour of need.

In the last analysis, a system of Indian leadership in South Asia will be more or less acceptable to all concerned in fairly direct proportion to Indian sensitivity in playing its role. And there have been signs that India may be shaping its regional policies in ways that would make its leadership

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<sup>14</sup>Pakistan remains a special case when compared to the other nations of South Asia because of its size and national purpose, as well as its strong external ties. From the United States' point of view it is a special case because of its involvement in significant global issues—something largely absent in the cases of the small South Asian states. On the other hand, Pakistan is probably not an exception to the rule that India can frustrate U.S. actions in South Asia if it sets its mind to it and is prepared to call in Soviet support.

acceptable. While Rajiv Gandhi has yet to produce a solution to the Sri Lanka dilemma and is keeping some potentially troublesome cards in reserve, the thrust of his policy has been to support the unity of the island and to bring about a reasonable compromise between the two communities. The focus has been on helping Sri Lanka rather than making short-term political profit from the situation. He has not applied this approach universally in South Asia—notably not in Pakistan—but there have been signs of promise in Nepal and, particularly, in Bangladesh, where Rajiv has been fairly forthcoming on the Farakka issue and has even suggested that India was prepared to discuss the “eastern waters” issue in a multilateral setting instead of insisting on dealing individually with each of its weaker neighbors.

A multilateral approach to South Asia’s problems under Indian leadership, rather than brutal domination or even dealings—no matter how magnanimous—on a bilateral basis, would promise to be more lasting, since it corresponds to the desires of the South Asian countries and offers them some opportunity to cope with India’s overwhelming dominance. Such an approach would require a considerable act of statesmanship, but far-seeing Indians recognize that some diffusion of power within the South Asian system would not be destabilizing or represent any real threat to Indian interests.<sup>15</sup> These interests, in fact, can be threatened only by the intrusion of an outside force, and Indian acceptance of greater equality within South Asia would reduce the temptation for its neighbors to look outside an exercise the “pull” factor discussed earlier. At the same time, a unified South Asia would be in a much stronger position to resist the “push” factor of intervention by one or the other superpower (and, in South Asia, the superpower most likely to bring effective power to bear is not the United States but the Soviet Union).

As it happens, South Asian nations have begun to take the first steps in the direction of greater regional cooperation. The emergence of the South Asian Association for Regional Cooperation (SAARC) is a hopeful sign of regional collaboration, brought into existence by the skillful maneuvering of Bangladesh and nurtured by a realistic estimate of its members on how much political load it can be expected to bear. While still weak, SAARC is a constructive development. American sources have been universally positive about SAARC; President Reagan sent a message

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<sup>15</sup>See, for instance, U. S. Bajpai, ed., *India and Its Neighbourhood* (New Delhi: Lancer International, 1986); and, especially, Pran Chopra et al., *Future of South Asia* (Delhi: Macmillan, 1986).

of greeting to the SAARC summit in December 1985.<sup>16</sup> This enthusiasm is heightened all the more by the decision of SAARC to become active in combatting both terrorism and narcotics, subjects very close to American hearts.

Despite the enthusiasm, expectations in Washington seem to be realistic; SAARC's limitations and vulnerabilities are understood. There is probably nothing the United States can or should do to help SAARC develop, and there should be no effort to embrace the new member of the international community too closely. SAARC is a South Asian artifact and must proceed at a pace acceptable to its members. For some time at least this pace is likely to be slow, and India will be particularly chary about allowing SAARC to intrude into sensitive areas. In the long term, however, something along the lines of SAARC is clearly the best hope for cooperation among the South Asian nations across the whole range of activities and interests. A larger framework also provides some insulation against changes of heart in New Delhi that might undermine a system of purely bilateral dealings, and it probably offers the only hope of bringing India and Pakistan, which is unlikely to accept a dominant role for India in South Asian matters, into a minimally cooperative relationship.

SAARC cannot solve the United States' difficulties in South Asia in the short run. Policy will continue to be based on a patchwork of individual issues, individual countries, and individual perspectives—hardly satisfactory but not much worse than elsewhere. Assuming that Sri Lanka can pull itself back together, there should be no major difficulties with any of the smaller nations, and the past history of India-U.S. relations suggests that there are fairly narrow limits on the swings that that relationship will take.

In the longer term, however, some regional system based on cooperation—whether or not called SAARC—must be the prime goal of U.S. policy in the region. A regional system would alleviate many of the problems encountered in dealing with the smaller states (including especially their problems with India), would limit Soviet involvement in South Asia, and, above all, would be compatible with a trend visible in a number of regions—even more strongly than in South Asia—toward regional cooperation in dealing with both internal problems of the region

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<sup>16</sup>Interestingly, the Soviet Union passed up the opportunity to send greetings and has shown considerable ambivalence about SAARC. The Soviets are busily pushing their own ideas of regional cooperation that would include them; groups such as SAARC and ASEAN do not meet their criteria and may deflect regional interest away from the Soviets' pan-Asian efforts.

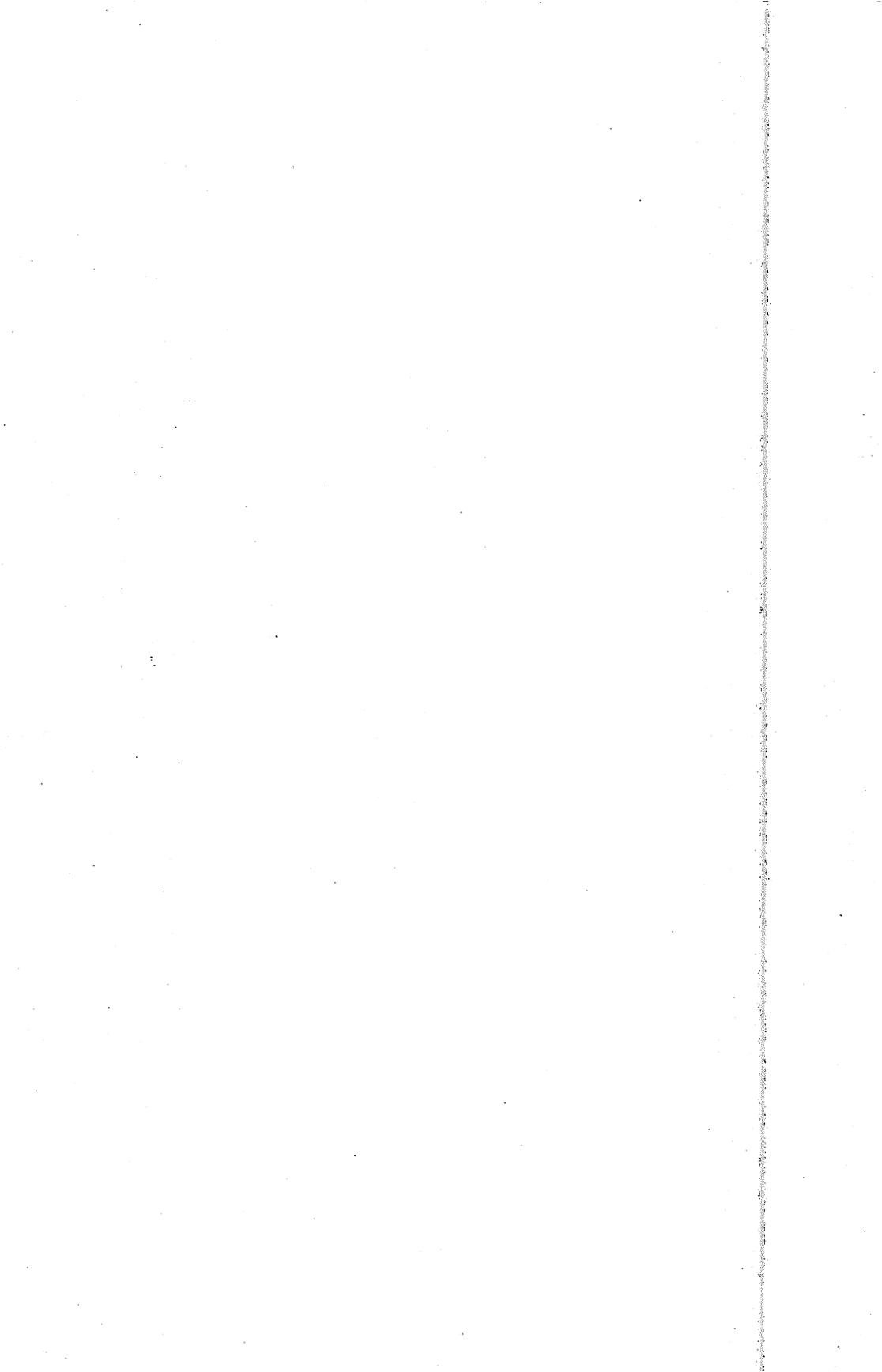
and its relationship to external forces. Such developments offer the United States the best prospects for dealing with the nations of South Asia, as with the rest of the Third World.<sup>17</sup>

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<sup>17</sup>For an extended discussion of this proposition, see Thornton, *The Challenge to U.S. Policy*, esp. ch. 7.

**PART FOUR**

**West Asia**



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## 12. Pakistan's Perception of Peace, Security, and the Economic Dimensions of West Asia

SUROOSH IRFANI

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Pakistan's perception of peace and security in West Asia is enmeshed with the security concerns of Iran, the Gulf states, and Saudi Arabia because of economic, strategic, and ideological considerations. Pakistan's security concern in West Asia is dominated by two recent developments: the Saur revolution in Afghanistan followed by the Soviet intervention, and the Islamic revolution in Iran followed by the Iraqi invasion. Also a matter of central interest is the Palestinian-Zionist conflict and Zionist expansionism. Thus, this chapter focuses on two factors that are critical for security in West Asia: the Iran-Iraq war and the Palestinian-Zionist conflict. While the Palestine issue retains its long-standing importance both at the government and popular levels, ever since Pakistan's creation nearly forty years ago, today it is the Islamic revolution and the Iran-Iraq war that have become matters of focal concern in West Asia.

The war and the Islamic revolution have accentuated Pakistan's strategic importance, both in terms of the superpowers and the regional states, as well as in its own eyes. Located at the crossroad of South Asia and West Asia and close to Central Asia, the geostrategic importance of Pakistan cannot be overemphasized. It shares 1,800 kilometers of border with India in the east, 2,200 kilometers with Afghanistan in the northwest, and 800 kilometers of West Asian border with Iran. In its northeastern fringe, Pakistan shares 595 kilometers of common border with the People's Republic of China (PRC). To the northwest, a narrow strip of Afghan territory called Wakhan separates it from the Soviet Union. The nearest points between Soviet Union and Pakistan across Wakhan are only 16–19 kilometers apart. However, the recent annexation of the strategic Wakhan Corridor by the Soviet Union has made this superpower Pakistan's direct neighbor.

Pakistan's coastline is contiguous to the Gulf. A 600-kilometer stretch from Karachi extends westward to merge with 1,500 kilometers

of Iranian coastline and the Persian Gulf at Chahbahar. A 400-mile railway track and a road from Quetta, capital of Pakistan's Baluchistan province, to Zahidan, the provincial capital on the Iranian side, provide Pakistan's overland link with West Asia.

This chapter deals with the evolution of Pakistan's security relations with West Asian states (Iran, Turkey, Iraq, the Gulf states, and Saudi Arabia), the Iran-Iraq war, and the Palestine-Zionist conflict. It also touches upon Pakistan's economic relations with some of these states, notably Iran, Saudi Arabia, and the United Arab Emirates (UAE).

### **Security Relations**

Pakistan's security relations with West Asian states developed in two distinct phases and in two distinct directions. The first phase began in the mid-fifties. Its direction was toward the West Asian landmass, stretching from Iran through Turkey to Iraq. The second phase began in the early seventies. Its direction was along Pakistan's coastline toward the Gulf, encompassing the UAE, Kuwait, and Oman, as well as Saudi Arabia in the Arabian peninsula and the Islamic world in general.

In 1955, Pakistan joined the Baghdad Pact, which aimed at security and defense cooperation between Pakistan, Turkey, and Iran with U.S.-British backing. In an era dominated by superpower politics, it is a matter of little wonder that the security relations that Pakistan began to develop with its West Asian neighbors emerged under the aegis of the United States and Britain. Pakistan's membership in the Baghdad Pact was in response to its security compulsions in a hostile environment. Of primary importance was the need to stand up to the "threat from India." Afghanistan's irredentist claims on a substantial area of Pakistani territory—which enjoyed Soviet and Indian support—became another reason to impel Pakistan to join the pact. The Baghdad Pact was renamed the Central Treaty Organization (CENTO) after Iraq's withdrawal in 1959.

Pakistan's experience of CENTO's impotence during its 1965 war with India and Turkey's disillusionment with this treaty in the 1964 Cyprus conflict, in which the United States and Britain failed to support it, made it evident that the pact no longer served the security interests of the countries in the regional perspective.

### **Pakistan, Iran, and Turkey**

Despite its failure in the eyes of the regional states, CENTO had laid the groundwork for cooperation among Pakistan, Iran, and Turkey

in economic and security sectors. In 1964, following Ayub Khan's initiative, the three countries founded the Regional Cooperation for Development (RCD) at a summit meeting in Izmir. The goals of the RCD were spelled out as national development and economic growth.<sup>1</sup> However, the expectations triggered by the RCD at the popular level were rather grandiose, generating hopes for a golden era of Islamic unity to be achieved in a not-too-distant future. Barring the staunchly secular Kemalist Turks, both the Pakistani and, to a lesser extent, some Iranian leaders were responsible for blowing RCD out of proportion in its political and Islamic dimensions. Ayub Khan called the RCD "a landmark in the history of Islam." He claimed that its purpose was to pave the way for forging Muslim unity among all the Muslim countries from Morocco to Indonesia, "for the secret of Muslim survival lay in closer cooperation."<sup>2</sup> This regional agreement was also viewed favorably outside government circles because it was perceived as an indigenous alliance, its objective being to enable Iran, Turkey, and Pakistan "to get rid of the curse of CENTO."<sup>3</sup> Projection of the RCD in terms of an "Islamic" alliance was muted in Iran, although on one occasion, Iranian Prime Minister Hasan Ali Mansur did invoke Islamic sentiments. Speaking in Sanandaj, capital of Iran's Sunni-dominated Kurdistan province, Mansur hailed the proposed cooperation among the three countries as "a great political, social, economic, and cultural union of 150 million Muslim."<sup>4</sup>

While the RCD failed to accomplish many of its well-intentioned industrial and economic projects, it facilitated the flow of generous economic aid from the Shah's Iran to Pakistan. Between 1973 and 1976, Iran had committed aid totaling \$805 million to Pakistan. Over \$700 million of this amount had already been disbursed before the revolutionary upheaval in Iran.<sup>5</sup> Iran also played an important role in Pakistan's security by its repeated assurance that it would not permit the further dismemberment of West Pakistan after the 1971 Indo-Pakistan war. Thus, in addition to the moral and material support that Pakistan had received

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<sup>1</sup>Barati Novbari, "Regional Cooperation Among Pakistan, Iran, and Turkey: Some Recent Developments," *Journal of South Asian and Middle Eastern Studies*, Summer 1983, pp. 22–30.

<sup>2</sup>*Dawn* (Karachi), July 13, 1964; see also "Friends Not Masters," *ibid.*, pp. 177–82.

<sup>3</sup>Pakistan National Assembly debates, 1964, vol. 3, pt. 2, p. 1246.

<sup>4</sup>*Dawn*, July 29, 1964.

<sup>5</sup>*Afkar* 1(2) (July 1984).

from some friendly Arab states, "It was the Shah's Iran which balanced the power equation in the subcontinent by underwriting the security of Pakistan after Pakistan's dismemberment."<sup>6</sup>

As for CENTO, by September 1978, General Zia ul-Haq was saying that CENTO had become only a treaty on paper, "with no significance whatsoever, no teeth, no backing."<sup>7</sup> Being a product of the cold war, CENTO was redundant in the era of détente between the superpowers. Four months after Zia's statement, Mir Fenderiski, foreign minister of Shahpur Bakhtiar's government, formally announced Iran's withdrawal from CENTO. Although Pakistan followed suit in March 1979, recommendations for Pakistan's withdrawal from CENTO had been made at least a year earlier at the highest level in the Foreign Office.<sup>8</sup> The point merely illustrates the concurrent development of mutual perceptions in Iran and Pakistan regarding the redundancy of CENTO. It also reflects the need for developing a regional framework for economic development, without too much emphasis on political and military trappings.

### **Present Trends**

For the moment, this appears to be the course of developing relations between Pakistan and Turkey, on the one hand, and revolutionary Iran, on the other. Revolutionary Iran has overcome its initial suspicions of the RCD as a cover for CIA activities in the region. After having rendered the organization inactive for almost five years, Iran has taken the lead in reviving it. Both Pakistan and Turkey have benefited from the change in Iran's policy on foreign trade after the revolution. Iran's trade with foreign countries gives first preference to Muslim states and neighbors, followed by Third World countries, and, lastly, "countries which do not follow imperialist policies."<sup>9</sup> A Pakistani delegation led by the minister for Finance and Economic Affairs visited Iran in 1982 and signed a trade agreement. Iran became Pakistan's principal trading partner and the largest buyer of

<sup>6</sup>Mohammad Ahsan Choudhry, *Pakistan's Security in a Changing World*, Strategic and Defense Studies, Working Paper no. 21, Australian National University, Canberra, 1979.

<sup>7</sup>*Newsweek*, September 18, 1978.

<sup>8</sup>Personal communication from Agha Shahi, Pakistan's former foreign minister, Islamabad, October 1984.

<sup>9</sup>*Iran aur Pakistan Kay Iqtisadi Taluqat* (Iran and Pakistan's Economic Relations), Embassy of Islamic Republic of Iran publication, Islamabad, 1986.

Pakistani goods during 1982–84. The volume of trade between the two countries amounted to Rp 5,370 million in 1982–83, rising to Rp 7,255 million the following year.<sup>10</sup> Pakistani exports to Iran in 1983–84 stood at Rp 6,053 million.

To promote economic, commercial, scientific, technical, and cultural relations, a joint ministerial commission was set up in November 1984 during the visit of the Iranian finance minister to Pakistan. The fluctuations in bilateral trade—\$114 million in 1979–80, reaching a peak of around \$800 million between 1982–84, then dipping to a mere \$55 million of Pakistani exports during the first nine months of 1983–84<sup>11</sup>—have been stabilized following the visit to Tehran by Pakistan's minister for Finance and Economic Affairs in August 1986. According to agreements signed between the two countries during this visit, the volume of trade would be increased to \$400 million, \$200 million either way. Included in this deal is the import by Pakistan of 20,000 barrels of oil per day, while providing Iran with 75,000 tons of rice and a million tons of wheat.<sup>12</sup>

In addition, Pakistan and Iran have initialed an agreement for setting up a Pakistan-Iran shipping company. Iran will hold 51 percent shares, and the company will have its headquarters in Tehran.<sup>13</sup> Talks are under way with Iran for joint ventures for production of basic pharmaceutical material. Proposals for the manufacture of tractor components and spare parts between an Iranian tractor manufacturing company and Pakistani Millat tractors are under study.<sup>14</sup> Both countries have agreed to set up a Pakistan-Iran textile mill at Balejo in Pakistani Baluchistan.<sup>15</sup> Also, areas for specific cooperation and possible joint ventures in the industrial sector, such as cement, sugar, light engineering goods, and agriculture-based industry, are to be delineated through exchange of export delegations.

### **Transit Facilities: A New Dimension**

Iran has also indicated its preference for Pakistan and Turkey in transit arrangements. Secure transit routes and facilities are of vital importance

<sup>10</sup>*Pakistan Economic Survey*, Ministry of Finance, Islamabad, 1986.

<sup>11</sup>*Dawn*, Economic and Business Review, August 23, 1986.

<sup>12</sup>See *Dawn*, August 13 and 23, 1986.

<sup>13</sup>*Middle East Economic Digest (MEED)*, September 13, 1986, p. 11.

<sup>14</sup>*Dawn*, Economic and Business Review, August 31, 1986.

<sup>15</sup>*MEED*, September 13, 1986, p. 11.

for Iran in view of its geographical position and the ongoing war. Iran canceled its 1976 plans for building a second pipeline, which was to have passed through the Soviet Union, for exporting Iranian gas to Europe. Instead, Iran is now intent on gaining access to Europe by laying a pipeline across Turkey.<sup>16</sup> The Iranians have become increasingly sensitive to the danger of exporting oil through the Straits of Hormuz.<sup>17</sup> They plan to bypass it by constructing a 1,200-kilometer pipeline running from the Gachsaran oil fields to the port of Jask in the Gulf of Oman.

Iran has also shown an interest in another alternate outlet for its oil and gas exports using pipelines across Pakistan's Baluchistan province to the port of Gwadar. The shift of oil shipping from the Persian Gulf to the Mediterranean and the Gulf of Oman has far-reaching strategic implications, both for the region and the superpowers, particularly so if the partnership between Pakistan, Iran, and Turkey outgrows its solely economic nature. The Islamic basis for this cooperation, emphasized by Iran and Pakistan, is now acknowledged even by Turkey. Indications are that the Turkish government plans to cooperate more closely with the Islamic states, while also shifting the emphasis of its foreign policy toward the Islamic and the Arab worlds.

In this regard, it is significant to note that the Turkish president represented his country at the Organization of Islamic Conference (OIC) summit at Casablanca in January 1984, the first time Turkey was represented by its head of state at such a conference. While its orientation remains essentially Western, Turkey is making concerted efforts for developing relations with the Arabs, particularly the Gulf states, on the one hand, and Iran, on the other. In 1985–86 President Kenan Evren visited the Gulf states (the UAE and Qatar) for the first time. Most of the foreign trips of Evren and Prime Minister Turgot Ozal during this period have been to Muslim countries,<sup>18</sup> including Iran and Pakistan.

Of the \$3 billion worth of Turkey's exports to the Muslim world during the first eleven months of 1985,<sup>19</sup> approximately \$2 billion was to Iran. President Evren is today chairman of the OIC standing Committee for

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<sup>16</sup>*Newspot* (Ankara), September 5, 1986.

<sup>17</sup>*Middle East Economic Survey*, January 30, 1984, quoted in Michael Lenker, "The Effect of the Iran-Iraq War on Soviet Strategy in the Persian Gulf," in *Gulf Security and the Iran-Iraq War*, ed. Thomas Naff (Washington, DC: National Defense University Press, 1985), p. 88.

<sup>18</sup>Editorial, "Consulation Among Allies," *Khaleef Times* (Dubai), September 16, 1986.

<sup>19</sup>*Ibid.*

Economic and Commercial Cooperation (COMCEC), a fact in keeping with Turkey's growing economic involvement with the Muslim world.<sup>20</sup> Moreover, President Evren has said that Turkey is a part of the "Middle East" and that "it should play a stronger role in the region."<sup>21</sup> He even suggested "a common Arab and Islamic strategy against Israel,"<sup>22</sup> a long way to come for a country that asked Pakistan to recall its ambassador to Ankara over thirty years ago for being too vocal about Islamic unity.

### Geostrategic Identification

The creation of Bangladesh in 1971 marked the second phase in the development of Pakistan's relations with West Asia. Geographically, this move was directed toward the Gulf; politically, it aimed at maintaining the status quo; and, ideologically, it was based on shared spiritual and ideational bearings. Underlying the move toward the Gulf were two factors: the identity crisis Pakistan faced as a Muslim state after its breakup, and the economic boom in the Gulf following the 1973 OPEC oil price hike.

The ending of Pakistan's dual geostrategic concerns, both in West Asia and Southeast Asia, drastically altered the political environment of the region. The insecurity that gripped what remained of Pakistan in the fluid geopolitical conditions spurred it into adopting a vigorous policy toward West Asia. The aim was to heal the shattered national morale, bordering on an identity crisis as a Muslim state, by forging closer security and economic relations with Muslim West Asia. On December 20, 1971, Zulfikar Ali Bhutto took power from the military and spared no time in pursuing this objective. During his first month in office, Bhutto visited eight Muslim states in West Asia. By the first week of June 1972, he had visited twenty-two Muslim states.<sup>23</sup>

By presenting Pakistan's viewpoint on the 1971 war and its geopolitical fallout, Bhutto enlisted the empathy and support of most Muslim leaders. This was reflected in Pakistan's success in hosting the second Islamic summit of the OIC in Lahore in 1974, which it also chaired. The

<sup>20</sup>*Newspot*, September 12, 1986.

<sup>21</sup>*Cumhuriyet* (Istanbul), January 19, 1984, quoted in Lenker, "Effect of the Iran-Iraq War," p. 98.

<sup>22</sup>*Ibid.*

<sup>23</sup>Choudhry, *Pakistan's Security*.

conference was significant for the country as it served a dual purpose, one internal, the other external. On the domestic front, the Islamic summit helped to restore national pride and confidence in the wake of the 1971 debacle and strengthened its sense of Islamic identity. On the external front, the conference was a confirmation of Pakistan's entry into the mainstream of West Asia and a recognition of its geostrategic importance. The Lahore summit accelerated the growth of Pakistan's relationship with the Muslim world, in particular Saudi Arabia, Libya, and the UAE. The Saur revolution in Afghanistan brought Pakistan still closer to the Saudis and the Gulf states.

In the present environment, while seeking closer political and economic cooperation with Saudi Arabia and the Gulf states, Pakistan also favors defense cooperation with the objective of sustaining the status quo in the region. Politically, Pakistan is in the mainstream of the Gulf's socio-economic and security concerns, so much so that as stated by President Zia, "Pakistan considers itself part of the Gulf, though it is not a formal member of the Gulf."<sup>24</sup> The geostrategic identification of Pakistan with West Asia has not been an overnight development, nor does it stem from the personal whims of the present regime. It has strong psychohistorical antecedents, spanning the spread of Islam in the subcontinent over thirteen centuries ago to the Khilafat movement in support of the Turkish Ottoman empire in the second decade of the twentieth century. For example, as recently as 1977, during the anti-Bhutto unrest by the opposition Pakistan National Alliance, it was Prime Minister Bhutto himself who took the initiative of directly involving friendly Islamic countries in Pakistan's domestic crisis. Bhutto requested the Saudi and UAE ambassadors to mediate between his government and the opposition parties. That these mediation attempts were not viewed by the majority of Pakistanis as "meddling" in the internal affairs of the country shows that in being an ideological state with a powerful sense of Muslim identity, mediation by friendly Muslim states was not perceived as an erosion of national sovereignty. The reasons for this attitude and identification can be traced to the history of Islam in the subcontinent, the security concerns of the Muslims of the area, and the shaping of their perceptions over centuries.

### **The Indigenous Factor**

Both the RCD experience and the development of a security-economic relationship with Saudi Arabia, the UAE, and Oman suggest that regional alignments based on indigenous impulses are more authentic and

<sup>24</sup>Quoted in R. G. Sawhney, *The West Asian Chess Board*, Deccan Chronicle Secunderabad, January 25, 1984.

endurable than alliances inspired under foreign tutelage. The RCD, for example, evolved in response to a need for regional economic cooperation. Yet it served as a springboard for security cooperation when the need arose. This was demonstrated during the 1965 Indo-Pakistan war when Iran provided operational facilities to the Pakistan Air Force inside Iran. It also offered an unlimited supply of oil. More significantly, Iran, circumventing the American arms embargo on Pakistan, managed to supply Pakistan with about eighty F-86 aircraft, the fighting horse of the Pakistan Air Force at the time.

Such bilateral cooperation in the realm of security matters represented an indigenous expression of a need for regional responses to security concerns. Of course, what in time facilitated such indigenous expression was the lessening of tensions between the two superpowers and the fact that the world was increasingly moving from a bipolar to a multipolar one. The RCD was the forerunner of a trend that became visible in the early eighties. While CENTO fizzled out by 1979, the RCD outlived it in another form. It was resuscitated after the Islamic revolution once the initial Iranian fear that the RCD was a cover for CIA activities dissipated. The RCD was formally revived in 1984. To better reflect the nature of this regional arrangement, it was renamed the Economic Cooperation Organization (ECO).

A more immediate and relevant example highlighting the importance of the indigenous factor as a security response is the Gulf Cooperation Council (GCC). As a first step, its establishment in May 1981 merely formalized regional cooperation that already existed among the member states—Saudi Arabia, Kuwait, Oman, the UAE, Qatar, and Bahrain. In the years that followed, the Riyadh-based GCC has gradually evolved from an economic and social regional arrangement to include political and defense cooperation.<sup>25</sup> The primary security concern of the GCC focuses on the possible destabilization that could be caused by internal threats interlinked with the Arab-Israeli conflict and, more urgently now, the Iran-Iraq war. The Iran-Iraq war is viewed as a “direct threat” by these states,<sup>26</sup> particularly after the Iranians carried the war into Iraq.

As a result, the initial hesitation of GCC members to give a distinct security color to their organization has been overcome. It has led to overt military cooperation. At the 1984 Kuwait summit, for example, GCC heads of state agreed to form a joint military force under a unified command

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<sup>25</sup>Major General (Retired) Indar Jit Rikhye, *Gulf Security: Quest for Regional Cooperation*, International Peace Academy, Report no. 22, New York, 1985, p. 3.

<sup>26</sup>Ibid.

that would "intervene to help any member country threatened with aggression,"<sup>27</sup> an indigenous form of the Rapid Deployment Force. As a follow-up, joint military exercises have been held by the member states, including naval, air, and ground forces, the most recent among them being air force maneuvers held in Muscat in October 1986, which involved helicopters from the UAE, Kuwait, Saudi Arabia, and Oman.<sup>28</sup>

GCC concern with the Iran-Iraq war is reflected in its November 1986 summit. As in the last summit, the Iran-Iraq war topped the summit agenda.<sup>29</sup> The emergence of the GCC has been correctly identified as the desire by Gulf states to establish their distinct Gulf (*Khalij*) identity within the broader Arab and Islamic spectrum.<sup>30</sup> This objective is reflected in attempts to attain a broad-based interstate cohesion through a common defense policy and monetary unit, a trade free zone, a Gulf university, and economic agreement for industrial and financial affairs. Predictably, both Iran and Iraq have reacted to the GCC's emergence as an "indigenous" factor with disfavor, though for different reasons. Despite GCC support for Iraq, Baghdad views it as a force that would reduce Iraq's influence in the Gulf region and its Baathist ideology's stress on Pan-Arabism. As for Iran, the GCC is an anti-Tehran alliance sponsored by the United States and the West.<sup>31</sup>

Pakistan's relations with the Gulf states, however, developed mainly on the basis of mutual interest rather than simply superpower machination. While Pakistan has not formally entered into bilateral security agreements with these states, its relationship, particularly with the UAE, Oman, and Saudi Arabia, have a strong security dimension. There are reportedly well over 30,000 Pakistani military personnel in over a dozen African and Arab countries.

Pakistan has a large number of military personnel in the Gulf states, primarily in Saudi Arabia, as well as in the UAE, and Oman. The presence of Pakistani instructors in these states, which have acquired sophisticated weapon systems, has generated speculation that should the need arise, Pakistan would have access to these weapons for its own defense.

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<sup>27</sup>Joseph A. Kechechian, "The Gulf Cooperation Council: Search for Security," *Third World Quarterly* 7(4) (October 1985):881.

<sup>28</sup>*Khaleef Times*, October 13, 1986.

<sup>29</sup>Ibid.

<sup>30</sup>Kechechian, "Gulf Cooperation Council."

<sup>31</sup>Ibid.

The above account shows that agreements motivated by regional (bilateral and multilateral) considerations are more meaningful than alliances spawned by the United States. GCC, for example, while enjoying the support of the United States, nonetheless, reflects the urge and need for formalizing cooperative endeavors, both security and economic, between interdependent regional states. This as well as the ECO, although the nature of the two agreements are different, demonstrates that regional states are becoming increasingly aware of their own national-regional interests, for which they do not wish to rely exclusively on a superpower.

The emergence of an indigenous factor that would override the interest of a superpower ally is no longer viewed as an act of outrageous defiance by the concerned superpower: Saudi Arabia, a close U.S. ally, took the lead in using the oil weapon against the West during the 1973 Arab-Israeli conflict.

In terms of Pakistan's security, if it was the shah's Iran that partly underwrote it in the seventies on the basis of Iran's possession of sophisticated weapons and economic power against external aggression and internal subversion, today this role is to some extent shared by the Saudis. While visiting Pakistan in 1980, the Saudi monarch, then a crown prince, said that "any interference in the internal affairs of Pakistan would be considered interference or injury to the Kingdom of Saudi Arabia,"<sup>32</sup> a statement that tied Pakistan's security to the security perceptions of Saudi Arabia. This Saudi perception is shared by Pakistan, which regards Saudi Arabia's stability as an essential component of Pakistan's security approach to the region.<sup>33</sup>

The trend toward regional self-reliance in the realm of defense and security stems from two factors. The first is the desire not to become involved in the East-West conflict. This is best reflected in a recent editorial in a Gulf daily, which argued: "It is only on the basis of our own indigenous defense capability that we can stop getting enmeshed in the security plans of the superpowers." It went on to warn that "the superpowers' search for military bases is a never-ending one" and that all small countries are "ever vulnerable to pressures from the more powerful states."<sup>34</sup> The second factor strengthening the regional impulse is the realization that because of the U.S.-Israeli strategic axis, Washington will not be able to support any of these states if they are threatened by Israel. The Iran-

<sup>32</sup>R. G. Sawhney, *Zia's Pakistan* (New Dehli: ABC Publishing House, 1985), p. 59.

<sup>33</sup>President Zia's interview in *Mideast Report* 19(15) (August 1, 1986):3.

<sup>34</sup>*Khaleej Times*, September 21, 1986.

Iraq war has reinforced the political will of these countries to achieve security and defense coordination on a regional level.

These factors have also resulted in increased defense-related collaboration between Pakistan and the Gulf states because Islamabad also feels that it needs more than the backing of a distant, and not always reliable (e.g., as during the 1965 and 1971 wars) superpower for its security. The basis of such collaboration lies in the complementary nature of Pakistan's needs and the Gulf states' requirements. With a strong tradition of a highly professional military and sophisticated fighting force, Pakistan can and does provide a pool of military advisers and trained personnel, which these states lack. For the Gulf states, reliance on such expertise and manpower from a Muslim country is far preferable to overt dependence on the United States or other Western powers. Hence, we find the presence of Pakistani personnel in Saudi Arabia, Oman, Kuwait, Jordan, the UAE, and other GCC states. Pakistani naval personnel are, for example, said to be assisting GCC states in developing their navy. Pakistani instructors will be training cadres from all over the GCC states at Saudi Arabia's new naval academy at Jubail. Pilots and instructors from the Pakistan Air Force are playing an important role in the air force contingents of many GCC states.

Concurrent with its security relations, Pakistan has substantial and growing trade and economic links with the Gulf region. It has an estimated 2.3 million labor force in the GCC states. Of these, 1.2 million are reportedly in Saudi Arabia.<sup>35</sup> Remittances from overseas workers constitute Pakistan's largest single earner of foreign exchange, accounting for about half of its total foreign exchange earnings. These remittances have been running at over \$2.5 billion annually through the eighties.<sup>36</sup> Over three-quarters of this amount comes from the Middle East. Moreover, these figures reflect only remittances through the official channels. The actual figure is probably considerably higher, given the common knowledge that a substantial amount is remitted through unofficial means. The Middle east has also emerged as an important market for Pakistani goods. Exports to the GCC and ECO states have risen markedly since the early seventies. Exports have grown from Rp 338 million in 1971-72 to over Rp 7 billion in 1984-85 (see Table 1).

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<sup>35</sup>Report by the London-based minority rights group entitled, "Migrant Workers in the Gulf," *Dawn*, magazine section, November 1, 1985. Another source (*Mideast Report*, August 1, 1986, p. 5) puts the total strength of Pakistani expatriates at 2 million, of which 1.3 million work in Saudi Arabia, the UAE, Kuwait, Oman, and Iraq.

<sup>36</sup>*Pakistan Economic Survey*, 1985-86.

Table 1  
**PAKISTAN'S TRADE WITH WEST ASIA**  
 (GCC and ECO States<sup>a</sup>)  
 (Rs. millions)

Year	Saudi Arabia		Kuwait		UAE		GCC		Iran		ECO	
	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1971-72	81	92	103	63	61	40	306	211	21	64	22	73
1972-73	128	366	92	204	149	15	457	587	60	98	61	153
1982-83	3,208	9,098	474	6,386	2,853	7,383	7,315	23,258	4,225	1,145	4,291	1,451
1983-84	2,928	7,594	703	6,197	2,827	4,392	7,210	18,349	6,053	1,206	6,199	1,509
1984-85	2,627	9,570	392	7,105	1,936	4,607	5,775	21,592	1,132	1,061	1,247	1,400
1985-86 <sup>b</sup>	3,232	7,437	638	6,854	2,118	2,821	5,986	17,678	806	2,486	841	2,750

<sup>a</sup>Gulf Cooperation Council; Economic Cooperation Organization.

<sup>b</sup>Estimate based on July-March 1985-86.

SOURCES: Ministry of Finance, Economic Advisory Wing, *Pakistan Economic Survey, 1985-86* (Islamabad, 1986).

In addition, Saudi Arabia, Kuwait, and the UAE have provided substantial funds to Pakistan to enable it to pay its rising import bill, as well as giving it substantial grant-type assistance.

### **The Iran-Iraq War**

In regard to the war, both Pakistan and Turkey, Iran's non-Arab Muslim neighbors, have maintained neutrality. Pakistan has resisted efforts at being sucked into closer defense cooperation with Iraq, Egypt, and Jordan, a fact that Iran appreciates. While remaining neutral, Pakistan has condemned the use of chemical weapons by Iraq as it represents a violation of international agreements, a position also voiced by the U.N. Secretary General. Because of Pakistan's principled neutrality, Iran has described its relations with Pakistan as "friendly,"<sup>37</sup> bound by ties of Islamic solidarity. It may be also recalled that during the extraordinary session of the foreign ministers of the Islamic conference held at Islamabad in May 1980, Pakistan condemned the threat by the United States of an economic blockade of Iran during the hostage crisis.<sup>38</sup>

The visit to Pakistan by the Iranian president in 1986 was a visible demonstration of Iran's changing perception of the Pakistan government as being a U.S. surrogate. The visit was described as a "turning point" in the recent history of Pakistan-Iran relations by diplomatic observers in Tehran.<sup>39</sup> An Iranian initiative to put economic muscle in the ECO was also seen as part of a political offensive to break its political isolation. Iranian circles appear to have given importance to General Zia's two meetings with President Khamanai at Harare at NAM's September 1986 summit. Pakistan's disassociation from the Harare draft on the Iran-Iraq war, which Iran opposed, was "widely appreciated in Tehran."<sup>40</sup> It is generally believed that among the "neutral" states concerning the Iran-Iraq war, Pakistan has improved its understanding with Iran without compromising its neutrality on the war.<sup>41</sup> As for Turkey, its policy of "hot pursuit" of Kurdish rebels into Iraqi territory generated some friction between

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<sup>37</sup>*The Muslim* (Islamabad), August 20, 1986.

<sup>38</sup>Agha Shahi's speech at Islamic Foreign Ministers Conference, Islamabad, 1980.

<sup>39</sup>*The Muslim*, October 1, 1986, p. 1.

<sup>40</sup>*Ibid.*

<sup>41</sup>*The Muslim*, October 1, 1986, p. 1.

Turkey and Iran. However, after the visit to Tehran by the Turkish foreign minister in August 1986, "Iranian misgivings have been dissipated."<sup>42</sup> The two sides have stressed their determination not to allow any action directed against each other on their soil. Indeed, Iran is said to be "pleased" with Turkey's neutrality on the war and has offered Turkey an immediate supply of Iranian gas.<sup>43</sup>

While it has been relatively easy for Turkey to keep itself aloof and neutral in the war, given its hitherto conscious policy decision to distance itself from the mainstream politics of the Islamic world, for Pakistan it was more of a test to do so. Pakistan is in the mainstream of Muslim politics. It has close economic and security relations with Iran, the first country to give it diplomatic recognition. Understandably, Pakistan's position after the outbreak of war between Iran and Iraq was viewed as a "test case" for Pakistani policymakers. Some observers viewed it as a dilemma that would eventually end the "idyllic" friendship of Pakistan, either with the Arabs or the Iranians, by forcing it to take sides in the war.<sup>44</sup>

Pakistan's success in steering past the temptation to be drawn into partisan politics is attributable to a combination of factors: its national interest, history, geostrategic location, ideology, and deft handling of a sensitive situation. There is a convergence in the security concern of Pakistan, which partially overlaps that of the Gulf states as well as of Iran. A central feature of this concern is to prevent a spillover of the war into neighboring states and to avoid superpower intervention. Pakistan, which views the war as an "utter waste," has tried to mediate for a negotiated settlement since the war's outbreak. In its mediation, Pakistan has focused its efforts on Iran "because it is Iran which is difficult to bring to the conference table."<sup>45</sup>

There also appears to be a convergence among Pakistan, the Gulf states, and Turkey to continue collaboration in economic and cultural fields despite the differences in their respective political systems and ideological emphases. During his visit to Turkey in September 1986, Sheikh Zayed, president of UAE, explicitly stated this viewpoint when he said: "Even if ideological and political differences run deep among some of us, there

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<sup>42</sup>*Newspot*, September 5, 1986, p. 7.

<sup>43</sup>*Ibid.*

<sup>44</sup>Surendra Chopra, "RCD: A Study of the Failure of Pakistan's Diplomatic Offensive," in K. Arif, ed., *Pakistan's Foreign Policy* (Lahore: Vanguard Books, 1984), p. 169.

<sup>45</sup>President Zia's interview, *Mideast Report*, August 1, 1986.

could be greater economic and cultural collaboration. This in turn might generate the impetus for greater political cohesion also.’<sup>46</sup> The Pakistani president also stated similar views while referring to Pakistan’s relationship with Saudi Arabia, Qatar, Kuwait, the UAE, as well as Turkey and Egypt.<sup>47</sup>

On balance, Pakistan, with its common border with Iran and strategic coastline to the Gulf, its cultural affinity with Iran and spiritual-emotional bonds with Arabs, and its distinct identity as a non-Arab, non-Iranian Muslim state, has retained its neutrality in the war. On the war issue, neither the invocation of sectarian differences (Shia Iran pitted against the Sunni Iraqi leadership) nor ideological rhetoric (the war between Islam and Baathist atheism) nor racial factors (Arabs versus Iranians) have compelled Pakistan to shift its stand.

### **The U.S.-Israel Nexus, Terrorism, and the ‘Jerusalem Factor’**

Radical Iranian Islamic leaders today view the war and the revolution as part of the same revolutionary continuum. The Iraqi invasion added a new dimension to the posture of the Islamic revolution. It strengthened the clerical leadership that spearheaded the national effort to expel the invading forces from Iranian territory. Iran’s success in doing so emboldened Islamic militants. Proclaiming that the war and the revolution were interlinked, the militants, following Imam Khomeini’s directives, took the war into Iraq. Waging the war against President Saddam’s Iraq thus became a facet of the ‘internationalist’ Islamic revolution. The objective of the war—to overthrow President Saddam and the Baath Party—was not projected as a step toward the liberation of Jerusalem.

The war and the Islamic revolution became intertwined, in that the war became an extension and a dimension of Iran’s revolution. President Khamanei, for example, reiterated in August 1986 that ‘peace with Saddam Husain and the Baath regime was against the goals of the Islamic Revolution.’<sup>48</sup> The liberation of Jerusalem, one of the stated objectives of the revolution, meant that the ‘Jerusalem factor’ became enmeshed in the Iran-Iraq war. This standpoint became the dominant factor in Iran’s populist war posture. In this sense, an Iranian victory in the war became

<sup>46</sup>Editorial, *Khaleej Times*, September 16, 1986.

<sup>47</sup>General Zia’s interview, *Mideast Report*, p. 2.

<sup>48</sup>President Khamanei, quoted in *Tebzan Times*, August 23, 1986, p. 2.

“the key to solving all the difficulties” of the Muslim world.<sup>49</sup> Because of its powerful appeal, the connection between the Islamic revolution and the liberation of Jerusalem has attracted not only fervent volunteers in Iran, but also supporters among sections of the Muslim world. Scattered all over the Muslim world, but especially in Lebanon, these forces see an Iranian victory as a necessary step toward resolving the Palestine issue.

Israel’s rejection of peace initiatives that envisage a Palestinian homeland and the United States’ inability to persuade Israel to accommodate a face-saving solution for “moderate” Arab and Palestinians have encouraged the emergence of radical Islamic forces in West Asia. The United States can no longer be viewed as a peacemaker in the Arab-Israeli conflict because of its inability to endorse the minimal Arab and Palestinian viewpoint for a settlement and its refusal to acknowledge friendly overtures from the PLO. For example, on March 31, 1986, a full-page advertisement appeared in the *New York Times* to bring U.S. public attention to the proposals of Arafat and his senior colleagues for breaking the Arab-Israeli deadlock, with U.S. help. The central proposal (the second of three presented) was the PLO’s offer to negotiate with “all parties” on the basis of all pertinent U.N. resolutions, including Resolutions 242 and 338, in return for an American statement recognizing the Palestinian right to self-determination. The U.S. response to this move, one of the most significant the PLO had ever made, was a cryptic silence.<sup>50</sup> This merely confirms what some critics of Reagan’s policy on Palestine have pointed out, that the Reagan administration is not serious about peace on any terms the PLO can accept without subjecting it to total humiliation.

The ability of Israel and of its American friends to influence the Western media is in part responsible for the lack of concern among the American public for the Palestinian viewpoint. In denying Americans access to the Palestinian’s side of the story, self-censorship by the U.S. media has been termed “a much bigger problem than actual interference” from outside. According to one report, many editors and senior editorial executives are manipulated by pressures, such as advertisement cuts and organized public outcries (sending thousands of letters of protest from all over the country in response to a particular newspaper, television, or radio report sympathetic to the Palestinians). These outcries usually invoke the charge of anti-Semitism. Consequently, “senior editorial executives, and even reporters and producers, censor themselves in order

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<sup>49</sup>Ibid.

<sup>50</sup>*Middle East Journal*, no. 280, July 1986, p. 17.

to avoid anticipated protests, problems, threats, and abuse.’<sup>51</sup> This is how the Western world and U.S. policymakers in particular have been kept hostage to the memory of the holocaust.

Clearly, then, regardless of significant political gains by Israel since 1967 and a steady change in the perceptions of the majority of Arab and Muslims regarding Israel’s reality as a sovereign political entity, there has been little change in Israel’s attitude toward the Palestine issue.

Israel has spurned all Arab overtures, including the ‘Reagan plan,’ which envisaged a transitional confederal arrangement for the Palestinians and Jordan, because it is committed to retain the occupied territories as a matter of theological right. Shimon Peres acknowledged in March 1985 that Israel’s presence in Lebanon had not made it ‘a more balanced country,’ that it was becoming ‘more and more Shiite, and the Shiites were becoming more and more militant.’<sup>52</sup> Yet, despite its Lebanon experience, Israel is not prepared to consider the ‘land-for-peace’ option.

In Islamabad’s view, Washington has not used its leverage to press Israel into the kind of political accommodation that would meet even minimalist Palestinian demands. In fact, the influence of the Jewish lobby and the crucial importance of the Jewish vote in the United States are perceived as having produced an intransigent U.S. position. This makes the prospect of peace elusive in West Asia on terms other than those dictated by Israel. This view is widely shared among the Arab states and is best exemplified in a Gulf daily, which editorialized: ‘The wishes of the Jews of America and their annex in occupied Palestine constitute commands which no official in Washington dares to ignore.’<sup>53</sup>

Some American officials have themselves described the U.S.-Israeli relationship in similar terms. For example, Harold Saunders, Assistant U.S. Secretary of State for the Middle East region under President Carter, called U.S.-Israeli ties ‘mindlessly closed.’ He portrayed the relationship as a ‘one-way street,’ in which Israel had been given a virtual blank check.’<sup>54</sup> Similarly, Israel was described as a liability and a burden in 1974 by the late General Brown, chairman of the U.S. Joint Chief of Staff.<sup>55</sup> But U.S. policy continues to be based on the maxim: What is good for Israel is good for America. And today it is viewed by the U.S. president as a strategic asset.

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<sup>51</sup>*Middle East International*, July 1986, p. 16.

<sup>52</sup>*Time*, March 18, 1985.

<sup>53</sup>*Khaleej Times*, July 16, 1986.

<sup>54</sup>*The Muslim*, October 1, 1986.

<sup>55</sup>*Ibid.*

Even moderate states like Hussein's Jordan, Hasan's Morocco, and Sadat/Mubarak's Egypt, which have stretched their positions to accommodate the U.S.-Israeli stand, at great risk of a domestic backlash, have felt let down. Their concessions were not matched by U.S.-Israeli flexibility, a factor that strengthened the argument of hardliners in the region.

Other factors have also been at work that have further exacerbated tensions and complicated the situation in the region. In recent years there has been a tendency in Washington to label the principal threat to the United States as "terrorism" in the Middle East, in a way that equates American interests with Israeli interests. Indeed, the last couple of years have seen "terrorism" replacing "communism" as the principal justification for U.S. interventionism in the Middle East. The most graphic example of this was the U.S. attack on Libya in April 1986. Whether such interventionism (through the use of military force) is undertaken in the name of defending Western interests, making the world safe from terrorism, or to ensure the security of Israel, it has produced strains and difficulties between Washington and its allies in the region. This especially includes countries like Pakistan, which, while tied to the United States through a nexus of military and economic relations, finds it hard to go along in supporting such actions that are ostensibly directed to fighting terrorism. The major explanation lies in the fact that Pakistan has a fundamentally different view of the sources of such terrorist acts. In Pakistani eyes the roots of terrorism and the source of the Middle East's familiar cycle of violence lie in the denial of the legitimate right of the Palestinians to their own homeland.

Indeed, and this is especially so at the popular level in Pakistan as well as in most other West Asian states, it is Israel that is seen as practicing state terrorism, with Washington's blessing or, at least, tacit approval. The Israeli invasion of Lebanon in 1982, in which 20,000 Lebanese and Palestinians were killed during the twenty-eight-day siege of Beirut, is one example. This, to the states in the region, was just one example of Israeli-U.S. contempt for the Arabs. Examples such as these make U.S.-Israeli actions to combat terrorism a glaring example of doublespeak.

Another though somewhat different aspect of the limits to which Washington is prepared to go, prodded by the anti-Arab lobby, is the recent disclosure that the U.S. government attempted to use the American and international media for a disinformation campaign against the Libyan leader. The campaign was to plant stories in the media suggesting that the United States was about to launch another attack on Libya. However, the whole affair exploded in Washington's face and led to the resignation of a conscientious State Department official. But U.S. Secretary of State George Shultz uttered an astonishing defense of the fiasco. He justified

the controversial action of the White House by quoting Churchill: "In times of war the truth is so precious that it must be attended by a bodyguard of lies."<sup>56</sup> This admission of White House lies damaged the credibility of the administration, both in the eyes of its own people and indeed those of its allies.

The Israeli raid on the PLO headquarters in Tunis in October 1985, in which over a hundred people, mostly civilians, were killed, was described by the White House as a "legitimate response of self-defense" against terrorist attacks. President Reagan himself declared that Israel had the right to take such action "if they can pick out the people responsible." He even praised "Israel's intelligence capabilities" on that score.<sup>57</sup>

This condoning of Israel's action also said much about how Washington treats its Arab allies, given the choice between them and Israel. Tunisia, a close U.S. ally, had repeatedly been assured that Washington would guarantee its sovereignty. After the Israeli attack, Tunisians were right to question—as indeed other allies in the region did—the value of that guarantee when juxtaposed with defending Israeli interests. When President Reagan enthused over Israel's "daring raid," he seemed to overlook that it was Washington that persuaded Tunisia to admit the PLO after Israel bombed it out of Lebanon. He also disregarded the fact that Tunisia was an early symbol of Arab acceptance of Israel, one of the first few countries to advocate peaceful coexistence with Israel. It was conveniently forgotten, too, that less than four months before the Israeli raid, President Reagan had personally promised President Bourguiba during a visit to Washington that the United States would respect and defend Tunisia's territorial integrity.<sup>58</sup> Shultz described the Israeli raid as retaliation "in the face of rising acts of violence against the citizens of Israel."<sup>59</sup>

That Israel gets its license to practice state terrorism from Washington could not have been better proven than by the U.S. response to Israel's action. Taken to its logical conclusion, this prescription would give every state the right to strike out, unilaterally, against real or imagined terrorist-sponsoring states. Given this context, Arab fears of U.S. unreliability when President Carter announced the formation of the Rapid Deployment Force (RDF) would not seem to be illusory. At the time of Carter's announcement, the RDF aroused "more suspicion than confidence," on the ground

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<sup>56</sup>*U.S. News & World Report*, October 13, 1986.

<sup>57</sup>*International Herald Tribune*, October 7, 1985.

<sup>58</sup>*Financial Times*, October 3, 1985.

<sup>59</sup>*Saudi Gazette*, October 10, 1985.

that the aim was not the preservation of vital interests, "but domination, escalation of tension, and creation of zones of influence."<sup>60</sup> According to a former U.S. ambassador to a West Asian state, the United States is the only country "which has ever threatened invasion of Arabia."<sup>61</sup> Indeed, long before the Soviet intervention in Afghanistan, "senior U.S. political and military leaders hinted at a possible U.S. military takeover of the Gulf oil fields."<sup>62</sup>

A graphic example of U.S. insensitivity to Muslim sentiments was provided by its bombing of Libya. The bombing provoked an outcry both on official and popular levels virtually throughout West Asia. Depicted by the United States as "self-defense" against alleged Libyan-sponsored terrorism in Europe and elsewhere, the unilateral and disproportionate nature of the U.S. "response" raised a number of questions, especially troubling for its friends and allies in the region. Was the Libyan raid about combating terrorism, or was it a display of military power to assert a dominant American position against recalcitrant Third World leaders? Had communism been replaced by terrorism as a means of legitimizing American military intervention? Secretary of State George Shultz said after the raid: "What is clear is that the United States will take military action under certain circumstances. That's established."

This readiness to use force on the part of Washington provoked more than just unease even among the conservative Arab states in the region. Spontaneous demonstrations across the region against the U.S. action illustrated people's attitudes toward the United States. Such events make the United States and Israel appear to be applying one set of laws to themselves and another set to others.

The U.S.-Israeli action of using military force in the name of fighting terrorism is seen by most countries as provocative and confirmation that Washington does not even consult its traditional allies in the area. Only Israel's opinion and interests, it seems, weigh in the American worldview.

<sup>60</sup>Al-Nadwar (Saudi Arabia), quoted in *Guardian* (London), March 8, 1982, p. 2, in Imtiaz H. Bokhari, "Pakistan-Saudi Arabia Strategic Connections and U.S. Policy," *Journal of South Asian and Middle Eastern Studies* 9(1) (Fall 1985):36.

<sup>61</sup>James E. Akins, "Saudi Arabia: Soviet Activities and Gulf Security," in *The Impact of Iranian Events upon Gulf and U.S. Security* (Washington, DC: American Foreign Policy Institute, 1979), p. 93, quoted in Bokhari, "Pakistan-Saudi Arabia Strategic Connections," p. 35.

<sup>62</sup>Hermann F. Eilts, "Security Considerations in the Gulf," *International Security* 5(2) (Fall 1980):110; quoted in Bokhari, *ibid.*, p. 36.

Pakistan, like other West Asian states, resolutely denounces acts of terrorism. But since its view of what is the ultimate cause of terrorist acts is so fundamentally different from Washington's, it produces the kind of response articulated by President Zia after the Karachi hijack of a Pan-American airliner by Palestinian gunmen. Zia condemned the hijacking and promised that the hijackers would "receive the punishment that such a crime deserves." But almost in the same breath, President Zia said this did not mean that Pakistan's stand on the Palestine issue would be affected in any way. "The support to Palestine was Pakistan's duty," and, he added, "Palestinian students were being educated in Pakistan while Pakistani youth themselves lacked such facilities."<sup>63</sup>

Pakistan's position on the Palestine issue accords with that of the "moderate" Arab states. While Pakistan supports the Palestinian right of self-determination, it is willing to accept a formulation that accords Israel the right to exist. For Pakistan, the solution of the problem lies in King Fahd's eight-point plan introduced in 1982 at the Fez Arab summit. This plan implies recognition of Israel's right to exist in return for a Palestinian homeland on the West Bank and Gaza Strip occupied by Israel during the 1967 war.

Israel's rejection of a "minimalist" peace offer, wherein the Palestinians are expected to contend with only a part of their own territory captured by the Israelis, would strengthen the "Iranian" option on Palestine—dismantling the Zionist state of Israel and replacing it by the Islamic republic of Palestine. Current indicators suggest that the majority of Palestinians prefer a secular and democratic state of Palestine to replace Zionist Israel, where Jews, Muslims, and Christians would enjoy equal rights.<sup>64</sup> The concept of a mini-Palestinian confederal state on the West Bank and Gaza Strip is not acceptable to most Palestinians. However, Israel's refusal to consider either of these options could generate even greater support for the Iranian position, particularly if Iran emerges as the dominant power in West Asia and should the Iran-Iraq war end on a victorious note for Iran. Recent Israeli press reports indicate that Israel is acutely aware of Iran's capacity "of fighting for years on the basis of religious ideology alone." As one Israeli newspaper wrote, "a similar situation might well develop on [the Israeli] front should the Iranians be victorious."<sup>65</sup>

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<sup>63</sup>*The Muslim*, September 8, 1986.

<sup>64</sup>*Khaleej Times*, September 19, 1986.

<sup>65</sup>*Ha'aretz* (Tel Aviv), September 28, 1986.

## Conclusion

On the Palestinian issue, Pakistan has taken "a joint stand" with the Muslim world. In supporting the 1982 King Fahd plan, Pakistan sees the solution of this issue in the creation of an independent Palestinian state on the West Bank and Gaza Strip. However, while Palestine remains a burning issue in the Muslim world, for the moment the focus has shifted to the Iran-Iraq war. This war has generated visible urgency and concern in the Muslim world, particularly among the belligerent neighbors as well as the superpowers. While there are reports of a superpower understanding on the "Gulf War,"<sup>66</sup> Vernon Walters, U.S. ambassador to the United Nations, has admitted that the United States lacks the ability to force Iran to end the war.<sup>67</sup>

As for Pakistan, historical, cultural, and geostrategic factors militate against the possibility of any change in its neutral stand. Its Islamic cultural affinity with Iran spans several centuries, during which many Iranian Sufis settled in the subcontinent to spread the message of Islam. This process was facilitated by the Arab military conquest of the southern province of Sind twelve centuries ago. The Muslim areas of the subcontinent thus became a crucible for the confluence of Arab and Iranian influences, which shaped the perceptions of Muslims in the region. On the other hand, the spiritual and emotional bonds that have historically linked Pakistan with the Arabs have been accentuated by geopolitical considerations, economic interests, and cooperation in the field of defense. Pakistan thus enjoys a historical identification with Islam and the Arabs and a cultural affinity with Iran.

More recently, the Iranian president has reaffirmed this affinity. At an international seminar in Tehran in 1986, President Khamanei declared that Iran's Islamic revolution was "the first direct influence of Iqbal."<sup>68</sup> As a Muslim poet and philosopher who envisioned a separate homeland for Indian Muslims, Iqbal is revered as the ideological father of Pakistan. Given the fact that much of Iqbal's revolutionary, anticolonialist, and Islamic revivalist work is in the Persian language, at times addressed to Iranians, it is not an exaggeration on the part of many Iranians to view Iqbal as one of the ideological mainsprings of their revolution. Given this

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<sup>66</sup>Suroosh Irfani, "Toward Superpower Collusion?" *The Muslim*, September 19, 1986, p. 4; see also *The Times* (London), October 3, 1986.

<sup>67</sup>*The Muslim*, October 11, 1986, p. 1

<sup>68</sup>"Iqbal's Appeal in Iran," *Dawn*, Friday Magazine, October 3, 1986, p. iv.

backdrop, it would be historically incongruous and a strategic error for Pakistan to abandon its neutrality.

Moreover, with a Soviet-backed hostile Afghanistan on its north-western front and an unpredictable India on its eastern border, which is laced with the most advanced Soviet weaponry and the U.S. offer of advanced strategic technology, it is plausible for Pakistan to forge with Iran a possible strategic alliance. It may be recalled that in the past, even in the absence of such an alliance, Iran provided Pakistan with strategic depth and political-military backing during Pakistan's critical confrontation with India. Additionally, Iran's need for skilled manpower in the phase of postwar reconstruction, coupled with the presence of Soviet forces in Afghanistan (with which Iran shares an uneasy border), could draw the two countries into closer security cooperation for ensuring peace and stability in the region. Such cooperation would seem to be necessary for neutralizing the designs of both India and a Soviet-backed Afghanistan for regional supremacy.

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## 13. United States Perceptions of Southwest Asia

HERMANN FREDERICK EILTS

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From the vantage point of Pakistan, the term "Southwest Asia" aptly denotes the collectivity of Asian states on its western flank. In the United States the term, while not unknown, enjoys less currency. Instead, the southwestern Asian areas are commonly referred to as the Arabian peninsula and Persian Gulf. Moreover, although the United States officially recognizes the designation "Persian" rather than "Arabian" Gulf, prudent sensitivity to competing Arab and Iranian nomenclatural jousting has produced a tendency simply to refer to the "Gulf."

The littoral states of the Gulf and the two Yemens constitute a subsystem of the broader Middle East political system. As such, while they face problems unique to the Gulf area, the most prominent at present being the Iraq-Iran war and a series of petroleum-derived issues, they also share most of the sociopolitical preoccupations of the broader system of which they are a part, especially the Arab-Israeli problem.

Although the United States has sought to insulate the Gulf states from close involvement in the Arab-Israeli issue, success on this score has been marginal. With the exception of Oman, the Arab states of the Gulf—and Iran since the advent of the Iranian Islamic Republic—have been and remain in varying degrees emotionally, politically, and financially involved in supporting the Palestinian and overall Arab causes.

The neologism "Middle East" was coined in 1902 by the American naval strategist Alfred Thayer Mahan. Although Mahan avoided precise definition, his conceptualization placed the area he had in mind east of a notional northeast/southwest medial line through the Persian Gulf.<sup>1</sup> That perceptual delineation soon shifted westward. As the late Secretary of State Dulles discovered years later, American usage of the term "Middle East" had become elastic; it remains so. For some it embraces the area from North Africa to Pakistan and Afghanistan; others limit it to the area

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<sup>1</sup>Alfred Thayer Mahan, "The Persian Gulf and International Relations," *Retrospect and Prospect: Studies in International Relations, Naval and Political* (Boston, 1902), pp. 204–251.

between the Levant states and Iran; still others would have it begin with Egypt and extend eastward to Iran or beyond.<sup>2</sup> Prescriptive definition is thus desirable when the term is used, even though all usages encompass the Persian Gulf in that geographic construct.

U.S. policy toward the Gulf and Arabian peninsula states is based upon self-determined American national interests in the area. At a macro level, these have remained fairly constant: oil and security. At a micro level—that is, how best to safeguard these interests—perceptions have gone through a series of permutations caused by changing regional and international conditions. Consistently, however, U.S. policy papers have stressed the strategic and economic importance of the region.<sup>3</sup>

As U.S. economic and official involvement in the area grew, so did American public cognizance of Gulf and Arabian peninsula peoples and politics. (To this day, however, many Americans remain unaware of ethnic and linguistic differences between Arabs and Iranians.) From earlier relative public indifference to U.S. policy toward the Gulf states, heightened American public interest has sharpened divisions of opinion on optimal U.S. policies that should or should not be pursued toward the area. Indeed, on some aspects of Gulf affairs public pressures have in recent years intensified to a point where they constrain proposed programmatic activities designed to further American interests in those states, particularly arms sales.

Looked at sequentially, American interest in the Gulf and Arabian peninsula states developed, first, through American petroleum companies, which obtained concessionary rights in Gulf states, and thereafter through

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<sup>2</sup>G. Etzel Percy, *The Middle East—An Indefinable Region* (Washington, D.C., 1964), esp. pp. 5–7. Percy, then a Department of State geographer, was asked by Dulles to define the term. See also Roderic H. Davison, “Where Is the Middle East?” *Foreign Affairs*, vol. 38, no. 3 (July 1960), pp. 665–675; and Alastair Drysdale and Gerald H. Blake, *The Middle East and North Africa, A Political Geography* (Oxford, 1985), pp. 10–12.

<sup>3</sup>U.S. interests extend beyond the Gulf, but the Gulf figures prominently in them. For a general overview of interests, see Seth Tillman, *The United States in the Middle East* (Bloomington, Ind., 1982), pp. 43–72. For the Gulf area, see the testimony of former Assistant Secretary of State for Near Eastern Affairs Harold Saunders and other expert witnesses before the House Subcommittee on Europe and the Middle East in 1980, *U.S. Interests in, and Policies Toward, the Persian Gulf, 1980. Hearings before the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs of the House of Representatives*, 96th Cong. 2d sess. (Washington, D.C., 1980), pp. 8–22, 32ff. For a more eclectic scholarly view of claimed U.S. interests in the Gulf, see James H. Noyes, *The Clouded Lens: Persian Gulf Security and U.S. Policy* (Stanford, Calif., 1979), pp. 44–59.

U.S. government involvement. These were followed by broader American economic interests, including exports and Arab petrodollar investment in the United States, and, concurrently, by American public interest groups becoming increasingly vocal on policy issues involving Gulf and Arabian peninsula states.

There is no American consensus on the Gulf. Generally speaking, however, three aspects of Gulf and Arabian peninsula affairs have shaped U.S. official and private-sector perceptions. First and foremost have been the huge petroleum reserves of the Gulf area, amounting to more than three-fifths of the world's proven oil reserves. The presence of such vast reserves, coupled with exploitation costs far lower than elsewhere and the substantial new reserves still being found there, gives it a prominence that the vulnerabilities of its indigenous state structures belie. Continued free and unimpeded access to Gulf oil reserves by the United States has for forty years been a major American interest.

A second pervasive concern has been putative external threats to the Gulf area which, should they materialize, might limit Western access to petroleum reserves. Concern over external threats has not been limited to the United States; it exists among Gulf leaders as well. Differences nevertheless exist between U.S. and Gulf states' estimates of such exogenous threats. The United States places prime emphasis upon a Soviet threat to the Gulf area. Most states of the Gulf and Arabian peninsula area do not share the U.S. presumption of a looming Soviet threat. Instead, they see Israel and, more recently, the Iranian Islamic Republic as proximate and more serious external threats. The United States, while recognizing an Iranian threat, discounts the suggestion that Israel may physically endanger the region.<sup>4</sup> Some conservative regimes in the Gulf, and especially Saudi Arabia, also speak on occasion of a "communist" threat. When doing so, they have in mind Soviet proxy states such as South Yemen and Ethiopia.

A third U.S. perception is that most of the Gulf and Arabian peninsula states have strong potentials for internal political instability. This belief was buttressed by events such as the 1958 military coup d'état in Iraq, the Mecca Grand Mosque incident of 1979 and, on another level, by the large number of loyalty-less expatriates living in Gulf polities. It has been given compelling prominence by the success of the Ayatollah Khomeini's Islamic revolution in Iran in 1979 and the Iranian Islamic Republic's excoriation of various neighboring Arab leaderships. Previously, endemic tensions in the Gulf region, such as ethnicity, sectarianism, unresolved

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<sup>4</sup>See the comment of a distinguished former British diplomat on this point, Anthony Parsons, "A British Perception of the Gulf," in B. R. Pridham, ed., *The Arab Gulf and the West* (New York, 1985), pp. 46-47.

median line and border problems, and the like were slow to be recognized in the United States, except in specialist circles. Only a few months before the outbreak of the Iraq-Iran war, a distinguished chairman of the Senate Foreign Relations Committee had dismissed such issues as "local problems." Implicit in that dismissal was the illusion that, however much of a nuisance they might be, they were not credible threats to U.S. interests.

Today, in view of the protracted nature of the Iraq-Iran war, there exists an incipient appreciation of the divisive effects of at least some endemic problems of the Gulf area. Moreover, in many American eyes, both official and private, Imami Shi'ism has loomed as a major destabilizing force. Since most Gulf and Arabian peninsula entities have Shi'i as well as other minorities, these are viewed as volatile political tinder for domestic dissent. And, as is so often the case, their disruptive potential is frequently magnified in congressional, media, and even U.S. government speculation. Exaggerated or not, these factors have produced American official and private interest in reducing U.S. dependency on Gulf oil resources. They have spurred domestic energy conservation efforts, the development of a strategic oil reserve, and a somewhat wavering search for synthetic fuel alternatives.

Generally speaking, the United States views the Gulf area in terms of its component states rather than as a geographic whole. Those polities divide into several categories. First are those that have "special relationships" with the United States. Until the shah's fall in 1978, Iran fell into this category. Today it is limited to Saudi Arabia, Oman, and, in more muted fashion, Bahrain. A second category consists of those entities with which the United States has correct dialogue, but which reject any American security association. These include Kuwait, the United Arab Emirates, Qatar, the Yemen Arab Republic (North Yemen), and Iraq. A third category consists of those Gulf and Arabian peninsula states that are avowedly hostile to the United States and with which the United States has no diplomatic relations. They are the Iranian Islamic Republic and the People's Democratic Republic of Yemen (South Yemen).<sup>5</sup>

### **The Petroleum Factor**

The United States, through private American oil companies, first developed an interest in the Gulf states in the context of a quest for external petroleum resources. As early as the mid-1920s, various American oil

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<sup>5</sup>From 1967 to 1984 Iraq belonged to the third category. With the reestablishment of U.S.-Iraqi diplomatic relations in 1984, Iraq moved into the second category.

companies sought participation in what had become an Anglo-French oil concession in Iraq (the former Turkish Petroleum Company), while others explored the possibility of obtaining an independent oil concession in Iran. Whatever their profit motives, the oil companies argued their case in terms of the U.S. national interest. The United States, they contended, had during World War I heavily depleted its own petroleum reserves in order to provide oil to its European allies for the conduct of the war. Unless new sources of external oil reserves could be obtained, American industry would soon face an energy crisis.

The oil companies' case may have been overdrawn, but in a series of official U.S. notes to Great Britain, the U.S. government supported their claim in the framework of the traditional American "open door" policy. In the Gulf area, as elsewhere, American companies should be allowed to compete without restraint with non-American firms for commercial advantages. Despite initial British official and oil company opposition, a consortium of American oil companies was eventually able to work out a 23 ⅓ percent participatory arrangement in the (renamed) Iraq Petroleum Company. Efforts by American private oil companies to obtain an oil concession in northern Iran aborted.<sup>6</sup>

In 1932 the Standard Oil Company of California obtained an oil concession in Bahrain. This was followed a year later by a similar concession in Saudi Arabia, awarded much to British chagrin. In 1936 Texaco joined in the Bahrain and Saudi Arabian ventures, and modest quantities of petroleum were being produced in both Bahrain and Saudi Arabia by the beginning of World War II.<sup>7</sup> Despite initial high investment costs, exploitation of Saudi Arabian oil, in particular, once discovered, amounted to less than fifteen cents per barrel, because of high individual well yields and gravity flow advantages, and was markedly lower than comparable oil recovery costs in the United States. Inflation has by now raised production costs to about thirty cents per barrel, but this remains far lower than recovery costs anywhere else. In other parts of the Gulf, production costs are somewhat higher, but still less than comparable exploitation costs elsewhere.

Prompted by concerns similar to those that had prevailed during and immediately after World War I, Secretary of the Interior Harold Ickes

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<sup>6</sup>For an account of pertinent negotiations, see George W. Stocking, *Middle East Oil: A Study in Political and Economic Controversy* (Kingsport, Tenn., 1970), pp. 53-59.

<sup>7</sup>*Ibid.*, pp. 66-107. See also H. St. John Philby, *Arabian Oil Ventures* (Washington, D.C., 1964), pp. 71-134.

proposed in 1943 that the U.S. government acquire all or at least part of the concession held in Saudi Arabia by what had by then become CALTEX as a safeguard against future exhaustion of the domestic oil reserve. The idea, initially supported by President Franklin D. Roosevelt and the U.S. Navy, was opposed by the American concessionaires. It was eventually dropped when the American president lost interest in it.<sup>8</sup> It was oil company urgings that in 1944 prompted the United States to provide direct economic aid to Saudi Arabia, lest the British seek to persuade the Saudi authorities to repudiate the American oil concession and transfer it to British interests.

The Saudi Arabian and Bahrain oil concessions remained in private American oil company hands, and in 1946 the Standard Oil Company of New Jersey and Mobil joined in the exploitation effort in Saudi Arabia. Operating through a separate company, by then renamed the Arabian-American Oil Company (ARAMCO), American private-sector interests successfully produced Saudi Arabian oil and explored for new reserves until the early 1970s. Indeed, during the late 1940s and well into the 1950s, it could be said with some justification that ARAMCO played a more prominent role in Saudi Arabia than did the U.S. government. Through senior members of its four parent companies, Saudi Arabian policy concerns—especially with respect to Israel after the latter's formation in 1948—were regularly represented to the highest levels of the U.S. government.

To be sure, an American legation had been established in Jiddah in 1942 and began increasingly to conduct official dialogue with the Saudi Arabian authorities, but it took time for the Saudi authorities to be persuaded that the resident U.S. diplomatic establishment was a more effective conduit for the presentation of their political concerns than were the ARAMCO parent companies. Despite military facilities at Dhahran, granted to the U.S. Air Force during the latter years of World War II, there was a decided disinterest on the part of the U.S. government in the early postwar years to accede to Saudi requests for specialist assistance. Not until the early 1950s, and only after President Truman's Point IV Program was inaugurated in 1950, were there more positive official U.S. responses to such requests, but even these were often laggard. In 1953 the Saudi Arabian government canceled the U.S. Point IV program because of dissatisfaction with it.

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<sup>8</sup>For the development of Ickes' "Petroleum Reserve Corporation," as the concept came to be called, see U.S. Senate, *Special Senate National Defense Hearings*, 80th Cong., 1st sess. (Washington, D.C., 1984), pp. 1125, 2401–2424. For pertinent official documents, see U.S. Department of State, *Foreign Relations of the United States, 1943* (Washington, D.C., 1964), vol. 4, pp. 926–928, 933–934, 937–938, 941–943, 949, and *FRUS, 1944* (Washington, D.C., 1965), vol. 5, pp. 23–27.

In the immediate post-World War II years, private American oil companies also obtained participation in a British concession in Kuwait and exclusive concessions in the then Kuwaiti-Saudi Arabian undivided Neutral Zone. Similarly, following Iranian nationalization of the Anglo-Iranian oil company in 1951 and subsequent U.S. diplomatic efforts to work out with the Iranian authorities new oil exploitation agreements, American oil companies obtained participatory rights in the international consortium engaged by Iran for the formerly British-held fields.<sup>9</sup> Thus, by the mid-1950s American private oil interests owned or participated in Iranian, Iraqi, Kuwaiti, Saudi Arabian, and Bahraini petroleum production. To the extent that an American perception of the Gulf area had developed, it was that of an oil man's nirvana.

Although the private American oil companies felt confident of their ability to handle outstanding petroleum issues with host governments, and the U.S. government was quite willing to see such arrangements continue, there were occasional official U.S. representations to host governments in behalf of American oil companies on issues in which the latter had been unable to work out mutually satisfactory agreements. On another level, the United States helped encourage internal forces in Iran in 1953 to overthrow the nationalist Mossadegh government, which was viewed as procommunist, and to reinstall the shah. Nevertheless, as one of the first American consuls in Kuwait lamented in the early 1950s, except for Iran and Saudi Arabia, the United States seemed to lack any clearly defined or coherent policy toward the Gulf area.

As the American oil companies operating in the Gulf states and their parent companies often sought to influence the U.S. government to take a more understanding view of Gulf states' concerns about Israel, usually with scant success, a negative reaction developed among some elements of the American public to certain policies of the Arab states of the Gulf, particularly those of Saudi Arabia. Because ARAMCO excluded persons of Jewish faith from employment, in deference to Saudi Arabian wishes, indignant Jewish groups in the United States urged the U.S. government to demand that the Kingdom cease such discriminatory practices. Saudi Arabia, Kuwait, and other Arab entities of the Gulf were likewise berated for pursuing secondary boycott activities against American private companies doing business with Israel.

Until approximately 1970, the U.S. interest in Gulf and Arabian peninsula oil was primarily a producer rather than a consumer interest. American companies held oil concessions or enjoyed equity participation in them.

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<sup>9</sup>See Stocking, *Middle East Oil*, pp. 108–120, for the Kuwait and Neutral Zone concessions, and pp. 152–198, for the Iranian consortium arrangements.

After paying taxes and royalties to host governments, they reaped substantial profits derived from sales of Gulf-origin oil. Rarely did petroleum imports into the United States from the Gulf states, including Saudi Arabia, exceed 5 to 6 percent of total American oil consumption prior to the 1970s.

In the 1970s, a Copernican change took place. With the nationalization of IPC in Iraq in 1961, and the subsequent increasing pressures from Saudi Arabia, Kuwait, and other Gulf states to take over a greater share of foreign oil concessions, including American-held concessions, the writing was on the wall. Eventually, host governments would take over all of the major concessions, either through nationalization or creeping participation, limiting former parent companies to specified percentage liftings of oil at prices set by host governments. Concurrently, in the wake of higher oil prices after the 1973 Arab-Israeli war and escalating American energy demands, the United States inexorably shifted to a consumer interest in Gulf oil. This created what some Americans have called an "oil vulnerability."<sup>10</sup>

From the mid-1970s until the early 1980s, the United States imported between 15 and 20 percent of its total oil requirements from Middle East states, a sizable increase from previous practice. Coincidentally, this change took place at a time when the American oil companies had been dispossessed of their erstwhile concessions and had lost control over production volumes and prices. The Gulf oil-producing states had also joined with oil-producing states elsewhere in the Organization of Petroleum Exporting Countries (OPEC), which now sought to maximize oil prices. Between early 1973 and 1981, imported oil prices increased almost fifteen-fold, and oil issues became government-to-government concerns.<sup>11</sup>

In the eyes of much of the American public adversely affected at the gas pump by spiraling price increases, it was conveniently forgotten that the shah of Iran had been the first to press for higher oil prices. Blame was leveled at the Arab states for this situation. The so-called rich, profligate, greedy Saudi Arabian and other Arab "oil sheiks" became objects

<sup>10</sup>For a brief sketch of this shift from the 1960s into the 1970s, see Charles Issawi, *Oil, the Middle East and the World* (New York, 1972), pp. 45-50. For an analysis of change to an "oil vulnerability" factor, see G. Henry Schuler, *The Treasury Department's View of Oil Imports in 1975, 1979, and 1984: A Study in Contrasts* (Washington, 1985), pp. 23-70.

<sup>11</sup>For 1969 prices see Issawi, *Oil*, pp. 31-32; for various energy import costs from 1974 onward, see Schuler, *Treasury Department's View*, Table 12, p. 53.

of American public vituperation.<sup>12</sup> There was little American public understanding, let alone appreciation, of Saudi Arabian efforts to limit increases in the price of oil. Saudi Arabian leadership of OPEC made the Kingdom a convenient scapegoat for American public dissatisfaction with oil price hikes. Dissolute behavior by a few members of the Saudi elite visiting the United States, widely publicized in the media, added to the negative public image of that country.

### The Security Factor

From the outset of active U.S. involvement in Gulf and Arabian peninsula affairs immediately after World War II, potential external security threats to the area have loomed large in American official and private thinking. The principal putative threat to the area, at least until recently, has been viewed as Soviet expansionist designs. In part, this American belief is a product of Soviet activities in World War II and in the immediate post-war era. The historic Russian quest for warm-water ports has been conceived to include the Gulf area. The Molotov-Ribbentrop exchange of 1940, in which Molotov indicated Soviet interest in moving southward from Batum and Baku "in the general direction of the Persian Gulf . . . as the center of the aspirations of the Soviet Union," was adduced as evidence of a persistent Soviet objective to expand toward the Gulf and the Arabian Sea. The failure of the Soviet Union to withdraw its troops from northern Iran six months after the cessation of World War II hostilities, as mandated by the Anglo-Soviet agreement of 1941 (to which the U.S. adhered in 1943), was seen as further proof of Soviet expansionist purposes.<sup>13</sup>

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<sup>12</sup>This type of excoriation is exemplified in Linda Blandford, *Super-wealth: The Secret Lives of the Oil Sheikhs* (New York, 1977). American political cartoonists, such as Herblock, have likewise reveled in this anti-Arab genre. A recurring spate of "letters to the editor" appearing in leading American newspapers also stresses the theme.

<sup>13</sup>For a postwar appreciation of the Soviet threat to Iran, see Harry Truman, *Year of Decisions, 1945* (London, 1956), pp. 460–461. See also George Lenscowski, *Russia and the West in Iran, 1918–1945* (Ithaca, 1949), pp. 193–234, 292–299. For the Ribbentrop-Molotov exchange, see U.S. Department of State, *Nazi-Soviet Relations, 1939–1941* (Washington, D.C., 1948), p. 259. There is no dearth of later assessments. See, for example, Charles W. Yost, "Superpower Rivalry in the Gulf," in Ronald G. Wolfe, ed., *The United States, Arabia and the Gulf* (Washington, D.C., 1980), pp. 37–43; and Harold Brown, "U.S. Security Policy in Southwest Asia: A Case Study in Complexity," reprinted in J. E. Peterson, ed., *The Politics of Middle Eastern Oil* (Washington, D.C., 1983), pp. 412–423.

Although the Soviets ultimately withdrew from northern Iran, following conditional agreement with the Iranian government on an oil concession in northern Iran, the legacy of suspicion of their ultimate intent remained. American official and public anti-Soviet attitudes were prompted in large measure by the "cold war" atmosphere of the early 1950s. Official and many private Americans deride the Soviet contention that the Middle East, including the Gulf area, is part of its security parameter, as an unacceptable arrogation. Some U.S. officials also remain convinced that the Soviets covet Gulf oil resources. Should the Soviets succeed in obtaining primary political or military influence in the Gulf area, it follows in U.S. thinking that they would seek to exclude the American presence in the Gulf or, at a minimum, to neutralize it.

On a global basis, U.S. policy since World War II has sought to contain presumed Soviet imperialist designs. In the Gulf area, such countermeasures initially took the form of U.S. pressure on the Soviets to withdraw from Iran and of providing Iran with American weapons in order to enable it to defend its territories. In the mid-1950s, global U.S. containment policy was expanded through urging the so-called northern tier countries—Iran, Pakistan, Turkey, and Iraq—to organize themselves into a defensive alliance known as the Baghdad Pact (Central Treaty Organization [CENTO], after Iraq's defection in 1959). The United States, despite initial encouragement of that organization, declined to become a formal member because of various domestic and foreign policy constraints, but maintained observer status in its constituent organs, provided military and economic support to regional member states, and assigned an American general officer to head the Combined Military Planning Staff of the organization.<sup>14</sup>

In the immediate aftermath of the anti-Hashemite coup in Iraq in 1958, the United States signed substantively identical bilateral agreements of cooperation with the remaining regional members of the alliance, including Iran and Pakistan. Executive agreements rather than treaties, they were based upon the Joint Congressional Resolution on the Middle East of 1957 and on Mutual Security legislation. They were concluded to preserve the alliance and as a substitute for U.S. accession to it. Although some regional signatories expressed puzzlement about what new guarantees these bilateral agreements provided, the United States held that

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<sup>14</sup>For U.S. arms aid to Iran, see Barry Rubin, *Paved with Good Intentions* (New York, 1980), pp. 158–189; Lewis Sorley, *Arms Transfers Under Nixon* (Lexington, Ky., 1983), esp. pp. 110–133; Andrew J. Pierre, *The Global Politics of Arms Sales* (Princeton, 1982), pp. 142–153.

they offered broader security cooperation against a Soviet threat than the Baghdad Pact document itself did.<sup>15</sup>

These bilateral agreements evoked some congressional disquiet, requiring the executive branch to give assurances to the Senate Foreign Relations Committee that the obligations undertaken therein applied solely to assisting regional states to defend themselves against direct communist aggression and that any action taken thereunder would be in accordance with constitutional procedures. Later Iranian and Pakistani disillusionment with the entire CENTO structure prompted the demise of that alliance, but the bilateral agreement with Pakistan remains operative and constitutes a legitimating device for U.S. military aid.

In the Arab areas of the Gulf, the United States was initially content to share security responsibilities with Great Britain. The British had security treaty arrangements with Iraq (until the Abdul Karim Qasim government of that country denounced that treaty), Kuwait, and the lower Gulf states. On its part, the United States, primarily because of its petroleum interests in Saudi Arabia, sought to strengthen the Kingdom's defense posture. A U.S. military mission was sent to Saudi Arabia in 1951, at the latter's request, in order to train the Saudi armed forces, and one was later sent to train the National Guard. From the 1950s onward, U.S. military assistance was regularly provided to Saudi Arabia.<sup>16</sup> Although no formal security agreement exists between the United States and Saudi Arabia, every American president from Harry Truman to Ronald Reagan has publicly expressed U.S. concern for the political independence and territorial integrity of the Kingdom.

Events were to prove that it was not the Soviets that threatened Saudi Arabia directly. Rather, it was Arab nationalist forces in the Arab world, especially during Gamal Abdel Nasser's heyday of pan-Arabism and Egyptian-Saudi involvement in the Yemeni civil war from 1962 to 1967 on opposite sides. In response to Egyptian air attacks on Saudi border towns and subversive actions against Saudi Arabia, the United States at

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<sup>15</sup>For the text of the bilateral "Cooperation Agreement Between the United States and Iran, signed at Ankara, March 5, 1959," see Department of State, *Treaties and Other International Acts, Series 4189* (Washington, D.C., 1960).

<sup>16</sup>The fullest treatments of U.S. arms aid to Saudi Arabia may be found in Nadav Safran, *Saudi Arabia: The Ceaseless Quest for Security* (Cambridge, Mass., 1985), pp. 103–110, 180–211, 398–448; and Anthony H. Cordesman, *The Gulf and the Search for Strategic Stability: Saudi Arabia, the Military Balance in the Gulf, and Trends in the Arab-Israeli Military Balance* (Boulder, Colo., 1984), esp. pp. 122–388. Also useful is David Long, *The United States and Saudi Arabia: Ambivalent Allies* (Boulder, Colo., 1985), pp. 33–72.

various times deployed token air force squadrons and naval vessels to Saudi Arabia as deterrent measures.<sup>17</sup>

Another indication of the U.S. security concern for the Gulf states—or, more precisely, for American interests in the region—was President Kennedy's gratuitous offer of assistance to the British in May 1961, when it appeared that Iraq's republican leader, Qasim, might seek to assert the long-standing Iraqi claim to all of Kuwait by extinguishing militarily that state's newly proclaimed independence. With Iraqi forces deployed on the Kuwaiti border, the British responded to a Kuwaiti request for help by sending marines and naval vessels to the newly independent sheikdom. Although the United States had not heretofore expressed any security concern for Kuwait, Kennedy considered the Iraqi threat sufficiently serious to the Gulf as a whole to warrant offering the British a small U.S. naval flotilla to augment their forces. The British declined the offer. Kennedy's action was made without publicity and without prior consultation with members of Congress or Kuwaiti officials.<sup>18</sup>

With the British announcement in 1968 of their intention to withdraw militarily from east of Suez in three years' time, the United States foresaw a developing security vacuum in the strategically important Gulf area. To fill that vacuum, the Nixon administration devised the so-called twin pillars policy. Consistent with the Nixon Doctrine, which, after Vietnam, sought to avoid direct American military intervention in remote but strategically important areas, this envisioned joint Iranian-Saudi Arabian assumption of responsibility for the security of the Gulf area once the British had left. A U.S. diplomatic effort was made to persuade the shah of Iran and King Faisal of Saudi Arabia to cooperate with each other in this design.

Iran, with more sizable and better-trained military forces, was seen as the principal military prop of the twin pillars policy. In a reversal of earlier Kennedy-Johnson reluctance to accede to the shah's incessant demands for larger quantities of military aid, the Nixon administration expressed willingness to provide whatever military aid Iran would need to fulfill that security role, regardless of costs or weapons systems

<sup>17</sup>Cordesman, *The Gulf*, p. 111. A U.S. destroyer, with Commander, MIDEAST-FORCE, aboard, entered Jizan port, on the Saudi/Yemeni border, in the spring of 1967 as a warning to the Egyptians. It was the first—and the last—U.S. naval vessel to enter reef-strewn Jizan harbor.

<sup>18</sup>The incident has only once been publicly mentioned. Hermann F. Eilts, "Security Considerations in the Persian Gulf," *International Security*, vol. 5, no. 2 (Fall 1980), p. 100.

sophistication.<sup>19</sup> To a lesser extent, Saudi Arabia also received increased American military aid, and in response to a specific request the United States agreed to help develop a Saudi navy.

There were those in the U.S. Congress and public who questioned the wisdom of the twin pillars policy, some did so because of concern over human rights abuses in the shah's Iran, others because of a perceived connection between ensuing huge Iranian arms purchases from the United States and higher oil prices. Still others did so because of traditional criticism in some American circles of Saudi Arabian discriminatory, exclusionist policies, which were seen to make the Kingdom an improper security partner. Some congressional disquiet also existed about whether the shah could be relied upon to use responsibly his substantial American-supplied military inventory. Notwithstanding such misgivings, the United States persisted in the pursuit of that alternative security policy for the Gulf.

On the tiny island of Bahrain, the U.S. Navy was permitted by the national authorities, on an informal basis, to take over the British naval facilities at Jufair. While maintaining a low profile, in deference to Bahraini wishes, the American rear admiral in command of the small U.S. naval force, MIDEAST Force, and between one and two U.S. naval vessels were based there. That command, whose operational area covers much of the Indian Ocean, now consists of five small combat vessels.

The twin pillars policy endured until the shah's collapse. Although its effectiveness against a real Soviet threat was never tested, the augmented Iranian military and naval capability resulting from it was used to assist the Sultan of Oman in suppressing the Dhofari insurgency. U.S.-supported Iranian military preeminence in the Gulf region, while sometimes disturbing to Saudi Arabia and other Gulf states, especially after Iranian seizure of Abu Musa and the two Tunbs islands in 1971, was believed to have a restraining influence on Ba'athi Iraqi activities designed to undermine moderate Gulf regimes.

It was not enough, however, to prevent Kuwait from establishing diplomatic relationships with the Soviet Union in 1971 and accepting the presence of a Soviet embassy in that city-state. Indeed, increased Iraqi and Iranian assertiveness with Gulf neighbors were contributory factors in the Kuwaiti decision. There was official U.S. displeasure over the new Soviet diplomatic presence in Kuwait, and a concomitant belief that the Soviets might use it to subvert neighboring Arab regimes of the Gulf, but this fear proved to be exaggerated.

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<sup>19</sup>See Henry Kissinger, *White House Years* (Boston, 1979), pp. 1259-1262.

### Changing Perceptions in the 1980s

If the three decades following World War II were generally characterized by official and private American bemusement with the Gulf and Arabian peninsula area, events of the 1980s came as a traumatic experience. While the putative Soviet threat remained ingrained in official American thinking, especially after the Soviet military move into Afghanistan in 1979 and the advent of the Russophobic Reagan administration in 1981, what had previously been regarded largely as peripheral "local" factors in the Gulf area suddenly loomed large as threats to U.S. interests.

In 1979 the shah of Iran, the prime element in the twin pillars policy, was forced to abdicate and was replaced by a regime such as few official or private Americans had anticipated. The erosion of the shah's domestic base had come to be widely realized in and out of the U.S. government; that he would be replaced by an Islamic religious rather than a lay or National Front leadership came as a shock. Weaned on a concept of separation of state and church, there was uncertainty in American circles as to what a clergy-dominated, Imami Shi'i Islamic regime might portend for U.S.-Iranian relations and for friendly Sunni regimes of the Gulf and Arabian peninsula.<sup>20</sup>

A part of the answer came quickly. The Iranian Islamic Republic's seizure of the U.S. embassy in Tehran and of fifty official American hostages, and their detention for a year and a half, created major problems for the Carter administration. The safety of the hostages became the overriding goal of the U.S. government's handling of the affair. Carter sought to negotiate their release and, after numerous failed efforts, managed to achieve this, although they were not permitted to leave until a few minutes after his term expired. By then, the hostages had lost their psychological value to the Iranian Islamic Republic, and the United States had suffered the further ignominy of the abortive Tabes military rescue operation of April 1980. The latter had been prompted by growing American domestic pressures, castigating continued reliance on negotiations and demanding military action. The circumstances of the failure of that mission, following on perceived American failure somehow to save the shah, cast a pall among Gulf friends on the image of U.S. capability. In the eyes of Carter,

<sup>20</sup>The literature on the fall of the shah and the advent of the Khomeini regime, as seen from the U.S. viewpoint, is extensive. See, for example, Jimmy Carter, *Keeping Faith* (New York, 1982), esp. pp. 433-458; Cyrus Vance, *Hard Choices* (New York, 1983), pp. 314-348; Zbigniew Brzezinski, *Power and Principle* (New York, 1983), pp. 354-400; William H. Sullivan, *Mission to Iran* (New York, 1981), pp. 227-284.

his closest associates, and many other Americans, the hostage crisis in Iran was a major factor in the American electorate turning him out of office.<sup>21</sup> While all detained Americans ultimately returned safely, the Iranian hostage crisis was one of the gravest political humiliations sustained by the United States, not only in the Gulf but in the Middle East region as a whole, since its active involvement in the area.

Direct diplomatic relations between the United States and Iran remain severed. The Iranian Islamic Republic continues to flay the United States as the "Great Satan." Many American officials still regard Iran and its strategically situated real estate on the Soviet border as a country of major strategic importance and, as the Reagan administration's recently revealed covert arms shipments to Iran attest, they wish to lay a groundwork for possible eventual improvement in U.S.-Iranian relations once Khomeini leaves the scene. Realistically, however, the outlook on this score is doubtful for years to come. Moreover, the present Iranian regime's "revolution for export," directed largely at Arab states of the Gulf friendly to the United States, especially Saudi Arabia, is a source of deep concern to the U.S. government.

The outbreak of the Iraq-Iran war in 1980 further complicated the Gulf situation. When Iraq attacked Iran, the Saddam Hussein regime remained hostile to U.S. interests in the area. It had played a major role in expelling Egypt from the Arab League following signing of the U.S.-brokered Egypt-Israel peace treaty. There was concern in U.S. official and some private quarters that the war might spill over to friendly Gulf states, but there was also a widespread American belief—indeed, even hope—that both Iraq and Iran would exhaust themselves in mutually futile combat and thus limit the future military threat that each posed to friendly Gulf states.<sup>22</sup>

The prolonged nature of the war, its more recent derivatives of Iraqi and Iranian air attacks upon tankers in the Gulf, and the Iranian military lodgement in Fao in February 1986 have accentuated fears of a possible

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<sup>21</sup>Carter, *Keeping Faith*, pp. 563ff; Hamilton Jordan, *Crisis; The Last Year of the Carter Presidency* (New York, 1982), pp. 376–381. Both allude to the electoral burden of the hostage crisis. For a detailed account of U.S. handling of the hostage crisis, see Gary Sick, *All Fall Down* (New York, 1985), esp. pp. 65–318.

<sup>22</sup>For the origins of the Iraq-Iran war, see Tareq Y. Ismael, *Iraq and Iran: Roots of Conflict* (Syracuse, 1982), esp. pp. 1–40. For U.S. concerns about the protracted nature of that conflict, see Harold H. Saunders, "The Iraq-Iran War: Implications for U.S. Policy," in Thomas Naff, ed., *Gulf Security and the Iran-Iraq War* (Washington, D.C., 1985), pp. 59–60; and Stephen R. Grummon, *The Iraq-Iran War: Islam Embattled* (Washington, D.C., 1982), pp. 82–91.

spillover into friendly Arab states. Although Iraq took the initiative to resume diplomatic relations with the United States in 1984, and enjoys some U.S. economic support, there is gnawing U.S. concern that a war of attrition might not end in a draw and could conceivably enable Iran's substantial manpower resources to prevail over a better-equipped Iraqi military structure.

The effect on the political stability and security of the Arab states of the Gulf, from Kuwait southward to Oman, of an Iranian Islamic-dominated Iraq is receiving considerable official attention, even as the U.S. government hopes that no such contingency will arise. The continued financial and other support given by Saudi Arabia and Kuwait to Iraq have evoked Iranian threats to take military action against them. Kuwaiti oil-export facilities have received minatory bombings from Iran, and Iranian warnings continue that Saudi oil facilities may also become targets unless Saudi financial aid to Iraq stops. Ironically, the United States and the Soviet Union are in general agreement on the undesirability of the Iraq-Iran war, yet neither is in a position to act effectively to terminate it. Reluctant though the United States is to admit this, it may be continuing Soviet military aid that sustains Iraq's capability to resist the Iranian onslaught.

Although Iraq began the war, there is a widespread American view that Iran has consistently refused all international overtures to negotiate a cease-fire and peace. In this situation the Iraqi air attacks on Kharg Island and on Iranian-chartered tankers shuttling between Kharg and Sirri islands (and in August 1986 on Larak island) are seen as regrettable but understandable defensive measures. In contrast, the Iraqi use of mustard gas has been officially and privately censured by the United States. Retaliatory Iranian air attacks on tankers off the Saudi Arabian, Qatari, and UAE coasts have raised the specter that Iran's threats to widen the war if its oil exports are curtailed by Iraqi military action may indeed be serious.<sup>23</sup>

U.S. Air Force-manned airborne warning and control system (AWACS) aircraft have since 1980 been permanently deployed to Saudi Arabia and provide early warning of Iranian aircraft incursions into Saudi Arabian air space. In 1984, as a result of such early warning, Saudi Arabian fighter aircraft downed an intruding Iranian aircraft. The initial Saudi Arabian and official U.S. reaction to the incident was one of concern that

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<sup>23</sup>The so-called tanker war in the Gulf has by now become commonplace and barely evokes public interest. The American press gives only brief reportage to each new incident, usually somewhere on inside pages. Detailed reportage of Iraqi and Iranian air attacks on tankers in the Gulf area may be found in the regular "Middle East" section of the Cyprus-based (Nicosia) weekly, *Middle East Economic Survey* (MEES).

this might catalyze a widening of the war. When it seemed to have a deterrent effect in preventing further Iranian intrusions into air space in close proximity to the Kingdom, at least for a time, both the United States and Saudi Arabia showed greater satisfaction.

In the first eight months of 1986, however, although AWACS-produced early warnings continued to be provided, there had been no attempt on the part of Saudi Arabia to have its fighters engage Iranian aircraft of Saudi, Qatari, or UAE waters, and Iranian air attacks on tankers transiting the western side of the Gulf went unchallenged. A recent Gulf Cooperation Council (GCC) ministerial communiqué suggests that this might change and that Saudi Arabia may extend air cover to Gulf waters threatened by helicopters from the recently established Iranian base on Abu Musa, but this remains to be seen.

There is also speculation that U.S. Navy vessels may escort American flag ships in the western waters of the Gulf in order to deter Iranian attacks.<sup>24</sup> While the U.S. Navy is reluctant to devote naval assets to deterring Iranian boarding of American vessels approaching the Straits of Hormuz, ostensibly in search of war contraband, and while some Navy lawyers even argue the legality of such Iranian actions, on May 13, 1986, a U.S. destroyer did warn an Iranian frigate to desist from boarding an American freighter bound for Fujairah.<sup>25</sup> For now, at least, this seems to have had a salutary affect.

The Soviet invasion of Afghanistan in December 1979 heightened official and private American concerns about Gulf security.<sup>26</sup> The Soviet action was seen as part of the long-standing Russian desire to move toward the Gulf. If Afghanistan were conquered, it was argued, the Soviets would seek to foment instability in Baluch areas of Pakistan and thereby move closer to the Straits of Hormuz. The immediate official U.S. response took the form of the so-called Carter Doctrine.

In his State of the Union address in January 1980, President Carter announced that the Gulf constituted a "vital" U.S. interest and that the United States would resist with force any effort on the part of a foreign (read "Soviet") power to install itself militarily in the Gulf. Carter's statement was visceral and was made with minimal consultation within the U.S. government as to whether adequate military forces were available to

<sup>24</sup>See *MEES*, vol. 29, no. 39 (July 7, 1986), p. C-2.

<sup>25</sup>*MEES*, vol. 29, no. 32 (May 19, 1986), pp. A8-9.

<sup>26</sup>Carter, *Keeping Faith*, pp. 264-265ff; Brzezinski, *Power and Principle*, pp. 356, 446-449; Vance, *Hard Choices*, pp. 389ff.

meet such a putative Soviet challenge.<sup>27</sup> Such forces were not at the time available, but the Soviet action lent urgency to strengthening the so-called Rapid Deployment Force. The Reagan administration continued this effort and Central Command, as the RDF was redesignated, is now an independent, unified command, headquartered at McDill Field in Florida. It has not thus far been able to establish a forward headquarters in the Gulf area itself.

The difficulties encountered by the Soviets in establishing the Marxist Afghan government's control over all of that country have generally been welcomed in the United States. The United States, in cooperation with Saudi Arabia and others, has sought to provide material and moral assistance to Afghan Islamic partisans fighting the Soviets and the indigenous Marxist government.

On another front, the collapse of the shah of Iran gave rise to fears that the Saudi Arabian regime might be a candidate for similar Islamic anti-monarchical domestic revolt. The failure of many official and private Americans involved in Iran to have perceived early enough the shah's growing weakness prompted a spate of compensatory speculation on allegedly comparable forces in the Kingdom that might lead to collapse of the Saudi regime. The Grand Mosque incident in Mecca of November 1979, although an aberration, was seized upon by some American analysts to lend credence to the contention that Saudi Arabia was internally weak and about to collapse.<sup>28</sup>

Although those who knew both Iran and Saudi Arabia emphasized structural, religious, and social differences between the two regimes, many Americans continued to see analogies in the situations in the two countries. Traditional critics of the Kingdom renewed their contention that extant Saudi internal fragilities made that country an inappropriate security partner. Alluding to the large volume of sophisticated U.S. military equipment sent to the shah, which the hostile Iranian Islamic Republic had subsequently seized, they direly warned that this experience might some day be repeated in Saudi Arabia. Many media pundits supported this viewpoint. Indeed, few friendly regimes have so consistently been vilified in the American media as Saudi Arabia has.

<sup>27</sup>Carter, *Keeping Faith*, p. 483. See also David D. Newsom, "America Engulfed," *Foreign Policy*, no. 43 (Summer 1981), pp. 17-32; and the National Security Council adviser's account in Brzezinski, *Power and Principle*, pp. 444-447.

<sup>28</sup>See Cordesman, *The Gulf*, pp. 231-237. The theme of internal Saudi weakness had earlier been elaborated in Helen Lackner, *A House Built on Sand* (London, 1978). For a time in the early 1980s her book was widely cited in American academic and media circles. A needed antidote is William B. Quandt, *Saudi Arabia in the 1980s* (Washington, D.C., 1981), esp. pp. 76-122.

While there continues to be much public criticism of Saudi Arabia, not only by American Jewish groups, but also by American Christian groups unhappy that Christian worship is not allowed in the Kingdom, there has been a gradual realization that there is more resiliency in the Saudi regime than its persistent American detractors wish were the case and that some American analysts questioned was the case. A slow official U.S. recognition has also evolved that, whatever Saudi Arabia's influence might be in overall Arab circles, it should not be expected to move to the forefront in publicly calling for an Arab-Israeli peace as previous U.S. administrations have so often urged it to do.

The Iranian Islamic Republic's "revolution for export" and the tanker war fallout of the Iraq-Iran war have again raised the issue of optimal U.S. support for Gulf security. The United States has long sought military facilities in the Kingdom to better position itself to assist Saudi Arabia to resist external aggression. For domestic and Arab political reasons, the Saudi Arabian government has declined all such requests. Instead, it has preferred to rely upon U.S. seaborne forces, "over the horizon" in the Arabian Sea and Indian Ocean. From a military point of view, American defense planners find this awkward. Distance lengthens response time in the event of an emergency call.<sup>29</sup>

In 1981 the Arab states of the Gulf (with the exception of Iraq) organized the aforementioned GCC in order to coordinate their collective security and undertake economic cooperation. A GCC Peninsular Shield Force was created, consisting of contingents from various Arab states in the Gulf, but largely from Saudi Arabia. Since the Iranian lodgement in Fao, some thousand or more troops from that GCC Force have been deployed to northern Saudi Arabia, and both Kuwait and Saudi Arabia have publicly declared their intention to defend themselves should Iran move militarily against them.

While considerable official and private American endorsement of the concept of GCC regional cooperation exists, few believe that the GCC members can presently mount a credible defense against Iran.<sup>30</sup> In May 1986 the Reagan administration publicly announced, albeit in qualified fashion, that should Iran attack Saudi Arabia, the United States would assist

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<sup>29</sup>The problem is well set forth in Cordesman, *The Gulf*, pp. 824-825.

<sup>30</sup>See John Duke Anthony, "A Darkling Plain: U.S. Views on Gulf Security," in Pridham, ed., *The Arab Gulf*, pp. 125-161; and Michael Sterner, "The Gulf Cooperation Council and Persian Gulf Security," in Naff, ed., *Gulf Security*, pp. 1-24.

the Kingdom in its defense.<sup>31</sup> The hope is that this will not happen, but contingency planning must reckon with that possibility. Three years earlier, the administration had publicly warned that, should Iran seek to close the Straits of Hormuz, the United States would use military means if necessary to reopen them. Reagan would doubtless receive public support for any such action.

Political stability in the friendly Arab states of the Gulf has been further damaged by two other developments: Iranian-inspired terrorist actions, especially in Kuwait, and domestic problems posed for the Gulf states by substantially reduced income resulting from overproduction of petroleum and sharp reduction in oil prices.

The threat of Iranian-sponsored terrorism and/or sabotage in the Arab states of the Gulf is omnipresent. While counterterrorism efforts are made by those governments, they lack the sophistication to make them even reasonably foolproof. The United States, whose diplomatic and commercial installations have been among terrorist targets in Kuwait, has spoken much about not giving in to terrorist demands but has done little to help Gulf states prevent terrorism. Given the unresolved Arab-Israeli problem, it is not unlikely that terrorism in the Gulf area and the Middle East as a whole will increase.

Aside from the terrorist issue, the oil-producing states of the Gulf have in the past five years experienced serious collapse in their previous oil-derived economic booms. While as late as 1980, in the wake of the 1979 oil "shock," President Carter could still urgently request the ruler of Saudi Arabia to maintain petroleum production levels of over ten million b.p.d., four years later a global oil glut had developed. By early 1986 Saudi Arabia had decreased its production to about three million b.p.d., and nobody in the United States seemed to care. There was an oversupply of petroleum from various OPEC and non-OPEC sources, and as oil prices dropped sharply as a result, oil-derived income for the Gulf states likewise plummeted.<sup>32</sup>

Since the American concessions in Kuwait and Saudi Arabia had by then been taken over by host governments and ARAMCO had become no more than a Saudi-owned operating company for the latter, the ARAMCO

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<sup>31</sup>See *New York Times*, May 18, 1986; for an earlier Department of State warning that any spread of the Gulf war would be a threat to "vital" U.S. interests, see *MEES*, 29, no. 24 (March 24, 1986), p. C-1.

<sup>32</sup>See A. W. Jessup, "Price Pressures II: Political Economy of World Oil," *Geopolitics of Energy*, Supplement, vol. 8, no. 4 (April 1986), pp. S1-4.

parents in many instances chose not to "lift" their prescribed percentage allocations at OPEC set prices and, instead, opted to buy their oil requirements on the cheaper spot market. The Saudis were eventually required to reduce OPEC-mandated prices, which they had helped to engineer, in order to sell oil. In recent months, Saudi Arabia has increased its production to more than five million b.p.d., much to the distress of many of its OPEC partners, because of its pressing liquidity crisis.

Although Saudi Arabia has sharply reduced its economic development program, it has a long line of creditors awaiting payment for goods and services already rendered. Various private Saudi merchants, afflicted by cash-flow problems brought on by overexpansion and by Saudi governmental failure to liquidate indebtedness to them, have likewise failed to pay their debts when due. Many of their creditors are American firms or banks. Whatever appreciation may exist for Saudi Arabia's current financial difficulties, American firms affected by Saudi nonpayment are clamoring for reimbursement. For now, Saudi Arabia has suffered image loss in the American (and foreign) business and banking communities. A Saudi Investment Mission, sent to the United States in the spring of 1985 to solicit private American capital investment in the Kingdom, had virtually no responses.

There is concern in some official U.S. government circles that the price of oil may have fallen too low, and that this may have an adverse effect upon some Third-World debtor nations and the international banking system. The American public, however, is generally delighted that for the first time in fifteen years gasoline prices at the pump are less than a dollar. One senses little American public sympathy for the Saudi Arabian or other Arab oil-producing states' dilemmas. There exists almost a *Schadensfreude* on the part of many private Americans over the disarray that OPEC, which is viewed largely as Arab-dominated, faces. Some believe that OPEC will collapse through its own internecine differences and would like to help it do so. As the OPEC ministerial meeting of August 1986 showed, however, this may be a premature judgment.

A concomitant of the oil-glut situation is a growing American public disinclination to provide strong support even for friendly Arab states of the Gulf, such as Saudi Arabia. The American-Israeli Political Action Committee in the United States lobbied strongly to oppose U.S. arms sales to the Kingdom. The AWACS sale of 1981 passed with a margin of only one vote in the Senate, a vote brought about by the personal intervention of President Reagan. In the most recent (1986) arms sale to Saudi Arabia, even stronger congressional opposition developed. Saudi Arabia, it was contended by opponents, is hostile to Israel, and to U.S. Middle East peace efforts and supports the Palestine Liberation Organization (PLO). So long

as the Kingdom maintains these policies, the U.S. government should not assist it with military weapons. The argument was shortsighted, but could not be overcome. In the final agreement, only 10 percent of the initially proposed arms sales program was approved, and then again only through Reagan's personal intervention and a single senator's vote.<sup>33</sup> Future proposed U.S. arms sales to Saudi Arabia (or Kuwait) are likely to encounter increasingly tough sledding.

Public complacency about the oil situation is one major factor. All U.S. government warnings that, whatever the current oil glut, the United States will again be dependent to a considerable extent on Gulf oil in the 1990s and thereafter seem to fall on deaf congressional and public ears. U.S. officials responsible for energy planning are aware that Gulf oil reserves remain indispensable to the United States in the years ahead and that current policies toward the Gulf states (and especially Saudi Arabia) should be devised to take this into account, but the general public does not think much beyond the immediate situation. Nor do many members of the Congress, who are responsive primarily to constituency influences.

If most of the developments in the Gulf area in the past six years have been negative, one positive element may be cited. In 1980, largely because of concern over developments in Iran, the U.S. government was able to conclude arrangements with Oman for the use of certain Omani military facilities. This was in return for U.S. military and economic aid for Oman. The "use" agreement was renewed in 1985 with certain conditions. Next to Saudi Arabia, Oman has become the major U.S. security partner in the Gulf area.<sup>34</sup> As a result, it sometimes suffers from excessive Pentagon attention. Indeed, Pentagon officials, in particular, in their quest for military facilities, often tend to be insensitive to domestic and regional political problems posed for Arab governments of the Gulf by excessive public identification with the United States.<sup>35</sup>

At the same time, the United States has grudgingly had to accept the fact that both Oman and the UAE agreed in 1986 to establish diplomatic

<sup>33</sup>See David Nyhan, "A Cop-out on Saudi Arms Sale," *The Boston Sunday Globe*, May 25, 1986, p. 67.

<sup>34</sup>Cordesman, *The Gulf*, pp. 426-438 and 606-619. See also *New York Times*, March 25 and 26, 1985.

<sup>35</sup>See Abdul Karim Mansur (pseud. for Cordesman), "The American Threat to Saudi Arabia," *The Armed Forces Journal* (international), September 1980, pp. 47-60; see also the thoughtful warning of excessive U.S. identification with Gulf states in Christopher Van Hollen, "Don't Engulf the Gulf," *Foreign Affairs*, vol. 59, no. 5 (Summer 1981), pp. 1064-1078.

relations with the Soviet Union. Thus, in addition to embassies in Kuwait and Iraq, the Soviets will have one in Abu Dhabi, and a nonresident Soviet ambassador will be accredited to Muscat. However unwelcome this development was to the Reagan administration, it has wisely chosen not to protest. Doing so would have served no purpose.

Although concerned because the YAR, dissatisfied with the scope and procedures of U.S. aid, has been flirting with the Soviets, the administration has been unable to dissuade it from doing so. The recent sanguinary domestic upheaval in the PDRY was seen by those Americans who knew where Aden was as welcome political embarrassment to the Soviet Union. It seemed to demonstrate that even twenty years of forcibly imposed Marxist socialism could not extirpate vintage tribal enmities.

### Conclusion

The Reagan administration's newly revealed covert arms shipments to Iran, and its apparent approval of long-standing similar Israeli arms shipments to that country, have added to the image of confusion and contradiction in U.S. policy toward the Gulf and have further damaged U.S. credibility with friends and foes alike in that region. At some point in the future, however, a broader American public realization will reemerge that the Arab states of the Gulf area are important to U.S. interests. Until then, it is imperative that active efforts be made to limit the damage caused by present policies and actions and that wiser thinking prevail when U.S. policies are formulated.

Paradoxically, while the Gulf and Arabian peninsula area will continue to be of major strategic and economic importance to the United States in the years ahead, congressional and American public support for positive policies toward the policies of that area are likely to erode—at least for the next few years. Such attitudes are shortsighted and self-defeating. They will inevitably cause friendly Gulf states to look elsewhere for security support. U.S. credibility in the Gulf, as elsewhere in the Arab world, has been seriously eroded.

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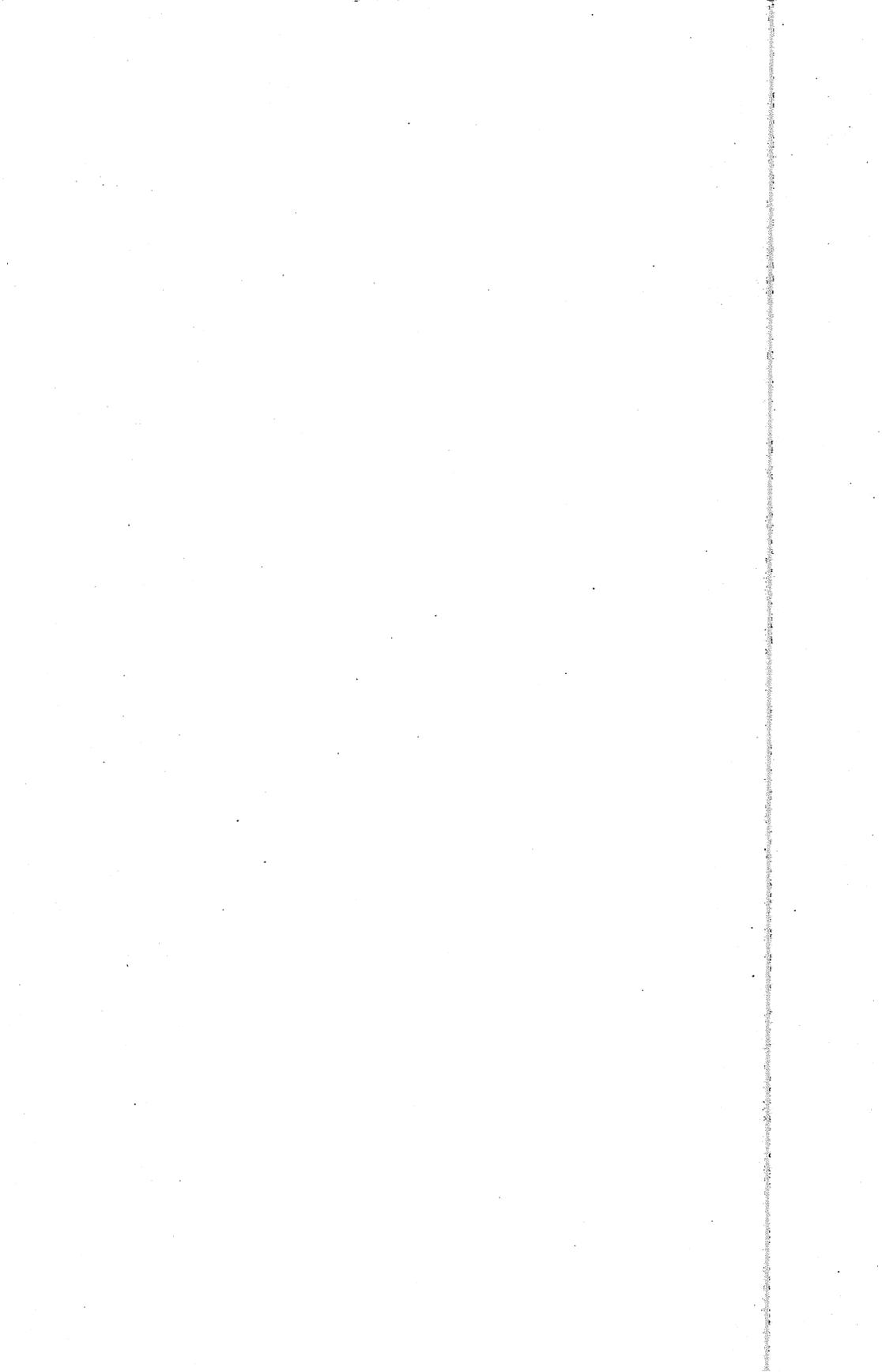
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**PART FIVE**

**The Aid Relationship**



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## 14. United States Assistance to Pakistan

HERBERT G. HAGERTY

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The provision of assistance by one nation to another is a highly complicated business. National pride is at stake on both sides, from the very first discussions of what is needed by the potential recipient and what can be provided by the potential donor. And as the aid relationship evolves, there seem to be innumerable occasions for misunderstandings, friction, and even tension to arise.

A part of the problem is the defense of aid appropriations in the United States. Aid usually is presented to the American public as an effort to build "our kind" of stable world, but it often is defended more bluntly as a device to support friends or more simplistically as an effort to "buy" friends or otherwise get them to do our bidding.

Frequently, there is a racist undertone to the provision of aid, a residue of the erstwhile colonial age. Donors are all too often seen as heirs of the largely fair-skinned, European, imperial rulers of a bygone era, while recipients are usually Third World nations whose darker-skinned populations the donors once ruled. Aid recipients, with this as their background, are mostly still in the early blush of independence; they are suspicious of "strings," implied or assumed, that would limit their sovereignty.

But only the naive would deny the transactional nature of the aid relationship; nations, like people, rarely give something for nothing. It is axiomatic that the aid relationship serves and advances important interests in both the donor and recipient countries, however asymmetrical or imprecisely defined they may be.

Of course, these interests are different—in fact and in perception—between the donor and the recipient. For the recipient country, aid provides scarce economic resources and nation-building skills and technology, the product of the developing country's experience and success. Also included may be the provision of arms, which the recipient nation requires but cannot itself produce. A relationship involving arms transfer, moreover, provides a sense of security by implying a measure of political support, whether or not such support or the mutual obligations that may also be involved are explicitly stated.

For the donor, the assistance relationship provides a valuable tool with which to influence the behavior or policy of the recipient country and thereby to advance some specific foreign policy objective or objectives. So it is with American aid or loans/grants for development projects and budget support, or credits for the purchase of military equipment.

### **American Objectives in South Asia and in Pakistan**

The U.S.-Pakistan relationship has been an assistance relationship through most of the years since Pakistan became independent; and the road the two countries have traveled together has not always been smooth. But because that relationship is part of a complex of factors broader and more varied than the facts of bilateral interest, I believe it appropriate to focus first, if briefly, on U.S. objectives in South Asia in general.

Testifying in March 1986 before a congressional committee reviewing the administration request for aid funds for South Asia, Arnold Raphel, then senior Deputy Assistant Secretary of State for Near East and South Asia, defined American objectives in the South Asia region to include

detering Soviet expansionism;  
 supporting economic growth and development;  
 preventing nuclear proliferation;  
 supporting the development and strengthening of democratic institutions;  
 reducing the production, transit, and export of illicit narcotics;  
 expanding mutually beneficial economic and commercial ties; and,  
 encouraging independence and non-interference, while promoting regional amity through the peaceful settlement of regional differences and the expansion of regional cooperation.

Pursuit of these goals [he said,] requires that we seek relations of trust and confidence with all the nations of the region. [We believe] our interests are best served by stable and independent South Asian nations, growing stronger in a peaceful environment and capable of deterring interference from outside the region. Our role is to support South Asia's own security and developmental efforts. We seek no military bases in the region. We do not want to expand relations with one of the nations in the region at the expense of others. We have no desire to upset the security balances now existing among the states in the region.<sup>1</sup>

Pointing to the Soviet pressure on Pakistan from Afghanistan, he added: "Pakistan faces unique circumstances which have significant implications

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<sup>1</sup>House Appropriations Committee, *Hearings on Foreign Assistance and Related Programs for 1987*, 99th Cong., 2d sess. (Washington, D.C.: Government Printing Office, 1986), pp. 502-526.

for U.S. regional and global interests. . . . A securely independent and prosperous Pakistan serves both our own interests and the interests of all South Asia.”

A tall order, to be sure, but I believe it important to state these objectives as they have been put to the American Congress (and thus to the American public) so you may see American assistance to Pakistan in the regional and global context in which it is conceived, developed, and implemented. While the above list is stated in generalities and applies with more or less relevance to each of the countries of the region, all items on the list are applicable to U.S. relations with both Pakistan and India. Those with long memories, moreover, will note also that these objectives have remained essentially unchanged over the years since the mid-1950s, when the United States began its large bilateral assistance programs in South Asia.

This is not to say that the list has been static since that time; notable additions are the statement of U.S. concerns about nuclear proliferation and about the production, processing, and export of illicit narcotics. The concern about proliferation has been with us from the late 1960s and was given special impetus by the Indian nuclear test of 1974. Narcotics is a more recent concern, the result of an evolving drug culture in the West, the growth in opium production and processing in several areas of Asia, a geographic shift, in particular, in the key area of such production from Southeast Asia’s “Golden Triangle” of the 1960s to the relatively newer “Golden Crescent” of South and Southwest Asia in the 1970s, and the subsequent growth of heroin processing facilities, and addiction, in Pakistan.

### *Strings on Aid?*

Except in the rarest instances of disaster or emergency relief, U.S. aid is not charity, as I have already observed; nor is it without obligation on the part of both donor and recipient. Assistance normally is conditioned by agreements appropriately related mainly to its use. Among the acceptable “strings” on U.S. aid are that: (1) it should serve the intended purpose, a matter of mutual agreement between the United States and the donor; (2) it should be used efficiently and with appropriate standards of accountability; and, (3) it should be dependable and should contribute to the friendly relationship of “trust and confidence” mentioned by Raphael in his testimony. I should add also that when security assistance is involved, usage constraints involve an important commitment to use the equipment provided only in self-defense, to permit periodic U.S. inspection and

verification, and to require U.S. permission should the materiel be passed on or sold to a third party or otherwise disposed of.

In the case of so-called base-rights countries, arms aid is often linked explicitly with provision of operating rights or bases. Disinformation literature over the years (going back to Adlai Stevenson's visit to the region in 1953 and Admiral Nimitz' involvement as an early Kashmir negotiator) has fed suspicions on this score with regard to Pakistan; so also do occasional Defense Department printing errors, memories of the U-2 episode and the presence of a U.S. communications facility in the Peshawar area in the 1960s.

Pakistan, of course, is not a base-rights country. But because of the continuing suspicion that the United States has basing interests in South Asia, especially in Pakistan and in Sri Lanka, the Raphel testimony, like that of countless other official spokesmen who have preceded him, explicitly denies any U.S. interest in bases or facilities in South Asia, including Pakistan.

### *The Soviet-U.S. Dimension*

It is no accident that the first U.S. objective above is framed in the global context of competition with the Soviet Union. The United States has long sought to deny the expansion of Soviet control and to limit Soviet influence in South and Southwest Asia. This struggle with the Soviet Union has provided the continuous backdrop to the American strategic relationship with Pakistan since the earliest days of the development of U.S. aid policies in South Asia; it was given special meaning, of course, by the Red Army's occupation of nonaligned Afghanistan in 1979, for this Soviet action created in Pakistan the need for a limited armed forces modernization in order to be able to stand up to new military and political pressures.

The early implementing actions of an evolving economic aid philosophy included easing food emergencies and economic dislocations in the newly independent dominions of India and Pakistan and devising ways to cope with deep-seated but then little understood deficiencies in technology, capital, and foreign exchange. The United States sought also, through military aid, to satisfy mounting strategic concerns about what former Prime Minister Liaquat Ali Khan, on his first visit to the United States, said were "dark shadows" threatening the security of the region in the early 1950s. The Khrushchev-Bulganin visit to India in 1955, with its replacement of the harsh Stalinist suspicion of both India and Pakistan with a new policy of "peaceful coexistence," put the USSR also in the aid field.

It was and remains the U.S. belief that helping the newly independent countries of the Third World to carry out their own development by offering technology or resources or both would contribute to a stable world order, resistant to both expansive and subversive communist pressures, just as the Marshall Plan helped put a war-ravaged Europe back on its feet. Assisting Third World countries to be successful in their own efforts would enable them to retain their independence while providing the United States with an opportunity to influence the shape and direction of their policies.

### **U.S. Assistance Programs**

The total value of all U.S. assistance provided to Pakistan to date exceeds \$9 billion, not including U.S. funds provided through multilateral channels. Of this sum, the largest portion has been economic assistance, which began in 1952 and has continued in nearly every year since then; U.S. economic aid to Pakistan has amounted, in fact, to 25 percent of all the economic aid received by Pakistan. Pakistan has also been the recipient of significant U.S. arms aid (i.e., security assistance) from 1958 through 1965 and from 1981 to the present.

#### *The Early Years*

American economic assistance to Pakistan was devoted at first to helping Pakistan overcome the economic consequences and dislocations of the partition of the former British and princely portions of the subcontinent into the two dominions of India and Pakistan in 1947. The early program involved technical assistance and development loans and grants; it reached its peak in 1958–1965, during which period nearly \$2.5 billion was committed by the United States to Pakistan's rehabilitation and to the expansion of Pakistan's irrigation, power, water, transportation, and communications networks. During this period, a consortium of donor nations, led by the World Bank, met regularly for pledging sessions in which the United States usually agreed to match the annual pledges of all the others. The consortium continues to this day, but the matching principle has long since disappeared.

U.S. security assistance to Pakistan in the period 1955–1965 resulted in Pakistan's first major reequipment program in the postpartition period, enabling the armed forces to replace much of the vintage equipment they had inherited from the British at partition. This was entirely a grant

program, with a U.S. commitment to support specific, mutually agreed force levels.

In the "cold war" atmosphere of the middle 1950s and with deep concern about Soviet threats to South and Southwest Asia, the security relationship blossomed under the umbrella of regional security associations—the Baghdad Pact and the Southeast Asia Treaty Organization (SEATO). And it was in the context of an evolving Baghdad Pact (later the Central Treaty Organization) that the various documents defining the U.S. security relationship with Pakistan, including the 1959 Executive Agreement, were framed.

From 1958 onward, there were steady U.S. deliveries of then state-of-the-art U.S. materiel to units of the Pakistan armed forces garrisoned in West Pakistan. The most prominent of the systems delivered were jet fighters (initially F-86s but also, after the 1959 Eisenhower visit, a gift of 12 F-104s—the first supersonic aircraft in any South Asian inventory). Also included were tanks, trucks, jeeps, artillery, antitank guns and rockets, rifles, mortars, machine guns, radios, radars, and World War II submarines and ships. This military aid was supplemented by Pakistan with cash purchases from the United States and from others, within the limits of its slender budgetary resources, of such other items as C-130 military cargo aircraft.

By September 1965, when this period of U.S. security assistance came abruptly to an end, the total value of arms supplied amounted to about \$650 million, a relatively small sum in 1986 weapons dollars but a sizable program during a decade when the cost of modern weapons could still be measured in thousands, rather than in millions, of dollars.

Arms sales, on a cash basis, were resumed in 1967, but from then through 1980, the United States had no formal security assistance program in Pakistan. However, the United States did provide substantial funds every year in grants to fund the attendance at U.S. military schools of a number of Pakistani officers. The United States also sold spare parts and ammunition for materiel previously supplied and sold such other surplus items as the Gearing-class destroyers the Pakistan Navy acquired in 1978 and 1979. For a number of years, surplus jet trainer aircraft were leased to the Pakistan Air Force.

### *Strains in the Relationship*

Continuing controversy attends the suspension of U.S. arms aid to Pakistan in the fall of 1965, in the midst of a conflict between Pakistan and India over Kashmir. The U.S. suspension of assistance was part of a

joint U.S.-U.K. effort to bring the conflict to a halt; the United States sought as well, by its actions, to express unhappiness at the use of U.S. military supplies on both sides of the conflict. The suspension, however, was seen by Pakistan as an unfriendly act, inconsistent with the relationship of trust and support Pakistan believed both nations had developed up to that point and evidence of American unreliability as an arms supplier and as a political supporter.

There can be no doubt that U.S. actions fell more heavily on Pakistan than on India, which inherited in 1947 the foundations of an indigenous arms industry, a small but developed industrial base, and a major aircraft complex built during World War II by the Allies. Pakistan, on the other hand, inherited a limited industrial infrastructure; it was almost totally dependent on imported U.S. materiel, with neither alternative indigenous production facilities nor foreign suppliers of significance. Grant assistance was, in fact, never reinstated by the United States, and Pakistan was compelled to limit future modernization efforts and to broaden its arms sources to include France and China, the former often on near-commercial terms but the latter on a grant basis.

Actually, it should be noted that the U.S. relationship with Pakistan had been slowly deteriorating in the years immediately prior to 1965. The U.S. decision three years earlier—without consulting Pakistan—to fly urgently needed military equipment to an India under attack by Chinese forces and the subsequent program of U.S. (and U.K.) arms aid to India undermined Pakistan's confidence in the relationship. There had also been growing U.S. unhappiness with Pakistan: over its failure to be sympathetic to U.S. and SEATO concerns in Southeast Asia; at U.S. inability, with the U.K., to bring about fundamental improvement in Indo-Pakistan relations following the Sino-Indian conflict; and over Pakistan's occasional flirtations with Moscow, as well as its growing closeness to Beijing.

I should note also, for completeness, that later elements of Pakistan's "litany" of U.S. unreliability include a lack of U.S. support against India in 1971, the hiatus in aid in the aftermath of the 1971 war, the failed Kissinger effort with Bhutto to barter A-7 aircraft for nuclear assurances, the suspension of U.S. economic aid in 1979, in connection with U.S. non-proliferation policies, and U.S. success in persuading the French not to build a nuclear fuel reprocessing plant in Pakistan.

Much of this unhappiness derives from the ambiguity that has been part of the relationship—particularly the security assistance relationship—since the start. As noted above, Washington has seen U.S. support to Pakistan in the global context of U.S. competition with the Soviet Union. In developing U.S. security assistance programs in Pakistan, Washington has usually cast Pakistan as part of a strategy built largely around the Persian Gulf and Southwest Asia.

An article recently published in the *Fletcher Forum*<sup>2</sup> and based on newly available archival materials suggests that in the first period of sustained American security cooperation with Pakistan (i.e., 1954 through 1965), the United States simply chose to deal with Pakistan as a Southwest Asian rather than a South Asian nation, mainly because it was Southwest Asia with which U.S. strategic planners were attempting to deal as they fleshed out the Baghdad Pact. Doing this, the writer argues, enabled the United States to “fit” Pakistan into a U.S. strategic perception and to avoid the sense of explicit choice—between India and Pakistan—that would otherwise have been involved in dealing with Pakistan solely in South Asian terms. Much the same perception was involved when the fall of the shah and the Soviet invasion of Afghanistan led the United States to renew its assistance relationship with Pakistan in 1981.

Pakistan, on the other hand, has seen its threats as coming first from India on its eastern border, then from Afghanistan and the USSR on the northwest. This is an important divergence. During periods of tension or conflict between Pakistan and India, or even when U.S. relations with India are in a period of upturn, it leads to suspicion and doubt about the value of the American commitment to Pakistan. Over the last two decades, Pakistan’s solution has been increasingly to seek diversification in its sources of external support. It has continued to deal with the United States in the context of its shared concerns about the Soviet Union and Pakistan’s northwestern frontier; but Pakistan has tended to look elsewhere to satisfy its security concerns about India. This has led to the growth of important strategic relationships with China and with the oil-rich nations of the Islamic world, especially Saudi Arabia.

China has proved an exceptionally valuable and reliable political partner, because of Beijing’s own concerns about India and the Soviet Union. China has proved useful also as a source of arms, with both the grant terms and the political symbolism of the tie overcoming the disadvantages of flawed and vintage Chinese technology. In seeking external support in the Islamic world, Pakistan traded on a new sense of Islamic awareness in the world in the 1970s, on its traditional links with the Gulf, and on its fund of skilled and exportable manpower to secure useful relationships, especially with Saudi Arabia. These have provided a source of funds for arms, while conferring as well a measure of “orthodox” Islamic approbation.

The record will show, of course, that there are Pakistanis who have long opposed the link with the United States on principle. They are mainly

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<sup>2</sup>Devin T. Hagerty, “The Development of American Defense Policy toward Pakistan, 1947–1954,” *Fletcher Forum* (Summer 1986), pp. 217–242.

on the left side of the political spectrum, and their rhetoric has the resonance and the cadence of more conventional nonaligned formulations, not dissimilar to those long heard in India. But even those who have sought and defended a strategic link with the United States—and this includes successive Pakistan governments, both military and civilian—have frequently been critical of the Islamabad-Washington axis because of their frustration at being unable to fashion it into an all-purpose security umbrella, that is, defense also against India. Given the context, and both the asymmetry and the ambiguity of the relationship, it is hardly surprising that neither country has fully met the other's expectations.

### *Current Programs*

In April 1978 local communists overthrew the government of Prime Minister Daud in neighboring Afghanistan, ending abruptly and brutally one of the most promising periods in what had been a long and troubled relationship between Islamabad and Kabul. This brought to power in Afghanistan a government more hostile to Pakistan than any others with which Pakistan had dealt since 1947. The civil war that ensued and grew in Afghanistan, a refugee exodus from Afghanistan that would grow to a flood, and the Soviet Union's blundering 1979 invasion of Afghanistan to displace a tottering puppet government transformed Pakistan's strategic situation and ushered in a new period of large-scale U.S. assistance to Pakistan.

Interestingly, U.S. relations with Pakistan were at an all-time low in 1979, following the April 6 cutoff of all U.S. assistance (on nonproliferation grounds) and the November 21 burning and sacking of the U.S. embassy in Islamabad and of U.S. cultural centers in Rawalpindi and Lahore.

The U.S. response to the Soviet act, nonetheless, was strongly to support Pakistan's efforts to rally Islamic and world opinion against the Soviet actions. The United States intensified its own ongoing review of the situation in the troubled region; this had been prompted in the first instance by the emergence of the Soviet Union in the Horn of Africa and in the Indian Ocean in the early 1970s and given new impetus by the fall of the shah in Iran, the collapse of CENTO, and the onset of the hostage crisis in Teheran.

Even as the ashes of the U.S. embassy in Islamabad were still smoldering, Washington determined that U.S. interests required—as indeed they still require—a Pakistan confident enough and strong enough to withstand these Soviet pressures. There were several false starts, including the famous Zia-Carter "peanuts" exchange and an inconclusive working lunch between the two presidents at the White House. But following the elections

of 1980, the Reagan administration moved quickly to negotiate a new assistance relationship, built around what would become the 1981 assistance package.

*The 1981 Negotiations.* At the outset of the negotiations with Pakistan in 1981, there was implicit agreement on both sides of the table on a number of aspects about the new situation that would determine the content of the package, influence the arrangements to be negotiated, and shape the new, somewhat more conditional U.S.-Pakistan relationship. It was clear, for instance, that the new relationship could not replicate the quasi-alliance status of the 1954–1965 years; neither Pakistan nor the United States wanted that. To be lasting, a new relationship would have to be built on the lessons, not the wreckage, of the past.

The package had to be substantial—that is, large enough (1) to be credible as a political gesture of support, (2) to be relevant to Pakistan's glaring needs, (3) to give Pakistan greater confidence in its ability to stand up to Soviet pressures from Afghanistan, and (4) to enhance Pakistan's confidence in the conventional capabilities of its armed forces, thus helping to meet the requirements of U.S. law by encouraging Islamabad to eschew pursuit of a nuclear weapons option. The terms of the package, moreover, had to be consistent with what Islamabad interpreted at that time as the requirements of its new nonaligned status—that is, credits rather than grants and no hint or even the semblance of bases or the stationing of foreign forces.

The program, moreover, had to be multiyear in concept, to enhance confidence in U.S. support, to overcome Pakistani suspicions about U.S. credibility, and to add to the symbolic value of the U.S.-Pakistan tie vis-à-vis the Soviet Union. And, although the cost of weapons would limit the scale of modernization that might be contemplated, the program had to include some state-of-the-art systems for sound political as well as military reasons.

### **The 1981 Assistance Package**

The negotiating team, of which I was a part, concluded an agreement in June 1981 on a multiyear program of aid spread over six years on the economic side and five years on the security assistance side, both running through September 1987.

The aggregate value of the program was to be \$3.2 billion, substantial and credible by any measure, and all the more so by its multiyear character and by the U.S. decision to include F-16 interceptors, then just making their way into USAF and Allied inventories. Economic and security assistance components were to total \$1.6 billion each, with the economic portion made up of fast-disbursing grants and loans and the security

assistance in the form of Foreign Military Sales (FMS) credits at Treasury rate, at Pakistan's insistence. (The United States later agreed to Pakistan's request for concessional FMS terms for the last year of the program.)

### *Economic Aid*

The economic assistance component would be a mix of Economic Support Funds (ESF), Development Assistance (DA), and Public Law 480 foodstuffs, starting with \$150 million in the first year and building gradually through the following five years to \$325 million in the final year, as indicated by Table 1. With the strong support of the Congress and of the American people, these projections have essentially been met.

U.S. economic assistance strategy, consistent with the administration's commitment to "growth with equity," has been to lay the groundwork for long-term economic growth in support of the three major policy objectives of the government of Pakistan, as set forth in Pakistan's Sixth Five-Year Plan (1983-88), which called for (1) improved quality/quantity of social infrastructure, especially in health and family planning, (2) divestiture and deregulation of economic production and distribution functions to promote private sector participation, and (3) improved agricultural pricing and research policies necessary to achieve ambitious growth targets. In practical terms, this translated by 1986 into specific programs and projects in agriculture and rural development, health and family planning, narcotics control, and energy. ESF and PL-480 provide foreign exchange resources to help meet the demands of economic liberalization and accompanying structural change, while allowing more flexibility for strengthening the military; U.S. programs also help to integrate the poor but highly strategic border provinces of Baluchistan and the North-West Frontier Province into the economy.

Table 1  
THE 1981 U.S. ASSISTANCE PACKAGE TO PAKISTAN  
(US\$ millions)

Type of Aid	Fiscal Year					
	1982	1983	1984	1985	1986	1987
Total ESF and DA	100	200	225	250	263	275
Loan	(34)	(67)	(75)	(83)	(88)	(99)
Grant	(66)	(133)	(150)	(167)	(176)	(176)
PL-480	50	50	50	59	50	50
Total	\$150	\$250	\$275	\$309	\$313	\$325

Eradication of illicit opium poppy production is a priority U.S. concern addressed throughout the project portfolio and through specific support of Pakistan's "Development and Enforcement Plan for Opium-Producing Areas."

The overall aim of the security assistance component of the 1981 program has been to help Pakistan to undertake a limited but much needed modernization of its armed forces, up until then dependent mainly on materiel of vintage Chinese origin. The program provided an average of \$325 million per year in FMS credits throughout the five years of the security assistance program; Pakistan has supplemented this by cash purchases, using more than \$100 million of its own resources as well as such funding as they have been able to attract from the Saudis and others. An additional \$1 million per year in grant funds has been available for training in the United States under the long-standing International Military Education and Training (IMET) program.

The centerpiece of the program was the sale of forty F-16s. Other items for which FMS credits were provided include equipment, most of it now delivered, to improve Pakistan's air defense (radars, plus surface-to-air and air-to-air missiles), to enhance firepower (artillery tubes and rounds, antitank missiles, Harpoon missiles, and radars), and to facilitate mobility (light helicopters, reconditioned M-48A5 tanks, armored personnel carriers, and self-propelled artillery).

Beyond these specific weapons systems, the 1981 agreement also set in motion a systematic consultative process on defense and security matters, aimed at sharing strategic perceptions and avoiding the misunderstandings of the past. Under these arrangements, a consultative group (CG) was formed to meet about twice a year, under the rotating chairmanship of U.S. and Pakistan defense department officials, the most recent CG meetings having occurred in Islamabad during the October 1986 visit of the American secretary of defense and in Washington again in May 1987.

### **The Proposed Follow-on Package of 1986**

By 1986, Pakistan had become the fourth largest recipient of U.S. aid, on an annual basis, and I believe both sides agreed that the 1981 program had been successful on all counts. But the challenges to which it was addressed remain; indeed, they seem to grow with each passing day, as is demonstrated by the steady increase each year in armed incursions across Pakistan's Afghan frontier. The continuation of the Soviet aggression in Afghanistan and the continuing importance of Pakistan to U.S. global and regional interests led Washington to propose a program of

continued assistance for the period after October 1987, the rationale for which would be unchanged essentially from that of the 1981 program.

An additional consideration in setting a new program was the U.S. desire to express support for the significant constitutional and human rights changes that had taken place in Pakistan during 1985 and 1986. The United States had long urged such changes and believes they will set Pakistan on a course that offers enhanced prospects for both stability and growth.

Thus it was that on March 24, 1986, agreement was reached on a new multiyear program that calls for an overall funding level of \$4.02 billion over a six-year period. Significant differences between the first and the projected multiyear programs include the mix—the new program will be weighted in favor of economic assistance, 57–43 in its division between economic and security assistance, versus the 50–50 balance in the 1981 package—and concessionality—economic assistance in the new program, actually a blend of development assistance and ESF, will be totally on a grant basis, rather than the mix of grant and loan of the 1981 program; security assistance (FMS credits) will be on a concessional rather than on the Treasury rate basis of most of the 1981 program; PL-480 will increase from \$50 to \$80 million per year.

The changes in the mix of the program are responsive to the desire of Pakistan's new civilian government to shift the new resources to the urgent priorities of economic development, while sustaining armed forces modernization at roughly the same pace as the first five-year program. The easing of terms—that is, concessional FMS and grant economic aid—reflects concern by both sides about Pakistan's rising debt-service ratio and debt burden, which are compounded by continuing softness in foreign exchange earnings and in worker remittances from the Gulf.

As of November 1986, the 1986 agreement dealt with funding levels alone; content on the economic side and in the FMS program had yet to be determined, despite considerable media speculation and repeated references to specific weapons systems to be included. Further talks between Pakistani and U.S. officials in 1987 sought to match Pakistani needs against specific availabilities, and it appears that the new program will not be dissimilar in shape and form from the 1981 program on the economic side; on the military side, it will continue the modest modernization process already underway.

I should add also that like its predecessor, the new agreement will be a "best effort" approach, requiring annual congressional review, authorization, and appropriations, of course. In neither program does the United States claim to have met all of Pakistan's needs, which Pakistan has identified in a magnitude greater than Washington felt it had the

resources to address; that is frequently the case in such negotiations—as in life itself. Actual funding will also depend on the requirements of Gramm-Rudman-Hollings cuts in the U.S. budget, the continued cooperation of the government of Pakistan in curtailing illicit narcotics production and export (especially important under the new U.S. drug law), continued support by the Congress of a new Symington amendment waiver, and, most important, continued evidence of nuclear restraint by the government of Pakistan. And, as stated in the March 1986 statement, the United States seeks greater effort and progress by Pakistan during the period of the new agreement in the vital area of economic policy reform.

The proposed breakdown of annual funding for the post-fiscal year 1987 program would look something like Table 2.

### Summation

Although the U.S. aid relationship with Pakistan has had many ups and downs, it has matured over the years and is today on firmer footing than ever before. This is mainly, I believe, because of mutual and essential recognition of the realities of both its strengths and its limits. U.S. programs of assistance, which are woven through the overall relationship, are important to both countries in pursuit of their policies with regard to each other and with regard to the region and the world beyond.

*Friends Not Masters*<sup>3</sup> was President Ayub Khan's way of telling the United States of the limits Pakistan would set in the late stages of the early U.S.-Pakistan relationship; alliance, in 1950s and 1960s terms, is neither possible nor desirable in the present situation. I will leave to historians

Table 2  
PROPOSED US ASSISTANCE PACKAGE TO PAKISTAN  
(US\$ millions)

Type of Aid	Annual	Total	Terms
DA	50	300	Grant
ESF	250	1,500	Grant
PL-480	80	480	Loan
FMS	290	1,740	Concessional loans
Total Program	670	4,020	

<sup>3</sup>Mohammad Ayub Khan, *Friends Not Masters* (Karachi: Oxford University Press, 1967).

several decades hence whether, in fact, it was wise to have attempted alliance-type arrangements at an earlier stage, but I believe that the relationship over the years has largely served its purposes. For the present and the future, friendship and cooperation—and most important, support of each other and of mutually agreed aims and policies on which interests coincide or are parallel—are important to both countries. The aid programs to which the United States and Pakistan have agreed, in 1981 and 1986, embody and support this consensus.

For the United States, these programs continue to reflect American support for Pakistan's independence, territorial integrity, and sovereignty; they reflect also U.S. support for Pakistan's firm policies with regard to the Soviet rape of Afghanistan and for its courageous and generous hospitality to the world's largest refugee population. They mirror U.S. support also for Pakistan's continuing economic, political/constitutional, and social development. And they support U.S. nonproliferation, narcotics control, and economic reform goals.

For Pakistan, they remain, I believe, an essential ingredient of its support structure from outside the region in the face of threats from the Soviet Union in Afghanistan, an important mark also of American support generally, and a source of invaluable technology, of resources, and of the material necessary to retain the credibility of its defense forces.

Indeed, that is a balance worth striking—and keeping.

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## 15. The New Multiyear Aid Program: The Pakistani View

ARSHAD ZAMAN

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On March 24, 1986, agreement was reached in Islamabad on a second six-year U.S. aid package of US\$4.02 billion, to be disbursed during U.S. fiscal years 1988 to 1993, the last five years of which would correspond to Pakistan's seventh Five-Year Plan. Both governments expressed their satisfaction at the new agreement, and a joint statement was issued in Islamabad (see Appendix).

### **Aid Level, Terms, and Conditions**

The agreed level of US\$4.02 billion was substantially lower than Pakistan's expectations but was the best the United States could offer under its present budgetary circumstances. Perhaps in recognition of this, the agreed terms were substantially softer than in the first package, and the agreement was received quite favorably in the Pakistani press.<sup>1</sup>

### ***Level and Terms of Aid***

It is widely known that the government of Pakistan had sought a second package of US\$6.5 billion. This figure was arrived at in several

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At the time this paper was presented, the author was Economic Adviser/Additional Secretary to the government of Pakistan while on leave from the World Bank. The views expressed in this paper are his own and may not be ascribed to the institutions or officials of the institutions to which he is affiliated.

<sup>1</sup>See Ahmed (1986), Editorial (1986), Hasan (1986), Jabir (1986), Mustafa (1986), and Salahuddin (1986).

ways. First, because of rising prices, the amount of goods (and services) that US\$3.2 billion bought in 1983–88 would cost around US\$4.5 billion in 1988–93. Alternatively, with the rising burden of debt service payments from the first package, it would take some \$5.5 billion to yield the same net aid inflow that resulted from the \$3.2 billion package. Together, therefore, if the thought was to assist Pakistan by providing it roughly the same level of purchases from the USA as under the old package—after meeting its debt service obligations—an amount somewhat in excess of US\$6.5 billion was needed.

While U.S. budgetary pressures cannot be ignored, it is important to recognize that the logic of U.S. assistance to Pakistan in the wake of the Soviet invasion of Afghanistan implies the maintenance of a minimum level of military assistance designed to provide Pakistan with a credible deterrence capability.<sup>2</sup> Economic assistance levels and terms flow from this basic consideration.

In a highly perceptive analysis of U.S. strategic objectives and choices, Brzezinski (1986) expressed his view of Pakistan's aid request: "To reinforce the resilience of Pakistan against Soviet pressure the United States will have to provide substantial military and economic aid. Pakistan has indicated that from 1988 to 1993 it will need approximately \$6.5 billion. . . . As large as this sum is, it is considerably less than the United States commits to either Israel or Egypt. . . . The United States should be able to go a long way toward meeting Pakistan's needs; and Pakistan should also receive funds from an enlarged Japanese strategic program" (p. 222). (See Table 1.)

### *Conditionality*

Despite initial speculation in the press, there have been no demands for, much less acceptance of, any specific conditions linked to either military or economic assistance. This is in keeping with Pakistan's non-aligned status. Of course, as announced in the joint statement, both sides noted the legislative and international commitments to which the new

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<sup>2</sup>This is also consistent with U.S. strategy, in which, in Brzezinski's view, "the allocations for the defense of Western Europe represent a massively disproportionate share of the overall U.S. military budget" (1986, p. 171). As a result, Brzezinski continues, "a perilous paradox has developed. Today, the United States is weakest where it is most vulnerable—along the strategic front that poses the greatest risk of either a major Soviet geopolitical thrust or an American-Soviet collision. And it is strongest where its allies have the greatest capacity for doing more on their own behalf" (p. 175).

Table 1  
COMPARISON OF OLD AND NEW AID PACKAGE

Type of Aid	Total Amount (\$millions)		% Grant		Annual Interest Rate (%)		Grace Repayment (Years)	
	Old	New	Old	New	Old	New	Old	New
Economic	1,622	2,280	55.2	78.9	n.a. <sup>a</sup>	n.a.	n.a.	n.a.
Development Assistance	99	300	59.6	100	2+3 <sup>b</sup>	—	10+30	n.a.
Economic Support Fund	1,214	1,500	68.9	100	2+3 <sup>b</sup>	—	10+30	n.a.
U.S. Public Law 480 (Title I)	309	480	—	—	2+3 <sup>b</sup>	2+3 <sup>a</sup>	10+30	10+30
Military (Foreign Military Sales)	1,600	1,740	—	—	10-14	5	3+9	5+7
Total	3,222	4,020	27.8	44.8	n.a.	n.a.	n.a.	n.a.

<sup>a</sup>Not applicable.

<sup>b</sup>2% during grace period, 3% thereafter.

SOURCE: Compiled by the author from various sources.

package would be subservient. In the case of the United States, this involved the commitment to nonproliferation and to narcotics control—both of which were consistent with Pakistan's own position.

On the economic side, however, the United States does have a prominent say in multilateral institutions such as the International Monetary Fund (IMF) and the World Bank, the Aid-to-Pakistan Consortium, and the Paris Club, through which it is in a position to affect the degree of conditionality that can be demanded of Pakistan. The United States also has a decisive voice in any requests that Pakistan may make for debt rescheduling as a means of enhancing net aid inflows.<sup>3</sup> It is to be hoped that in view of the larger context of U.S.-Pakistan relations, the United States will take a supportive position in these organizations.

This is an area where international developments also have a bearing on U.S.-Pakistan relations. There is a growing perception that the bias toward multilateralism, which was characteristic of much of the post-World War II era, is diminishing. Increasingly, the United States is moving toward bilateral relations and is inclined to arrogate to itself the tasks so far carried out by the IMF (and to some extent, the World Bank). This would be a retrograde step, not only because the expertise of the U.S. government does not presently match its ambitions in this area, but also because the odium of pushing through difficult reforms, which the IMF has been able to bear with fortitude and, more or less, without adverse effects on country relations, would not be so easily borne by individual aid donors, such as the United States.

In the area of conditionality, Pakistan hopes that Americans will heed the wise words of the leader of a former British colony that was once subject to extraordinary demands from England, demands that were patently against England's larger interests but were made largely because it was in a position to do so. Having analyzed the situation in a memorandum, the leader concluded: "Everything one has a right to do is not best to be done." The writer was Benjamin Franklin.<sup>4</sup>

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<sup>3</sup>With agreed aid inflows, supplementary financial assistance to Pakistan can be provided by debt restructuring, a possibility that has not been exercised to its full potential because of outmoded dogmas of aid giving; see Zaman (1985, pp. 61-62) for detailed proposals. The Baker initiative—named after innovative proposals for debt relief to fifteen countries advanced at the 1985 IMF/World Bank annual meeting in Seoul by the then U.S. Secretary of the Treasury James A. Baker III—has already gone some of the way pointed out in Zaman (1985). The need now is to enlarge the list of countries to include those for which the United States has political reasons, in addition to economic ones, for recommending special treatment.

<sup>4</sup>See Tuchman (1984), p. 185.

## **Support of Development Priorities**

The new aid program coincides roughly with Pakistan's Seventh Five-Year Plan. While work on this plan has just started, it is clear that the availability of funds under the new aid program will significantly add to the resources available during the seventh plan.

### ***Development Strategy and Projects***

The present Sixth Five-Year Plan (1982–88) and the prime minister's Four-Year Program for Economic and Social Development (1986–90) lay down clear priorities for Pakistan's economic development. Since 1977, its economy has exhibited very high rates of growth, well above the rates that have been achieved for similarly placed poor countries. This growth has been accompanied by remarkable price stability, an equilibrium in domestic and external finances, and an improvement in the living conditions of the lowest income groups in society.<sup>5</sup> Of the eight largest recipients of U.S. foreign grants and credits in the postwar period, Pakistan's record on economic growth in the last decade was surpassed by only two countries (Egypt and the Republic of Korea), on price stability by only one (India), and on poverty policies by none of the major recipients (see Table 2).

Pakistan attaches the highest priority to the agriculture/irrigation and energy sectors as a means to improving the lot of the poor. U.S. assistance under the first package finances essential imports of edible oil, phosphatic fertilizers, and machinery to maintain irrigation infrastructure; equipment for gas-fired electricity generation and coal mining; and projects in the social sectors. Energy demand arises not only from urban industry but is, surprisingly, the number one demand of the rural poor (together with roads), well above their demand for education and health. As a result, the government has had to make long-term plans for the expansion of generating capacity in all possible ways—thermal, hydro, and nuclear. While sectoral allocations under the second package have not been worked out, it is expected that broad sectoral priorities will not change.

### ***Policy Support***

In achieving the nation's economic objectives, the main constraints have been domestic resource mobilization, stimulation of private long-

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<sup>5</sup>For details, see Economic Adviser to the Government of Pakistan (1986).

Table 2  
 ECONOMIC PERFORMANCE OF MAJOR RECIPIENTS  
 OF U.S. FOREIGN GRANTS AND CREDITS

Country	U.S. Grants and Credits, 1945-83 (\$ millions)	GDP <sup>a</sup> Growth		Inflation		Income Share of Lowest 40%	
		1965-73 (% p.a.) <sup>b</sup>	1973-84 (% p.a.)	1965-73 (% p.a.)	1973-84 (% p.a.)	Year	%
Israel	16,542	9.6	3.1	8.2	84.4	1980	18.0
Egypt	10,259	3.8	8.5	2.6	13.1	1974	16.5
India	9,847	3.9	4.1	6.3	7.8	1976	16.2
South Korea	8,490	10.0	7.2	15.5	17.6	1976	16.9
Vietnam	6,691	n.a. <sup>c</sup>	n.a.	n.a.	n.a.	n.a.	n.a.
Pakistan	5,696	5.4	5.6	4.8	10.8	1979	19.2
Turkey	5,408	6.5	4.1	10.5	42.4	1973	11.5
England	5,135	2.8	1.0	6.2	13.8	1979	18.5

<sup>a</sup> Gross Domestic Product.

<sup>b</sup> Per annum.

<sup>c</sup> Not available.

SOURCES: U.S. Bureau of the Census (1984), pp. 809-10; World Bank (1986), pp. 180-83, 226; and Economic Adviser to the Government of Pakistan (1986), p. 31.

term investment, and increasing overall economic efficiency. Despite a high rate of economic growth, the rate of investment has been quite low. This is a reflection, apart from possible statistical weaknesses, of inadequate expenditures on maintenance of existing capital, especially in the form of physical infrastructure. Even the low investment levels have been financed not only by domestic savings but by remittances and capital flows from abroad. Therefore, Pakistan attaches a high priority to domestic resource mobilization, and a comprehensive report has been submitted to the government by the National Taxation Reform Commission.

Together with mobilizing higher savings, the government is anxious to raise the levels of both aggregate investment and private investment. In order to forestall the deterioration of physical and human capital in the face of resource shortages, the government has increased the development budget by 20 percent this year (1986-87). This increase will protect priority investments in the social sector, which have been identified under the prime minister's program. At the same time, considerable progress has been made in deregulation of the economy in an effort to induce greater private sector participation in economic activity. These efforts have borne fruit. From a 1977 level of Rs 9.2 billion, private investment nearly doubled in five years to reach Rs 17.9 billion in 1982 and has then nearly doubled again to reach Rs 34.5 billion in 1986.

This growth in investment has also been accompanied by increased efficiency in production both in the public and the private sectors. This has been accomplished by a variety of government policies aimed at deregulation, import liberalization, and tariff rationalization and at bringing about institutional improvements in the management of public enterprises. At the same time the government has been trying to disinvest public enterprises.

Industrial sanctioning procedures have been simplified, and a deregulation commission has been set up, under whose recommendations the cement, fertilizers, and vegetable ghee industries have been deregulated. To rationalize tariffs, the number of tariff slabs were reduced from twenty-two to seven in the 1986-87 budget, and import duties on most basic raw materials and capital goods have been reduced. A system to link incentives to profits in public corporations has now been functioning for some years, and corporate planning is being introduced. As a result, in 1984-85, government-sponsored corporations achieved an aggregate return of 5.8 percent on assets.

Although the government has provided generous incentives, foreign private investment has not accelerated at the rates expected by the government. This is the result partly of poor investor interest and partly of low levels of domestic investment. As a result, foreign investors are inclined

to seek payback periods as short as several months, rather than make any commitments for longer-term fixed investments. Apart from genuine difficulties imposed by bureaucratic red tape, which should not be discounted, the demand for "one-window" facilities also reflects the desire to make extremely quick profits. The government, however, is sensitive to the demands of foreign investors, the great majority of whom are of Pakistani origin and are familiar with the difficulties of doing business in Pakistan. Within the bounds of the legal framework (under which federal, provincial, local, and municipal responsibilities are fixed, as in all countries), the government continues to streamline procedures wherever possible.

### **Fulfillment of Security Objectives**

The new aid program—and the old—is designed primarily to assuage the security concerns of both the United States and Pakistan. These concerns have occupied Pakistan since independence in 1947, but are not only more recent for the United States, but have varied with fashions in strategic thinking and the political party in power in the United States. Nevertheless, historically, U.S. security concerns have related primarily to the Western theater (Europe, including Turkey) and to the Far East, while South Asia has been treated with benign neglect.<sup>6</sup> This is reflected in figures on U.S. military assistance (see Table 3). In twenty-one years (1962–83), Pakistan received \$469 million in U.S. military assistance, when, for example, in 1983 alone Turkey received \$403 million.

### ***U.S. Threat Perceptions***

The *raison d'être* of the new relationship between Pakistan and the United States is the latter's perception that any Soviet intervention or coercive influence in "Southwest Asia" (the post-1979 U.S. strategic formulation which refers to Iran and Afghanistan/Pakistan) constitutes a threat to the United States.<sup>7</sup> The validity of this perception is not of direct

<sup>6</sup>See Brzezinski (1986).

<sup>7</sup>Cronin (1985, pp. 147–48), among others, points out the origin of "Southwest Asia" in the wake of the Carter doctrine. The U.S. position on Soviet intervention in Afghanistan is examined by Khalilzad (1985) and Brzezinski (1986). A Muslim perspective is given by Amin (1982).

Table 3  
**U.S FOREIGN MILITARY ASSISTANCE**  
 (US\$ million)

Region and Country	1962-83		Total		
	Total	% Grants	1981	1982	1983
<b><u>Near East and South Asia</u></b>	<b><u>32,130</u></b>	<b><u>39</u></b>	<b><u>2,473</u></b>	<b><u>3,099</u></b>	<b><u>4,164</u></b>
Israel	17,412	40	1,400	1,400	1,700
Egypt	4,282	15	551	902	1,327
Jordan	1,133	48	44	57	53
Greece	2,864	39	178	281	281
Turkey	4,358	57	253	403	403
Iran	845	40	—	—	a
Pakistan	469	42	—	1	261
India	147	81	a	a	a
<b><u>Latin America</u></b>	<b><u>2,116</u></b>	<b><u>48</u></b>	<b><u>60</u></b>	<b><u>151</u></b>	<b><u>164</u></b>
<b><u>East Asia</u></b>	<b><u>29,976</u></b>	<b><u>89</u></b>	<b><u>335</u></b>	<b><u>352</u></b>	<b><u>367</u></b>
Vietnam	15,789	100	—	—	—
Korea	6,369	73	163	167	187
Taiwan	1,894	71	a	—	—
Laos	1,482	100	—	—	—
Thailand	1,478	75	55	81	96
Kampuchea	1,197	100	—	—	—
<b><u>Europe</u></b>	<b><u>2,744</u></b>	<b><u>52</u></b>	<b><u>179</u></b>	<b><u>195</u></b>	<b><u>514</u></b>
Spain	1,641	31	126	127	403
<b><u>Other</u></b>	<b><u>1,993</u></b>	<b><u>94</u></b>	<b><u>64</u></b>	<b><u>79</u></b>	<b><u>53</u></b>
<b><u>Total</u></b>	<b><u>70,834</u></b>	<b><u>62</u></b>	<b><u>3,244</u></b>	<b><u>4,195</u></b>	<b><u>5,599</u></b>

<sup>a</sup>Less than \$0.5 million

SOURCE: U.S. Bureau of the Census (1984), pp. 811-12.

concern to Pakistan; its durability, however, is vital. Brzezinski (1986) notes his concern: "The United States must have constancy in purpose and continuity in geostrategy. Neither is easy to attain in a political system that puts a premium on novelty and in which each president is associated with a new foreign policy 'doctrine'" (p. 241). His sentiment strikes a sympathetic cord in Pakistan.

### *Pakistani Threat Perceptions*

Historically, Pakistan has seen India as its primary threat and has consistently sought safeguards against Indian aggression. For a variety of complex reasons, the United States has consistently attempted to establish and maintain its security relations with Pakistan on the basis of safeguards against Soviet aggression, while attempting to promote amicable relations between India and Pakistan and to maintain (at least in its own view) a neutral position in all disputes between India and Pakistan. As is well known, this had been a source of much misunderstanding in the past.<sup>8</sup>

With the Soviet intervention in Afghanistan and the existing treaties between India and the Soviet Union, this distinction may have become academic, and in any event is more clearly recognized in Pakistan. This is reflected in the agreed statement issued at the conclusion of the talks on the new aid package, which notes explicitly that "further development of bilateral relations [between Pakistan and the United States] will not affect either party's relationship with any third country" (see Appendix).

Although Pakistan strongly desires peaceful relations with all its neighbors, there are deep structural impediments to the attainment of this goal. It is hoped that the United States will appreciate this in its efforts to promote better relations between the two countries. In this context, Pakistanis can only hope that Americans today would "understand that problems and conflicts exist among other peoples that are not soluble by the application of American force or American techniques or even American goodwill."<sup>9</sup>

<sup>8</sup>Sorenson (1966) records U.S. President John F. Kennedy's comment at a Cabinet meeting: "Perhaps the Pakistanis never understood . . . that our alliance with them was aimed at the Communists, not at the Indians" (p. 735). Over a decade later, Kissinger (1979) observed in retrospect: "In the 1950s and 1960s, America . . . sought to fit [India and Pakistan] into its own preconceptions. We took at face value Indian Prime Minister Jawaharlal Nehru's claim to be neutral moral arbiter of world affairs. . . . And we treated Pakistan simply as a potential military ally against Communist aggression. There was no consideration that most Pakistanis considered their real security threat to be India, the very country we had enshrined in the pantheon of abstract morality" (pp. 845-46). More recently, Cohen (1985) writes: "There was an assumption that the United States would support Pakistan against . . . India, an assumption privately fostered by some American officials. Yet one administration after another has been at pains to emphasize that U.S. arms were meant for defense against the Soviet Union, not India. . . . Pakistanis have been understandably perplexed at the American half-support they have received" (p. 20).

<sup>9</sup>Tuchman (1984, p. 472), in the context of lessons of U.S. experience in Vietnam. See, e.g., Cronin (1985): "The U.S. public and the Congress were especially disillusioned by the fact that India and Pakistan went to war in 1965 with U.S. arms that had nothing to do with U.S. interests" (p. 144).

A second strand of U.S. strategic thought has been around "regional influentials," which in Southwest Asia had meant Iran; and around the late 1970s but especially after the fall of the shah in 1978, it meant India, until the Soviet intervention in Afghanistan in December 1979.<sup>10</sup> Since then, however, Pakistan has been viewed in an independent light, sometimes given the dubious distinction of being called a "frontline" state.

Soviet intervention in Afghanistan led to a profound change in Pakistan's strategic perceptions. Until then, it was assumed that global politics would ensure the maintenance of Afghanistan's buffer status; in fact, maps of Pakistan seldom if ever showed areas to its north. This is no longer true. As a result, after 1979, Pakistan faced a variety of potential threats that could be launched by combined Soviet-Indian action.

### **Agreement to Disagree**

The new relationship between the United States and Pakistan is based on a pragmatic assessment of areas of common cause as well as areas of divergence of interests. This has contributed to more stable relations.

### ***Pakistan's Concerns***

Pakistan has made it clear that the new package does not impose any demands to compromise its commitments as a member of the Organization of Islamic Conference and the Non-Aligned Movement. However, just as doctrinaire opposition to dealing with communist regimes led to the loss of significant opportunities for the United States in its delayed recognition of the People's Republic of China, so perhaps significant opportunities are being missed by the difficulties faced by the United States in adopting a more positive approach toward Islamic nations.

If the United States can overcome these difficulties, it can work, as Brzezinski (1986) suggests, with Muslim states "to help stimulate a more distinctive political consciousness among the Soviet Muslims as a deterrent to the further Soviet absorption of Islamic peoples" (p. 222). Ultimately, what stands in the path of the Soviet Union is not the armor of the Muslim nations, but the will of the Muslim people to fight to preserve their way of life. In the past, the Soviets have subdued the Muslim

<sup>10</sup>In Cronin's colorful words: "In the late 1970s . . . [the U.S.] administration prepared to deputize India as the locally dominant power" (1985, pp. 145-46).

nationalities of the Caucasia (Georgia, Armenia, Azerbaijan, Daghestan) with Cossack troops, and it may, therefore, view the chances of its success in Afghanistan quite differently from how the United States views it (with its Vietnam experience) or how the British view it (with their failure in Afghanistan).<sup>11</sup> Any strategy for the future of the struggle in Afghanistan must, therefore, be built around the lessons learned from Caucasia and other Muslim nationalities subdued by the Soviet Union.

### *U.S. Concerns*

The United States has expressed its concerns about its commitment to the policy of nonproliferation and to narcotics control. On both counts, Pakistan has assured the United States that there is no difference in their mutual policy objectives.

### **Trust, Mutual Respect, and Sovereign Equality**

The most difficult aspects of relationships between smaller and larger nations have been the ability to deal with each other on the basis of trust, mutual respect, and sovereign equality, to which the United States and Pakistan have expressed their commitment under the new aid program. The difficulty lies not so much in a dispute about the virtue of these objectives in principle, but in adherence to them in day-to-day practice. Success in attaining the promise of these lofty goals is dependent on establishing cross-cultural communications, without attempting to impose a coercive pattern on the relationship—despite the ability to do so.

Both countries have learned from bitter experience that failure to maintain satisfactory relations imposes high costs on both nations. With a recognition of past failures, a clear perception of present constraints, and a commitment to seeking pragmatic solutions to common problems, it is hoped that the basis has been laid for a strong and durable relationship between the two countries.

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<sup>11</sup>For a somewhat romantic account of the Russian conquest of Daghestan, based on the citation of original sources, see Blanch (1960). For a Soviet account, see Grechko (1971).

**Appendix:**

**Agreed Statement on the U.S.-Pakistan  
Assistance Programme for FY 1988-93**

A U.S. delegation led by Under Secretary of State for Security Assistance, Science & Technology Mr. William Schneider, Jr., paid a four-day visit to Pakistan from March 21 to March 24, 1986. During its stay, the U.S. delegation held talks with a Pakistani delegation led by Mian Muhammad Yasin Khan Wattoo, Minister for Finance & Economic Affairs.

The visit of the U.S. delegation took place in the context of the ongoing discussions on the aggregate level, terms and conditions of the post-87 aid package. As a result of the discussions held, a mutually satisfactory agreement was reached, subject to U.S. Congressional approval.

The jointly agreed programme of economic assistance and foreign military sales will support Pakistan's development priorities and defence modernization programme. The programmed package of assistance amounts to \$4.02 billion for six years commencing from 1987/1988. The package is at highly favourable concessional rates.

The Government of the United States agreed to support the announced Pakistani Government programme of economic policy reforms to improve domestic resource mobilization, stimulate private sector investment and increase overall efficiency of the Pakistani economy.

Military assistance will be in the form of credit for military purchases. The military sales programme will continue to play an important role in Pakistan's defence modernization effort.

It has been decided that the representatives of the two countries will meet annually at senior levels to review utilization of the economic assistance programme, progress towards economic policy objectives, and progress in Pakistan's military modernization programme.

The Pakistan Government stated that its acceptance of the U.S. package does not in any way affect its commitments as a member of the Islamic Conference and the Non-aligned Movement nor its position on major international issues in regard to which Pakistan's foreign policy has consistently maintained a principled stand. The U.S. and Pakistan agreed that the further development of bilateral relations will not affect either party's relationship with any third country.

The U.S. Government noted existing U.S. legislation relevant to nuclear non-proliferation and narcotics. The Pakistan Government reiterated the peaceful nature of its nuclear programme and its established policy of dealing effectively with the narcotics problem.

Both sides affirmed their genuine desire to continue the existing relationship between the two countries which is based on trust, mutual respect and sovereign equality.

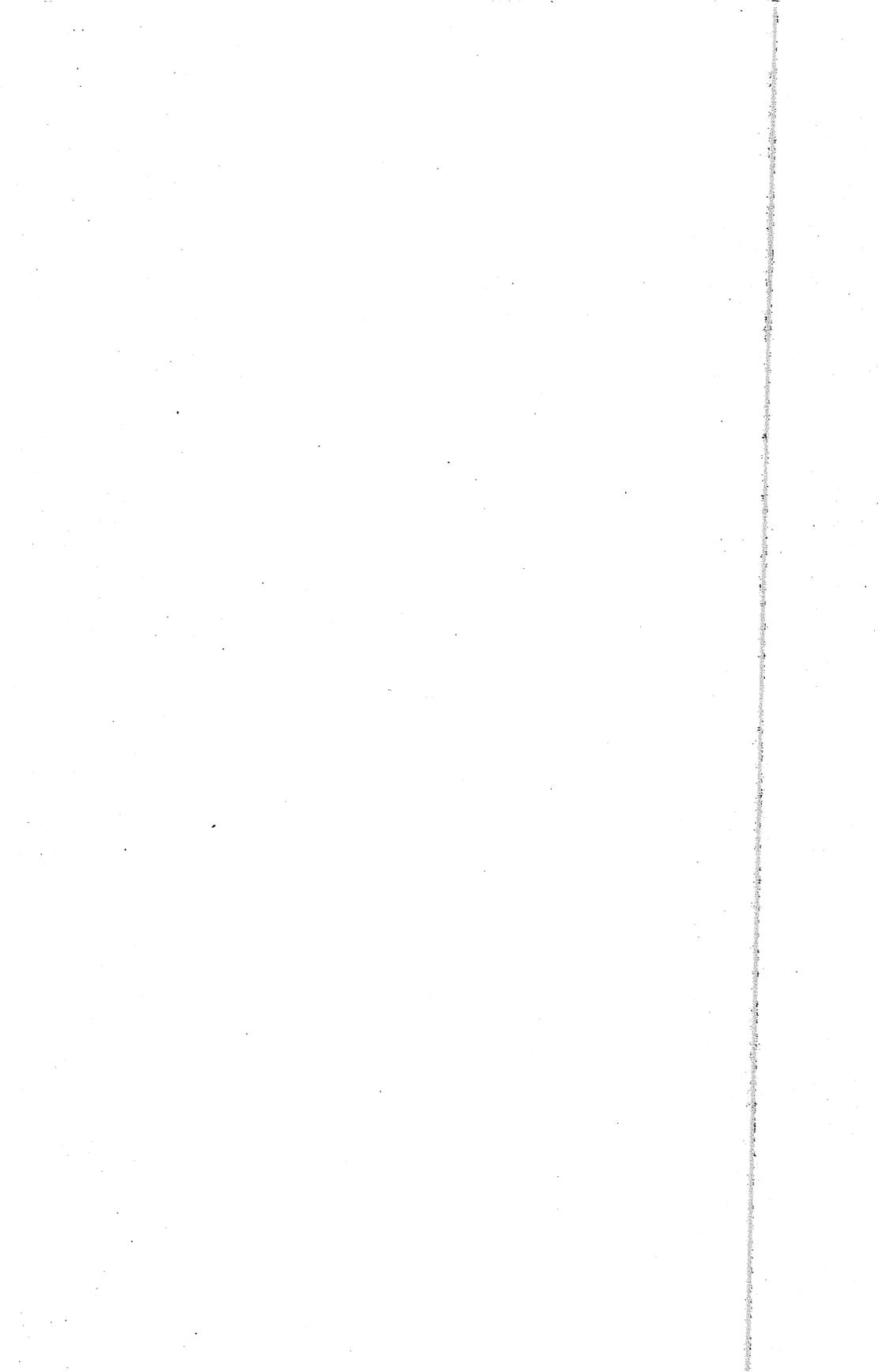
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**PART SIX**

**Economic Relations:  
The Private Sector**



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## 16. Pakistan-U.S. Economic Relations: Trade and Foreign Investment and Technology Transfer Issues

ZAFAR IQBAL

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The following is a brief analysis of past and present Pakistan-U.S. economic ties. The author represents a poor Third World nation, and the analysis, I presume, has the normal observer's bias. The chapter deals with a subject that is complex—the mystifying processes of international relations, North-South issues, power politics, and East-West rivalries. To make any argument pertinent, one cannot honestly ignore such dimensions, even though an exhaustive account and analysis would go much beyond the space available. Therefore, we will focus primarily on the economic dimension of Pakistan-U.S. relations over the past thirty-five years, specifically three or four economic issues from the perspective of a Pakistani.

Political and economic relations between Pakistan and the United States have experienced a checkered history. Initial political and economic contacts were made in 1951, with the economic relationship between the two countries developing further after the treaty of friendship and commerce signed on November 12, 1959. The relationship, however, received setbacks in the late 60s and then in the late 1970s. It was at its lowest ebb following the U.S. aid cutoff in early 1979. However, in December 1979 the USSR landed troops in Afghanistan, and Pakistan acquired fresh significance as a frontline state.

The significance of the relationship between the two countries is reflected in the fact that in 1984–85, the United States accounted for 10.4 percent of Pakistani exports, 12.3 percent of its imports, and 20.8 percent of its foreign loans.

In the early years, the United States was the major aid donor to Pakistan. During 1951–60 its share in total aid commitments to Pakistan was about 68 percent, which declined to about 57 percent in the 1960s. During 1971–72 it decreased to 15 percent and became negative during 1980–81, when Pakistan made a net repayment of \$0.83 million against

the disbursement of \$0.77 million. In recent years the U.S. share has been rising, and in 1984–85 that share in the total aid commitments to Pakistan stood at 18.3 percent. However, while various measures have been taken by the two countries to find common grounds, owing to conflicts of interests there have also been differences of opinion. On the economic side, these issues are in three areas: trade, private foreign investment, and transfer of technology.

### **Trade**

In terms of the destination of Pakistan's export goods, the United States was placed third in 1981–82 and fifth in 1982–83, but it bounced back to second place in 1983–84. For Pakistani imports in 1983–84, the United States stood in second place behind Japan.

The United States has traditionally been a major supplier of agricultural products, especially wheat, edible oil, tallow, chemicals and fertilizers, industrial raw material, and machinery and transport equipment. However, owing to Pakistan's past import substitution policies, the market is changing. The overall annual import bill of Pakistan major goods, such as fertilizer, cement, and synthetic fiber, which amounted to approximately a half billion U.S. dollars, has decreased because of increased local production. U.S. imports either as part of an aid package or as normal trading items have also changed. One important feature is the drastic reduction of imports under PL-480, which used to be the major source for importing commodity items such as wheat, edible oil, and tallow; in fact, for the past few years only limited amounts of edible oil are being imported under this arrangement. Second, under the economic assistance program, we are attempting to acquire more capital and intermediate goods, such as equipment for energy and fertilizers. Owing to agricultural production constraints during the period 1982–83 to 1985–86, out of \$688.9 million for imports more than 50 percent (i.e., 55.7 percent) from the United States have been of goods for direct consumption, which contributes little to the domestic economy.

Nevertheless, prospects for the import of intermediate and capital U.S. products continue to improve as Pakistan attempts to develop its industrial base and infrastructural facilities. The country has significant future prospects for agricultural machinery and equipment, phosphatic fertilizers, textile and leather machinery equipment, process control instrumentation, mining and extraction machinery, chemical and petrochemical industry equipment, analytical and scientific equipment, railroad equipment, power generation, transmission and distribution equipment,

telecommunications equipment, oil and gas processing, drilling and production equipment, and computers, including mini computers and word processing and electronic industry.

A critical element of U.S.-Pakistan trade is the imbalance of trade and payments (see Table 1). The deficit created by the export and import gap is not being met by the United States aid. The only solution to this remedy is to increase Pakistan's exports to U.S. markets. However, the major Pakistani export to the United States, textile products, is beset with problems because of the U.S. policy of protecting its domestic textile manufacturers. Consequently, the most critical element in U.S.-Pakistan trade relations is the issue of quotas imposed by the United States on the export of Pakistani textile products.

### *Textile Exports to the United States*

Textile manufacturing in Pakistan is the largest industry and the largest foreign exchange earner; thus access to the U.S. market is vital to the industry. Pakistan is the seventh largest supplier of textiles and apparel of all types to the United States. In fact, in recent years, textiles and their products accounted for over 62 percent of our total exports to the United States. Any restriction on these exports would hurt Pakistan's total exports and, concomitantly, its industry and economy as a whole. However, Pakistan's exports of textiles, although very important to its economy, are a very small fraction of the total imports of textiles into the United States. Moreover, although developing countries' share in exports to the United States of textiles and clothing is substantial—40.7 percent

Table 1  
PAKISTAN BALANCE OF TRADE WITH  
THE UNITED STATES  
(Rs. millions)

Year	Exports	Imports	Balance
1981-82	1,897	5,252	-3,355
1982-83	2,071	6,619	-4,548
1983-84	3,261	8,742	-5,481
1984-85	3,965	11,006	-7,041
1985-86 (July-March)	3,447	8,320	-4,873

SOURCE: *Pakistan & Gulf Economist*, August 2-8, 1986, p. 12.

and 78 percent, respectively—Pakistan has not yet been able to compete with East Asian countries like Hong Kong, South Korea, Taiwan, and Singapore in the world market or in the United States because of quotas in the developed countries. These countries export textiles and clothing to the United States and other developed countries in terms of billions of dollars.

However, Pakistani trade in textiles with the United States is regulated under a bilateral agreement, which came into effect on January 1, 1982, and continued until the end of 1986. Pakistan textile exports are regulated by the Multifiber Arrangements (MFA), which provide for unilateral action to limit textile exports and also allow bilateral agreements to limit trade. Following this provision, Pakistan signed a bilateral textile agreement with the United States that governs Pakistan's export of textile product through "aggregate limits." In addition, the United States has resorted to notification of unilateral restraints against imports of some categories of textile products from Pakistan although it is a very small percentage of the U.S. market. It has continued its efforts to increase the aggregate limits, asking the United States not to restrict exports of certain non-sensitive categories and indeed to increase the aggregate limits substantially, if not eliminate them altogether. Indeed, Pakistan has been consistently asking its senior trade partner what it has been asking it to do—open its doors wider to imports. In view of the increasing gap between its exports and imports, the United States needs to look at its trade policy toward Pakistan. During the finalization of the aid package, it may give greater emphasis to trade than aid to Pakistan.

### **Private Foreign Investments in Pakistan**

Private foreign investments in Pakistan have been priority in current economic policy. Since 1977 steps have been taken to revive the role of the private sector, and attempts have been made to attract private foreign capital. These initiatives resulted in the promulgation of the New Industrial Policy Statement and a New Company Act in 1984, which resulted in the recovery of private industrial investments and output.<sup>1</sup> While the

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<sup>1</sup>In addition to the overall industrial policy framework, private foreign investment in Pakistan is governed by a number of specific policies and regulations that have been spelled out in the Industrial Policy Statement of 1984, the Private Foreign Investment Promotion and Protection Act of 1976, and the Foreign Exchange Regulation Act of 1947. While the Industrial Policy Statement dwells on the sanctioning aspects of private foreign inflows (PFIs) and specifies the industrial activities in which foreign investments are encouraged, the Foreign Private Investment Promotion and Protection Act enumerates the various safeguards and guarantees offered by Pakistan to foreign investors.

domestic business has responded well to measures taken by the government to restore confidence in the private sector, foreign investors are still not flocking to Pakistan in increased numbers (see Table 2).

Although net foreign inflows accelerated during the mid-1970s, they have stagnated around Rs 500 million per annum during the past few years and have barely accounted for 3 percent of private fixed investment and 1.1 percent of gross fixed capital formation in the country. This inflow of new capital is small when compared with the outflow of capital. The net private foreign inflow through private foreign investment has frequently been less than the total outflow on this account. In the year 1982-83 private foreign investment as a percentage of total remittances in this account was 47 percent, as shown in Table 3.

Sources of private foreign inflows (PFIs) in the early seventies regarding significant direct private foreign investment in Pakistan arose primarily from Britain and the United States. This trend was briefly interrupted in the mid-seventies by a sudden investment influx from Middle Eastern countries, which contributed almost 52 percent of these inflows during 1973-77. Their share subsequently dropped to about 23 percent between 1978-82, and the relative importance of Britain and the United States was then reinstated. The sources of private foreign investment in Pakistan are shown in Table 4. These figures show that during the period

Table 2  
PRIVATE FOREIGN INVESTMENT  
SANCTIONED AND REALIZED  
(Rs. millions)

Year	PFI <sup>a</sup> Sanctioned	PFI Realized	% Realized
1977-78	1,653	447	27
1978-79	4,440	133	3
1979-80	1,812	433	24
1980-81	2,562	293	11
1981-82	2,990	433	14
1982-83	1,846	458	25
1983-84	4,697	535	11
Total	20,000	2,732	14

<sup>a</sup>Private foreign inflows.

SOURCE: World Bank, *Pakistan: Towards a New Technology Policy*, Report No. 6151-PAK (Washington, D.C.: April 15, 1986), p. 14.

Table 3  
 REPATRIATION OF PRIVATE FOREIGN  
 REMITTANCE, 1982-83  
 (Rs. millions)

Returns	1982-83
Profits	122.4
Dividends	433.7
Profits and dividends	566.1
Royalties	35.7
Technical fees	865.7
Total remittances	1467.5
Net private foreign inflows (PFIs)	690.0
PFI as % of profits and dividends	122.0
PFI as % of technical fees and royalties	77.0
PFI as % of total remittances	47.0

SOURCE: State Bank of Pakistan, *Balance of Payments Statistics* (Karachi, 1983).

Table 4  
 SOURCE OF PRIVATE FOREIGN INVESTMENT  
 (Rs. millions)

Country	Cumulative Foreign Investment			
	1973-77	%	1978-82	%
United Kingdom	94.6	9.0	607.3	34.7
United States	110.1	10.5	278.2	15.9
West Germany	28.7	2.7	47.9	2.7
Japan	6.5	0.6	8.5	0.5
Netherlands	64.8	6.2	86.6	4.9
Switzerland	19.5	1.9	57.2	3.3
Belgium, Ireland, Denmark	171.7	16.3	96.7	5.5
UAE, Saudi Arabia, Kuwait, Qatar	541.9	51.5	405.5	23.2
Others	14.1	1.3	162.4	9.3
Total	1,051.9	100	1,750.3	100

SOURCE: State Bank of Pakistan, *Foreign Liabilities and Assets and Foreign Investment in Pakistan* (Karachi, 1984).

1978-82 the United States' private foreign investment contribution of Rs 278.2 million increased its share to 15.9 percent compared with the period of 1973-77, when it invested Rs 110.1 million with a share of 10.5 percent.

### *U.S. Private Foreign Investment in Pakistan*

Economic relations between Pakistan and the United States have had their ups and downs, but currently there are new avenues of cooperation and collaboration. There is now an Investment Guarantee Agreement between the two countries under which the U.S. government guarantees investment by private Americans investors in Pakistan against losses arising from inconvertibility of foreign currency earnings into dollars or against expropriation. These investment guarantees together with an incentive package for PFIs make the investment climate in Pakistan favorable for American investors.

There are at present about fifty-nine U.S. firms that have either been established or are in the process of being established in Pakistan. The total investment of these firms is around Rs 8.4 billion. During the last nine years U.S. investment in terms of equity and loans has amounted to Rs 3.0 billion. Some of the major industrial units with U.S. investment are Dawood Hercules Chemicals Ltd., Exxon Fertilizer Factory, International Fibrous Products Corporation, Abbot Laboratories (Pak) Ltd., Poly-tax Ltd. Squibb (Pak) Ltd., General Tire and Rubber Company, and Singer Industries (Pak) Ltd. Some of the major U.S. investments are in the areas of fertilizers, pharmaceuticals, and oil sector industries. In the oil sector, U.S. oil companies are producing 17,000 barrels out of a total domestic production of 45,000 barrels per day, that is, a share of 38 percent in domestic production (see Table 5).

Table 5  
IMPORTANT JOINT VENTURES  
ESTABLISHED IN PAKISTAN WITH U.S. COLLABORATION  
(Rs. millions)

Item	Type of Industries			Total
	Capital Goods Industries	Intermediate Industries	Consumer Industries	
Number of companies	6	28	25	59
Total investment	550.26	7,200.98	782.54	8,533.78
U.S. share in investment	343.48	4,659.47	351.18	5,354.13

SOURCE: Investment Promotion Bureau (Karachi).

The pattern of U.S. investment in Pakistan is largely inclined toward consumer and intermediate goods industries. Table 5 indicates that the intermediate and consumer goods industries comprise more than 90 per cent of U.S. investment in Pakistan.

A few more U.S. corporations have shown interest in Pakistan. U.S. corporations that have new investments, licensing, or joint ventures either under way or planned in the near future include Kodak, Eli Lilly, Dow Chemical, Pacific, Upjohn, General Electric, the FMC Corporation, Gillette, Cargil, and Searle. In addition to these, other U.S. companies are also exploring the potential for investing in fields of solar components, microcomputers, livestock and dairy projects, and food services equipment.

### *Net Inflow of Capital from the United States*

FPI resources from the United States have demonstrated a rising trend in recent years. In 1983–84 the inflow from the United States amounted to Rs 150 million. This was 29.4 percent of the total net inflow of private capital in that year. An important element of U.S. PFI in recent years is that the resources in the form of reinvested earnings has increased. In 1984–85 it was at the same level as new cash brought in (see Table 6).

Despite Pakistan's efforts to create a conducive environment by way of ensuring the safety of foreign capital and a package of incentives, U.S. investments have not registered any remarkable increase. Indeed, it is difficult to break the international foreign capital flow pattern where international capital for PFI has demarcated areas of attention. According to this pattern three-fourths of private foreign investment goes to developed countries and one-fourth for developing countries.<sup>2</sup> U.S. capital for developing countries is concentrated in Latin American countries, Japan's investment goes mainly to Asian countries, and Commonwealth (present and former) countries like Pakistan attract British capital. Consequently, Pakistan's share of private foreign investment at about Rs 9 billion is far less than only U.S. investments of \$9.0 billion in Brazil and \$3 billion in Argentina. Indeed, even among Asian countries U.S. foreign investments have preference for other countries, for example, Taiwan. Thus, a simple incentive package and guarantee for capital protection do not appear to be sufficient to attract U.S. capital to Pakistan.

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<sup>2</sup>World Bank, *Direct and Portfolio Investment* (New York: Oxford University Press, 1985).

Table 6  
NET FLOW OF U.S. INVESTMENT INTO PAKISTAN  
(Rs. millions)

Year	Cash Brought in (A)			Capital Equipment Brought in (B)			Reinvested Earnings (C)			Total (A + B + C)		
	By U.S. Firms	Total	U.S. Share (%)	By U.S. Firms	Total	U.S. Share (%)	By U.S. Firms	Total	U.S. Share (%)	By U.S. Firms	Total	U.S. Share (%)
1973		0.5	--	0.6	6.0	10	2.1	17.1	12.2	2.7	23.6	11.4
1974	0.3	13.6	2.2	0.5	85.5	0.5	2.7	12.6	21.4	3.5	112.0	3.1
1975	3.1	11.5	26.9	0.1	67.5	0.1	7.1	24.1	29.4	10.3	103.1	10.0
1976	35.7	123.7	28.7	-1.9	215.8	--	5.3	26.9	19.7	39.0	366.4	10.6
1977	24.3	257.0	9.6	5.7	128.8	4.4	24.1	61.6	39.1	54.6	446.8	12.2
1978	29.3	143.1	20.4	-2.6	51.7	-105.0	10.1	41.9	24.1	36.8	133.3	27.6
1979	60.5	329.7	18.3	13.0	36.8	2.7	14.0	66.1	21.1	87.6	432.6	20.2
1980	10.9	126.1	8.6	-0.2	90.8	--	5.6	76.4	7.3	16.3	293.3	5.5
1981	28.3	247.7	11.4	0.5	83.7	0.5	35.7	101.4	35.2	64.5	432.8	14.9
1982	44.8	206.5	21.7	3.5	105.9	3.3	24.7	145.9	16.9	73.0	458.3	15.9
1983	63.8	391.9	16.3	1.3	15.3	8.5	27.4	127.5	21.5	92.5	534.7	17.3
1984	75.0	273.9	27.4	0.8	9.6	8.3	74.6	227.5	32.8	150.4	511.0	29.4

SOURCE: State Bank of Pakistan, *Foreign Liabilities and Assets and Foreign Investment in Pakistan* (Karachi, 1984).

In spite of the limited inflow of resources, in the past few years Pakistan has attempted to take positive steps toward attracting U.S. capital. The government is encouraging, promoting, and sanctioning export-oriented and import-substitution industries. Foreign investment from multinational and foreign equity in joint ventures for public as well as private sector corporations are being sought, especially in projects that involve transfer of technology. In addition to encouraging foreign investment in industries that are capital-intensive, import-substitutional, and export-oriented and require sophisticated technology, the government has most recently emphasized the need for joint ventures in agri-industries and light engineering projects. Both the public and private sector are seeking equity participation and technical collaboration. Foreign collaboration has recently acquired significant attention from both the public and private sectors, but unfortunately very little headway has been made in increasing the number of these joint ventures.

### **Transfer of Technology**

It is generally agreed that foreign investment in Pakistan has not made a viable contribution to the transfer of technology. According to a recent World Bank report on the issue of transfer of technology, nonequity type technology transfers have been more significant, but even these, for example, licensing technical services or purchase of capital goods along with technology, have been limited and somewhat unsatisfactory.

Earlier, private foreign investment flowed into industries such as tobacco, pharmaceuticals, and vegetable ghee. These used simple technology to process materials and concentrated on single-input import substitution or industries with a strong transport cost proportion, such as cement. As opportunities for simple industries shrank, foreign investors looked into other areas, such as fertilizer and motor vehicles manufacturing, while maintaining interest in trademark industries, such as pharmaceuticals. Foreign companies have also been heavily involved in the extraction of oil and gas.

U.S. investments in Pakistan have been in a wide range of activities, but their special emphasis has been on fertilizers, pharmaceuticals, and oil drilling. The pharmaceutical industry has the largest number of U.S. firms in Pakistan, illustrating well the status of transfer of technology in Pakistan.

The pharmaceutical industry in Pakistan is dominated by firms with foreign participation since they have a more than 50 percent market share because of their advantage of brand names, which are recognized and more

acceptable by consumers. However, despite thirty years of operations, the transfer of technology in this industry has been limited. None of the foreign firms has developed local manufacturing of basic chemicals and pharmaceutical inputs. While major drugs such as aspirin are produced locally, basic chemical inputs are imported. The technology level is restricted to packing and formulation of imported materials. In certain foreign firms, a very limited level of transfer of technology has taken place by providing machinery and technical services as well as administration and management services. The top management in these firms has traditionally been expatriate. They are now, however, being replaced by local personnel.

The foreign investors' main argument for not setting up facilities to manufacture basic drugs is Pakistan's high costs and poor quality. They have also complained about the government's pricing policy in this area. Nevertheless, the issue before Pakistan is that despite many years of operations in the country, there has been no significant and effective transfer of technology in this industry. The status of many other industries is no different. What is the reason for this poor level of technology transfer? Perhaps we have failed in creating a conducive policy environment for the transfer of technology. We also need to ask ourselves why, while there is a clear reluctance by foreign exporters to transfer technology (essentially because they want to retain control and continue to sell in the Pakistani market), in a number of cases we have not reached a situation or developed management skills and know-how to acquire technology.

Indeed, there are areas—for example, basic engineering, the automobile sector, and pharmaceuticals—where we are certainly capable of absorbing the technology if it will only be transferred. With a population of 90 million, a more than \$380 per capita income, and a fairly good cadre of technical persons, Pakistan is a reasonably good candidate for transfer of technology in many industries, especially through equity participation. When preparing an aid package for Pakistan, we must also keep in view this critical element of economic development.

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## 17. U.S.-Pakistan Economic Relations: Trade, Foreign Investment, and Technology Transfer Issues

MORTON ZUCKERMAN

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The subject of this presentation does not lend itself to extensive discussion for the simple reason that in the context of overall U.S. foreign trade and investment, that with Pakistan is relatively small. Current investment by U.S. sources in Pakistan is said to be \$107 million. The most recent data available from the U.S. Department of Commerce states that U.S. exports to Pakistan in 1985 amounted to \$1,041.6 million, a drop of about \$50 million from 1984. Pakistan's 1985 exports to the United States came to \$298.9 million, a gain of about \$31 million over 1984. The present trend of trade is indicated by the Commerce Department's figures for the first five months of 1986, January through May. U.S. exports to Pakistan totaled \$374.5 million, a drop of about \$41 million from the same period in 1985, while Pakistan's exports to the United States came to \$147.6 million, a gain of about \$9 million. The total bilateral trade figures, thus, are: 1984, \$1,360.1 million; 1985, \$1,340.5 million; 1986 (January-May), \$522.1 million. Given the current U.S. trade deficit of about \$13 billion a month, the total trade with Pakistan of a bit more than \$1.25 billion a year is, to quote the immortal characterization of President Zia ul-Haq, "peanuts."

Considering current total foreign investment by U.S. sources of about \$224,466 million, how should we characterize the current U.S. investment of \$107 million in Pakistan? Moreover, the investment figure combines equity and net outstanding loans by U.S. parent companies and affiliates, relating (as of June 24, 1986) to 115 U.S. branches, subsidiaries, and affiliates, according to the U.S. Department of Commerce.

It is not the purpose of this presentation to examine the minutiae of U.S. investment in and trade with Pakistan, liberally sprinkling footnote references to arcane source materials, but rather to express some U.S. perceptions relevant to the subject. This discussion is based upon personal

experience in dealing with mutual problems, such as trade disputes and their resolution (both successful and unsuccessful, if there can be an unsuccessful resolution), and upon long-standing dealings with bureaucracy on both sides of the water. Although this discussion understandably is colored by long association with Pakistan as counsel to its diplomatic and commercial missions in the United States and as a founder, director, and now president of the U.S.-Pakistan Economic Council Inc., nevertheless the same experience constitutes some qualification for an unbiased expression of U.S. perceptions of several irritations affecting the potential for expansion of U.S. investment in and trade with Pakistan. The views herein are stated far more in sorrow than in anger, with the hope that this renewed airing will stimulate action rather than simply the production of further ineffective discussion by entrenched governmental functionaries.

The basic U.S. perception, more right than wrong, is that doing business in or with Pakistan is severely constrained by bureaucracy's heavy hand and the frustrating and seemingly arbitrary delays imposed by governmental functionaries in their consideration of investment applications and commercial matters. There is an apparent and, as yet, great gap between Pakistan's promulgation of policies, expressed ambition for enhanced investment and commercial relations, repeated open solicitation, assurances of speedy and objectively impartial treatment, and the actual practice pursued by Pakistani administrators.

Indeed, delay is endemically built into the complex statutory and regulatory provisions governing foreign investment in Pakistan. In the United States there is recognition, if not complete acceptance, of Pakistan's need to require application for foreign investment; but there is skepticism, based on experience, concerning Pakistani performance within the limits of its current industrial policy and implementing legislation. During his visit to the United States in October 1985, President Zia ul-Haq pointed out that he had directed the bureaucracy to deal with investment applications "at one window," instead of shunting them from agency to agency. During his visit to the United States in July 1986, Prime Minister Md. Khan Junejo reiterated the "one window" concept, stating that he also had directed his administration to implement that policy and to adhere to the objective of having applications considered and concluded within ninety days.

The desire for speedy "one window" treatment is commendable but obviously overambitious. No one has been able to find the window, and the delay inherent in the structure of repetitious filings with and consideration by multiple agencies has not been overcome to date. In fact, the complex and cumbersome procedure required of foreign applicants

for investment in permitted industries is the subject of continuing dismay and comment, both public and private. We are told that there are at least twenty-six government agencies to whom copies of the investment application are circulated. One prominent Karachi entrepreneur has publicly appealed to potential foreign investors not to give up because of the need (as he says) for twenty-six permits, but to persevere.

Moreover, there is serious concern with the extent to which the U.S. (or other foreign) investor will be authorized to retain control of the investment, and concomitantly, the concerned business venture. In May 1986 the Karachi commercial newspaper *Business Recorder* ran a series of informative articles entitled "Foreign Collaboration in Pakistan." The author noted that

there has been a significant departure in government policy recently whereby the foreign holdings in industrial undertakings which in case of most of multinationals currently ranges from 75 percent to 100 percent is being restricted and the foreign sponsors are either persuaded to restrict their interest to 49 percent or in some cases provide an undertaking to disinvest within a specified period of the holdings beyond 49 percent.

Such restrictions, however, are not mandatory in nature, and the approach of the authorities varies from project to project. According to press reports, the Finance Secretary once told visiting American businessmen that government would consider 100 percent foreign ownership of any enterprise provided it was based on sophisticated technology.

Cynics may note that there may not be, as yet, sufficient domestic expertise to warrant majority control of sophisticated technology.

This subjective approach to the permitted extent of foreign ownership and control is complicated by further private advice that there is a reluctance to welcome more than 30 percent equity by the applicant. In addition, there is a requirement that if the paid-up capital is Rs 10,000,000 (currently about \$625,000), the venture must offer at least 50 percent of the capital stock to the public. This requirement can be waived in the case of a joint venture, but we are told that the mix narrows down to 30 percent for the general public and jockeying with the Comptroller of Capital Issues concerning the extent of foreign equity ownership. The balance presumably will be taken up by Pakistani collaborators.

In short, with all the good will and earnest desire in the world, the "one window" does not exist; and overlapping and complex statutes and regulations, as well as subjective administrative decisions, confront the foreign applicant.

There are other irritants, such as the extent to which patents, trade processes, and technology may be capitalized, limits upon interest payable for foreign loans, and limits upon payment of royalty for technology transfer and for technical fees of all kinds. The standard limits are quite

small, and although they are subject to negotiation, we are told that there is extreme reluctance to exceed the small prescribed limits that are available without specific sanction.

Technology collaboration agreements must contain provisions that they are subject to the law of Pakistan and must provide for arbitration of disputes in Pakistan, with the application of Pakistani law. Although Pakistan has been a common law country with a legal commercial heritage like that of the United States, based upon concepts of the English common law, the trend toward Islamization not only of banking but also of civil law causes some apprehension, based on fear of the unknown, that arbitration or litigation in Pakistan under Pakistani law will find the scales of justice necessarily tipped in favor of Pakistani interests both public and private.

Concerning technology transfer issues there is not much more to be said. The U.S. Agency for International Development (AID) has observed that "Pakistan's development agenda is strategically centered around [*sic*] problems of technological change and evolution of an increased domestic capacity to generate appropriate technology locally." It is difficult to reconcile this desire for increased domestic capacity with the low standard limits upon technology royalties and technical fees. However, the Ministry of Industries observes that there have been instances in which

Royalty and Technical Fees have also been allowed liberally. Royalty fees approved have ranged between 1% to 5%. Similarly technical fee has been allowed from 1% to 5%. Lumpsum payments have also been allowed as technical fee up to Rs. 3.5 million depending upon the nature of technical know-how being transferred or acquired for the project.

The outer limit for a lumpsum fee of about \$218,750 leaves to one's imagination the magnitude of the concerned enterprises.

In fairness to the government, we note the assertion by the Ministry of Industries, published November 1985, that

It has also been noticed that generally, in projects requiring Government approval, final decision of the Government was communicated to the sponsors within a maximum period of four months from the date of receipt of application. However, in cases where information furnished by the sponsors was either incomplete or was lacking, some unavoidable delay took place. Similarly, as some major projects of national significance or projects where Government's pricing policy and other support measures are involved are considered at a high level, the final decision is based on a careful analysis of the implications for the overall economy. Time taken in such cases is an essential part of the pre-investment deliberations and analysis to ensure smooth progress of major projects since commitment of national resources has to be made for them.

There cannot be any quarrel with the fact that "incomplete" applications or "high level" approval require time, but one man's incompleteness may not be another's, and the very need for reference to "high level" has a ring of indefinite delay.

In sum, the existing framework, which requires multiple, sequential applications to different agencies, contains built-in delays and causes extensive, repetitious bargaining. The procedure is not only time-consuming and costly, but also prolongs the time when domestic benefits can be experienced. It is not glib, or even facetious, to urge that there be a speedy consolidation and simplification of the current statutes and regulations to assure that the "one window" does in fact exist, and to require only a single (if detailed) application, and to have the window's custodian charged with the responsibility for shepherding the applicant and its application through the maze (otherwise known as "channels"). Indeed, as we are told is the case in Turkey, once the complete application is accepted, it should be "deemed" to have been approved and all permits issued, unless specific denials are received within a given period, as short as possible. The alternative is the probability that the potential investor will at some stage decide that no more treasure should be wasted in salaries, professional fees, and overhead, let alone in repetitious travel expense.

Actually, it is significant that U.S. firms do accept that investment in Pakistan offers ample material reward, and that some do persevere in the pursuit. The sorrow is that the potential for such collaboration is severely constrained when it can be far more beneficial not only to the U.S. source but also to Pakistan.

Concerning bilateral trade, the New York City edition of the *London Financial Times* on July 16, 1986, observed that "economically the U.S. is important because it is Pakistan's second largest trading partner, running slightly behind Japan, but might move into first place because of the decline in the value of the dollar against the currencies of Pakistan's other leading trading partners."

However, in quantitative terms, the volume of trade is not great. Assuming a steady pace equivalent to the 1986 January-May period, and the exchange rate holding at about Rs. 16 to the dollar, total exports from the United States would be about \$898.8 million. Pakistan exports to the United States would be about \$354.2 million, for a total of about \$1,253 million. This, of course, is about the same figure (\$1.25 billion) for 1985, although tipped somewhat in favor of Pakistan over 1985 in that U.S. exports would diminish and Pakistani exports would increase relative to 1985. For those persons who are interested in knowing the nature and relative values of the trade, there are appended hereto somewhat cryptic

statistical tables of "leading items" as furnished by the U.S. Department of Commerce (see Tables 1 and 2). Objectively this is not a large volume of trade, but subjectively it is important to the parties concerned with the specifics, as well as to both governments.

The history of the subcontinent shows that contrary to an old shibboleth, the flag has followed commerce; it has not been the other way around. The merchants arrived long before military assistance was summoned to extend the areas of trade and economic exploitation. There is continued enthusiasm by the U.S. government missions in Pakistan for expansion of U.S. investment and trade with Pakistan. That enthusiasm, however, is tempered by cautious realism, necessitated by Pakistan's seriously adverse balance of payments attributable largely to declines of export earnings and home remittances during 1985 by Pakistanis abroad. Understandably, the Pakistan government places emphasis upon the establishment and growth of import-substitute industries and stimulation of exports. In 1986 the expressed official U.S. view was that increased exports of specified items would "more than offset the decline in workers' remittances," and that "to maintain the tempo of development large quantities of capital goods and industrial raw materials on which the economy is critically dependent will have to be imported."

The point is that notwithstanding foreign exchange constraints, it is in that country's national interest for Pakistan to step up its foreign trade and to continue to liberalize its import regulations. The enterprising merchant should be encouraged by Pakistani administrative moves in the direction of enhanced trade rather than discouraged by continuing import constraints of various kinds.

It is also a truism that the fundamental, and best, means of developing international relationships is through amicable commerce. Thus trade disputes, protectionist and other restrictive governmental policies, bureaucratic interference, political rather than commercial considerations, sharp practice by some merchants, and a host of other irritants create issues that hamper international trade and impede the ability of a so-called developing nation to raise its national standard of living. This is not intended to be a litany of querulous complaints, but in the view of concerned U.S. traders and officials there do exist several irritating issues that should be resolved for common benefit.

Although there has been some liberalization of imports "to accommodate growing requirements for raw materials, equipment and parts for local manufacturers," and provision for a "larger number of importable items," it is still believed that "Pakistan's restrictive import policies on many product categories, high tariffs, import duties and taxes, and limit on royalty payments and technical assistance fees limit successful market

Table 1  
LEADING ITEMS IN U.S. TOTAL EXPORTS TO PAKISTAN  
(F.a.s. value, in thousands of dollars)

Items	January-May			
	1983	1984	1985	1986
Aircraft	27	1,458	120,367	64
Soybean oil	93,222	162,371	118,511	37,881
Wheat	39,849	31,879	82,383	18,288
Aircraft, parts	53,535	51,970	55,394	28,292
Tallow	33,998	49,540	39,951	15,332
Parts of comp.-ignition engines	5,145	12,635	34,263	24,274
Fertilizer and fertilizer mat	0	0	32,256	0
Mech. shovels	14,617	27,740	27,002	5,424
Fertilizers, other & natural	62,788	48,683	23,064	23,064
Nonpiston-type engines	2,185	254	19,199	11,537
Generators	6,074	10,103	11,837	8,725
Ships, parts	3,956	2,721	8,853	7,549
Carbon steel and iron	13,739	7,149	8,217	5,705
Sorting machinery	875	286	7,935	6,426
Radiotelegraphics, other	8,652	6,290	7,863	3,679
				1,415
				38,232
				67,883
				36,518
				12,070
				3,474
				29,887
				10,111
				0
				647
				1,490
				1,401
				10,030
				4,226
				4,028

Insecticides, other	5,367	3,946	7,319	7,056	5,526
Steroid preparations	266	5,648	7,312	4,896	135
Coal	3,712	5,123	7,098	1,610	1,800
Chem. mixtures & preps	5,242	5,070	6,042	1,978	1,569
Used wearing apparel	8,402	9,439	5,984	2,376	2,871
Parts of office machines	8,275	6,497	5,936	1,049	3,241
Digital cpu's	2,808	2,615	5,345	1,864	966
Radio navigation aids	7,022	5,507	5,239	2,054	11,722
Compressors	13,785	2,394	4,896	688	592
Polycarboxylic acids	2,900	5,381	4,818	1,187	2,823
Dried milk and cream	6,327	2,830	4,781	1,556	2,224
Geophysical instruments	1,230	1,928	4,369	725	1,057
Parts, for locomotives	2,187	4,662	3,943	2,517	2,737
Machines	2,574	1,683	3,687	574	6,816
Instr. for measuring electrical	19,782	6,311	3,556	2,123	1,225
Total	428,540	482,112	677,421	228,492	266,716
Total, all items exported to Pakistan	596,413	667,619	826,807	288,570	338,192

Note: Trade does not include special category exports.

SOURCE: Compiled from official statistics of the U.S. Department of Commerce.

Table 2

## LEADING ITEMS IN U.S. GENERAL IMPORTS FROM PAKISTAN

Items	January-May				
	1983	1984	1985	1985	1986
Shellfish other than clams	14,274	22,589	23,454	9,266	11,126
Towels, cotton pile	15,171	17,444	20,541	8,094	8,466
Floor coverings	26,900	33,827	20,506	14,712	0
Medical instruments, other	9,129	12,355	16,345	6,688	9,170
Towels, cotton	11,580	15,061	13,387	8,141	0
Floor coverings, wool pile	0	0	12,308	0	17,739
Other apparel	14,591	20,045	11,545	7,090	0
Other wearing apparel	1,595	6,511	10,684	8,805	0
Parts, not of civil aircraft	429	2,709	9,390	8,349	0
Woven cotton fabric	0	0	9,339	4,772	3,651
Woven cotton fabric	0	0	8,486	3,617	2,230
Other cotton towels	0	0	7,367	0	9,218
Gum resins and resins	4,001	5,924	6,785	3,251	3,288
Other furnishings, cotton pile	3,939	4,803	6,329	2,256	2,586
Other WGI wearing apparel	3,623	6,542	5,131	3,079	0

Towels, cotton, other	7,774	8,803	4,929	2,745	0
Woven cotton fabric	0	0	4,714	2,315	1,945
Other apparel	241	533	4,677	2,940	0
U.S. goods returned	1,216	3,541	4,103	1,905	1,184
Men's cotton knit t-shirts	0	0	3,744	0	6,733
Pen knives, pocket knives	5,710	4,025	3,650	1,318	1,823
Licorice root	716	572	2,910	2,910	4,469
Woven cotton fabric	0	0	2,833	1,000	1,011
Other	340	2,423	2,828	1,642	0
Dental instruments and parts	624	830	2,463	780	920
Other WGI wearing apparel	1,173	3,356	2,399	1,756	0
Other WGI wearing apparel	2,579	2,885	2,316	1,752	0
Other capsicum pepper	403	1,765	2,308	1,320	1,149
Gloves, not lace, of veg. fiber	1,235	2,416	2,006	971	363
Woven fabrics, man-made fibers	0	0	1,955	39	8,411
Total	127,242	178,962	229,436	111,512	95,484
Total, all items imported from Pakistan	182,687	267,571	298,921	138,849	147,581

SOURCE: Compiled from official statistics of the U.S. Department of Commerce.

penetration and the competitiveness of numerous U.S. products vis-à-vis non-U.S. products." These quotations are taken from a U.S. government paper prepared in 1986.

There is resentment related to the contrast between the ease with which Pakistani commercial presence can be established in the U.S. and the time-consuming, costly, and complex requirements to establish a U.S. commercial presence in Pakistan. While a Pakistani exporter can easily and inexpensively create, own, manage, and control a business firm in, say, New York City and need not at any time even be present there to do so, his U.S. counterpart faces the complexities of Pakistani controls and work permits. This makes for the prevailing belief that export trade to Pakistan should be conducted through local firms who have the personal contacts, influence, and "clout" with administrators to obtain all manner of permits, dollar exchange, customs clearance, trucking, and other services, expeditiously and competitively, in addition to the ability to obtain orders for merchandise.

On the U.S. import side, there is concern with the essential elements of trade performance, namely, timely delivery, quality and adherence to sample or specification, and firmness of price. The experienced trader knows that the best prospect for satisfactory performance is his own presence at the source. Again, the existing difficulties hamper the establishment of that presence. Disputes, of course, are endemic to trade, but the presence of the disputant in the trading country could be beneficial in either preventing the dispute or resolving it. It is gratifying that there are not more trade disputes, but those that do arise now are dealt with by traditional means, such as litigation or, in an appropriate case, by arbitration. Although there are many capable and creative lawyers, chartered accountants, and technical personnel suitable as expert witnesses in Pakistan, the experiential belief in the United States is that legal procedures in Pakistan are far more costly, protracted, and unlikely to succeed than in the United States. Surely, the business world on both sides has the talent to create a better, practical method of dispute resolution. Perhaps the Federation of Pakistan Chambers of Commerce & Industry, or the Overseas Investors Chamber of Commerce & Industry, and the American Business Council of Pakistan could join with the U.S. Pakistan Economic Council, Inc., in establishing a task force to create a forum for the speedy and effective resolution of trade disputes.

Both U.S. importers and Pakistani exporters are concerned with U.S. quotas affecting Pakistani source textiles. The extent of Pakistan's concern is understandable, as textiles comprise by far its major dollar exchange earner. However, there is some domestic trade irritation on the U.S. side attributed to Pakistan's seeming failure to realize that the textile industry,

in all its aspects, is likewise a major element in the economy and well-being of the people of the United States. The matter of protectionism is always on the front burner on both sides, and the subject is too complex to warrant discussion in this general survey.

An irritant that merits specific mention is the recent reimposition by Pakistan on U.S. flag ocean carriers of a tax at 8 percent of the amount of freight payable to them for cargoes shipped from Pakistan. The issue is exacerbated by the reimposition of the tax retroactively. There are four U.S. flag ocean carriers that regularly service Pakistan: American President Lines, Ltd.; Sea-Land Service, Inc.; United States Lines Company; and Waterman Steamship Corp. Their vigorous protests, aided by very high-level backing from the U.S. government, has resulted in the suspension of collection of the tax by the Pakistan Finance Ministry. This unofficial unilateral response is not reassuring to the U.S. interests, and they are concerned with the advisability of retaining in Pakistan sufficient funds to meet the tax if it should be reinstated. The only Pakistani flag carrier now regularly servicing the United States is Pakistan National Shipping Corporation. Obviously, effectuating the Pakistani tax on ocean freight collections against U.S. flag carriers exposes PNSC to a countertax in the United States. There is suspicion that the sudden tax action and now the inaction by the Pakistan government are ploys in the game of seeking revision of the existing U.S.-Pakistan Tax Treaty. It seems rather onerous that the ocean carriers are caught in the game, particularly as the net effect of such a tax would be to increase the freight cost on both sides, reducing competitive advantages to traders, and contracting, instead of expanding, trade. It would be far more beneficial if both governments were to enter into a bilateral tax exemption agreement as specifically permitted by the U.S. Internal Revenue Code. Such executive agreements covering ocean and air carriers exist between the United States and several nations whose merchants compete with Pakistani traders for the U.S. market. There is such an agreement between Pakistan and Denmark, whose Maersk Line is involved in the U.S.-Pakistan trade.

Another irritant that merits mention is the agonizingly long time taken to make trade payments by government agencies on both sides. Although U.S. congressional policy, reflected in various federal statutes, forbids state trading, there are U.S. federal programs that provide the financial supports for U.S. foreign trade. These are too well known to warrant detailed listing, but P.L. 480 (Public Law 480), AID (Agency for International Development), CCC (Commodity Credit Corporation), and USDA (Department of Agriculture) stand out. It is a wry joke in the United States that there are people in breadlines who are awaiting payment by CCC. The easy refuge of bureaucrats is that they are waiting for mysterious

“papers” from abroad. That the means of breaking the bottlenecks evade ready solution does not warrant their continuation.

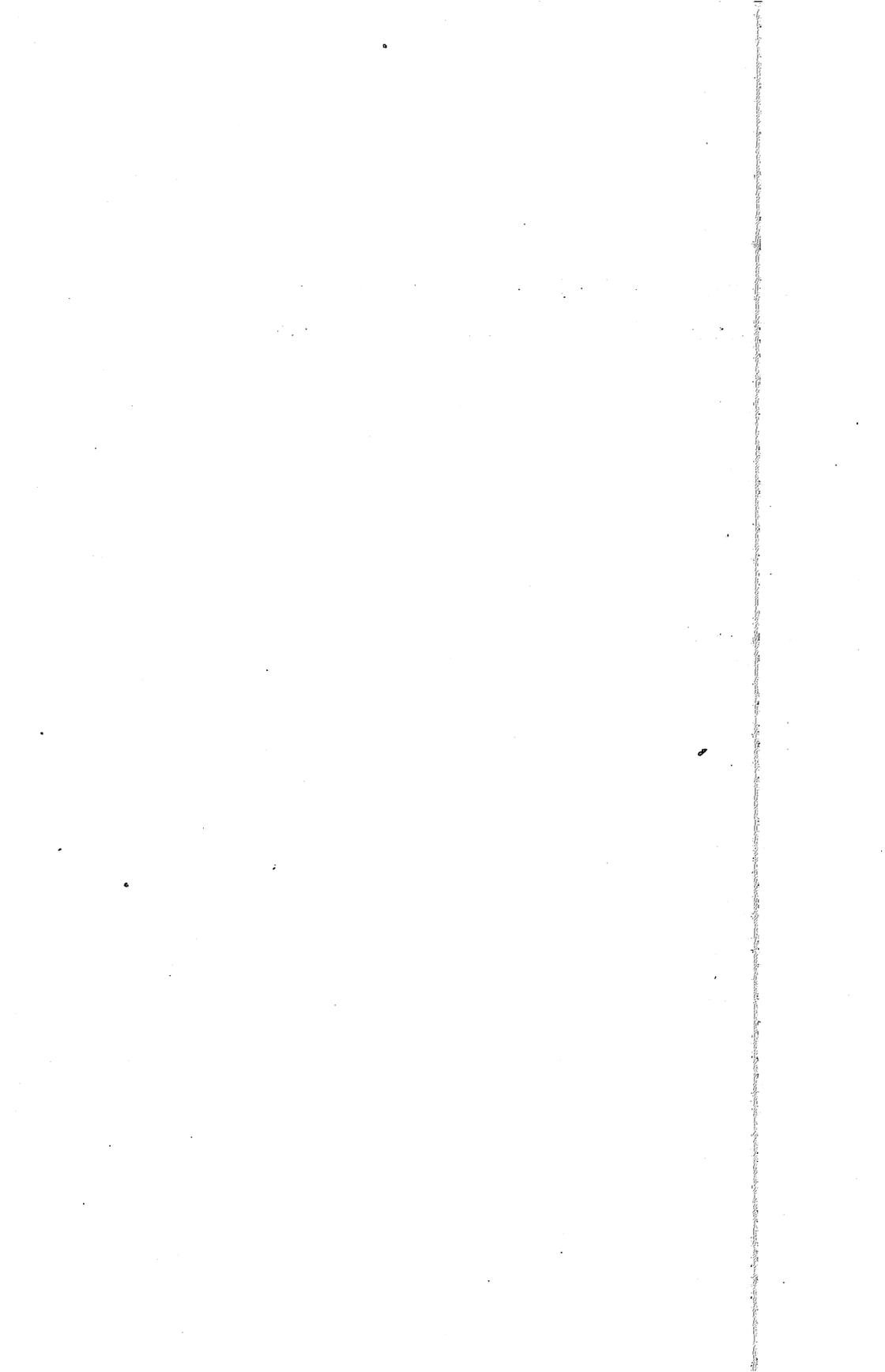
Other long-standing issues remain seemingly unattended. These include protection for copyrights, payment and transmission of royalties, protection for patents and manufacturing processes, excise taxes, and political boycott provisions in procurement agreements, letters of credit, and for ocean transportation. Perhaps the time has come for merchants to have their trade associations join forces to lobby both governments to take expeditious remedial action. It is not amiss to observe that there is an issue of global importance that can have devastating effect upon U.S.-Pakistan bilateral trade, particularly in the area of technology transfer and development. This is the U.S. government's concern with the development of Pakistan's nuclear capability. The *Financial Times* article of July 16, 1986, mentioned above, also reported: “The U.S. will continue to urge Pakistan, which it suspects is moving towards acquiring a full nuclear weapons capability, to sign the Nuclear Non-proliferation Treaty and accept full safeguards.”

On the same day the *Washington Post* reported that both countries were about to sign an agreement, the terms of which would remain secret, allowing Pakistan “to buy sensitive American technology,” most of which “is considered useful for civilian as well as military and nuclear purposes.” An unnamed U.S. “official” was quoted as saying that “Pakistan has been told ‘with great frankness’ that U.S. aid will be stopped ‘if they have acquired a nuclear weapon.’”

Notwithstanding that statesmen forget that when they press buttons we mortals receive the shocks, we remain upbeat about the prospects for U.S. investment in and trade with Pakistan. We have had too long an association and too much in common not to be able to solve existing problems and to assist Pakistan to realize its potential for economic growth and enhancement of the quality of life for its people.

**PART SEVEN**

**Mutual Perceptions: Domestic  
Policies and Foreign Relations**



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## 18. Pakistan's Perceptions of the Impact of U.S. Politics on Its Policies Toward Pakistan

MOHAMMAD WASEEM

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### I

In this chapter we will discuss the various ways in which Pakistan's foreign policy decision-makers and intelligentsia look at their U.S. connection. Given a situation of underdevelopment in this country's higher education and information infrastructures, the general global view in Pakistan is wanting in sophistication and style. Its meager resources are bound to reflect in its understanding of societies like the United States, which seem remote in territory, culture, and history. Moreover, Pakistan's relatively underprivileged position in terms of its economic, political, and military capabilities has created a situation of on-again off-again dependence on the United States, which tends to give a subjective coloring to its understanding of the latter. It is not uncommon, therefore, to hear views ranging from extreme criticism of U.S. treachery and hypocrisy to eulogizing Americans as "the world's greatest philanthropists."<sup>1</sup>

At a conceptual level, the individual perspectives of Pakistani observers tend to be influenced by their institutional or class background, active or passive role in policymaking, professional outlook, and even personal idiosyncracies. At one end, we find the upper echelons of the civil and military bureaucracies, which look at the United States essentially as a supplier of value. For example, from General Ayub's search for a "powerful" friend in the West in the 1950s to President Zia's U.S. policy, a whole generation of military thinking in Pakistan has been geared toward evaluating the net gain of the American connection for national security in terms of modernization of Pakistan's fighting men and material. Such pragmatism has been largely shared by the top layer of the financial bureaucracy and the diplomatic corps in the field of economic development.

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<sup>1</sup>Liaqat Ali Khan, quoted in S. M. Burke, *Mainsprings of Indian and Pakistani Foreign Policies* (Minneapolis, 1974), p. 130.

On the other hand, lower and middle-level officers are somewhat closer to the popular worldview, characterized by a highly subjective evaluation of men and events in the overall context of an anachronistic approach to world politics. The latter is based on medieval notions of relations between states and the recent heritage of anti-Westernism from the days of the independence movement.<sup>2</sup> This view is popularized through school and college education, the media, the Urdu-based intelligentsia, and the official espousal of ideological issues for mass consumption, even though these issues do not directly impinge on Pakistan's foreign policy commitments in various fields. Finally, there is a small group of disparate individuals from academia, journalists, the professions, and political elements, who provide a scholarly outlook based on theoretical and empirical research, but whose impact on foreign policy remains marginal, given a bureaucratic monopoly over decision-making in Pakistan.

The comparable channels of decision-making on foreign policy in Pakistan and the United States can hardly be more different from each other. While they are internally differentiated in the latter, they are controlled by a monolithic state apparatus in the former. Foreign policy decisions in the United States are considerably exposed to pressures from various social groups and individuals via the Congress and public forums. Pakistan, on the other hand, epitomizes the separation between the two spheres of domestic politics and foreign policy. However, this comparison cannot be taken too far because both countries share a common malaise of modern times, namely, the relative impunity of a country's foreign policy from direct domestic pressures. This situation emerges from: (1) relatively long intervals in seeking a public mandate, even where elections are held regularly; (2) a delay in getting the feedback of a certain policy measure; (3) the increasing complexity of issues at hand; (4) the relatively higher levels of public consciousness and involvement in domestic affairs; and (5) the apparent irrelevance of such long-term and indirect measures as the activities of the philanthropist foundations pursuing " 'rationally managed' social change' " abroad through "apolitical" means of efficiency, growth, and technique.<sup>3</sup>

These difficulties in relating domestic politics and foreign policy notwithstanding, it cannot be denied that the persons, parties, or

<sup>2</sup>Mohammad Waseem, "Anachronistic Worldview," *The Muslim* (Islamabad), February 11, 1984.

<sup>3</sup>Edward H. Berman, *The Influence of the Carnegie, Ford, and Rockefeller Foundations on American Foreign Policy: The Ideology of Philanthropy* (Albany, 1983), pp. 79-80.

bureaucracies that make decisions on foreign issues have their corresponding notions about the world based on their own experience. We can trace many changes in foreign policy, corresponding to internal political demands such as U.S. withdrawal from Vietnam, restriction on U.S. aid to Pakistan in the wake of the 1971 war with India, and the recent congressional imposition of economic sanctions on South Africa, overriding a presidential veto. In the following pages, we shall limit ourselves to an analysis of Pakistani perceptions related to this somewhat tenuous relationship between the United States' politics and its foreign policy. In this context, we propose to test the following hypotheses:

1. That Pakistani views on American politics as a factor in Pakistan-U.S. relations are generally hard to come by.

2. That whatever views are available are less than satisfactory explanations of U.S. foreign policy and can, therefore, be misleading in their import.

3. That this situation is responsible for Pakistan's long periods of disillusionment and frustration with the United States in the past.

4. That the only way to rectify this situation is for Pakistan to concentrate on understanding the domestic politics of the United States and to seek ways and means of influencing decision-making on foreign policy at that level.

In the course of our discussion, we shall argue that the first two observations are correct inasmuch as Pakistani perceptions are generally lacking in both quantity and quality. However, we shall argue against the third hypothesis and sponsor a counterthesis, that is, that the symbiotic relationship between the unequal reach of the two allies' foreign policy objectives and the imbalance in their capacity for influencing each other's domestic politics account for Pakistan's relatively greater propensity to misperceive. The ratio of vital interests to nonvital interests in Pakistan, as manifested through the actual military/political/economic commitments, in comparison with ritualistic/diplomatic/ideological commitments, is very disparate in terms of the importance attached to certain policy matters by the two sides, which then leads to disillusionment on the part of the weaker partner. We shall, therefore, argue that our fourth hypothesis, Pakistan's critical need to understand U.S. domestic politics, is only a half-truth. This is so because the structural constants of their relationship outweigh the subjective patterning of priorities set by their respective policymakers. This is not to discount the need for the two sides to lessen the hold of misperceptions over their judgments. Our only purpose is to highlight the underlying force of the structural imperatives of the Pakistan-U.S. relationship, which influence the direction of Pakistani perceptions of American politics and diplomacy.

## II

In Pakistan, the conduct of foreign policy is a relatively closed affair. Here, public discussion on foreign issues is the exception rather than the rule. Even when there is a political government in power, decision-making in this sphere is monopolized by the Foreign Service bureaucracy. Domestic politics do not generally impinge on foreign policy decisions. Thus, in Pakistan the "psychological milieu" of the decision-makers is characterized not by openness but by closed access to information channels, thereby breeding an overall "conspiracy theory" perspective.<sup>4</sup> The most formidable manifestation of this approach is the way such a "hidden" and "oppressive" element as the Jewish lobby in United States is given credit for all the mischief. As we shall see later, American policy toward the Muslim world is usually considered to be in the hands of Zionists by almost all the sections of Pakistan's population.

A second manifestation of the lack of input in decision-making from outside the bureaucratic channels is a certain hardening of positions, irrespective of the direction of public opinion within or outside national boundaries. Under President Yahya, for example, hostile world opinion against the military action in East Pakistan could not force the establishment to change its stance. Finally, bureaucratic control over foreign policy lends a sense of consistency because its domain is carefully secluded from the dynamics of internal politics. The only change in Pakistan's foreign policy, that is, the opening up to the People's Republic of China (PRC) in the early 1960s, was effected under the external pressure of a massive flow of U.S. aid to India. That step was taken by an ongoing military-bureaucratic regime with no major reshuffling in its midst at that time. On the other hand, we see remarkable consistency in such foreign policy matters as the nuclear program, the Islamic bloc, and friendship with the PRC during the Bhutto and Zia regimes, despite their sharply different support bases in internal politics.<sup>5</sup>

This foreign policy establishment is typical of many Asian countries. In most cases, the United States brought diplomacy to their doorsteps as they set out to conduct foreign policy during the early 1950s. For years,

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<sup>4</sup>"The source of the predispositions that shape the images of other states is the decision-maker's own political system" (R. Jervis, *Perception and Misperception in International Politics* [Princeton, 1976], p. 282).

<sup>5</sup>If Bhutto had been in power at the time of the Soviet invasion of Afghanistan, he would in all probability also have followed the broad outlines of the present policy of Pakistan on that issue.

Pakistan's contact with the United States was limited to intergovernmental diplomatic activity. In twenty years, that is, by the early 1970s, the postwar explosion of communications, the phenomenal expansion of global information agencies, and the incessant wave of migrants and massive student travel produced new and multiple channels of contact between the two countries. Pakistani scholars and media personnel started responding to domestic political changes in the United States from the overall perspective of the Vietnam controversy. From the mid-1970s on, Pakistan started looking directly at the U.S. domestic political scene.

Pakistanis were especially attracted to the policy programs of the two political parties because of their impact on U.S. policy toward Pakistan. For example, President Jimmy Carter's suspension of aid to Pakistan in April 1979 and its subsequent restoration and expansion by President Reagan in September 1981 reflected the Democrats' stress on democracy and nuclear nonproliferation and the Republicans' tilt toward economic and security assistance.<sup>6</sup> The consciousness about possible effects of congressional debates between the two parties over cuts introduced in foreign assistance on aid to Pakistan demonstrated Pakistan's new responsiveness to the United State's internal decision-making process.<sup>7</sup> While criticizing the Democrats' pro-India tilt, Noor Husain chided them for losing China to the United States in the 1940s and then again Iran and Afghanistan in the 1970s.<sup>8</sup> On the other hand, the nonavailability of tangible American help to Pakistan during its 1971 war with India, despite the Republican administration's tilt in its favor, is generally ascribed to Nixon's difficulties at home, especially the Watergate scandal.<sup>9</sup>

Paradoxically, Pakistani perceptions about U.S. domestic politics are largely derived from, and therefore secondary to, their views on U.S. foreign policy. The latter have left a more lasting impression on the general

<sup>6</sup>Shafqat Ali Shah, "Pakistan's Perceptions of U.S. Domestic Politics," in Leo E. Rose and Noor A. Husain, eds., *United States-Pakistan Relations* (Berkeley, 1985), p. 88.

<sup>7</sup>See e.g., the questions posed to Secretary of State George Shultz at his press conference in Islamabad, in "Relationships Between the United States and Pakistan . . . Have Been Advanced," transcript of a press conference, Department of State, July 4, 1983 (extracts), in *American Foreign Policy (AFP) Current Documents, 1983* (Washington, DC, 1985), p. 906.

<sup>8</sup>Noor A. Husain, "Pakistan-U.S. Security Relations, Arms Sales, Bases, Nuclear Issues," *Strategic Studies* (Islamabad) (Spring 1985):20.

<sup>9</sup>Shirin Tahir-Kheli, *The United States and Pakistan: The Evolution of an Influence Relationship* (New York, 1982), pp. 48-49.

public in this country because it has been the only sphere of activity known to Pakistanis for a long time. They looked at the world in terms of two ideological blocks, capitalism and communism. The first government of Pakistan pleaded its case for U.S. aid on the basis of its ideological stand against communism, especially as an Islamic state.<sup>10</sup> It offered to play an instrumental role in the U.S. policy of containment of communism in exchange for a U.S. commitment to its own security. The subsequent entry of Pakistan into bilateral and multilateral agreements with the United States enormously developed Pakistan's stakes in keeping the American aid flow and diplomatic support intact. When the Kennedy administration shifted its focus of attention from Pakistan to India in the early 1960s, Pakistan desperately looked for ways and means to convince Washington of its continued utility. This experience of lobbying from a marginal position through the erstwhile pro-Pakistan elements in the establishment finally alerted the informed public of Pakistan of the need to understand the internal politics of the United States. The need was doubly felt during the 1971 war when Pakistan faced hostile public opinion on the issue of Bengali nationalism.

However, the most consistent attack on Pakistan during the last decade has centered on its nuclear program. The debate over Pakistan's nuclear ambitions set the stage for its incarceration through public forums and media, from the moment Carter's presidential campaign in 1976 picked up the issue to blame the Ford administration for lack of vigilance.<sup>11</sup> Later, in collaboration with President Carter, the Joint Committee on Atomic Energy of Congress, which was initially "designed to reconcile the demands of nuclear technology and democracy," and which assumed a statutory monopoly on nuclear policy for the Congress, pushed the passage of the Nuclear Non-Proliferation Act (NNPA) of 1978 by Congress.<sup>12</sup> For a while, Congress seemed to carry the initiative on the nuclear issue. Soon, however, the Carter administration moved to provide thirty-eight tons of nuclear fuel for Indian nuclear reactors, and despite vehement opposition by the House, Carter got it through the Senate.

In contrast, Pakistan emerged as a bad guy both in establishment circles and the media. The Carter administration brought the Symington-

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<sup>10</sup>Burke, *Mainsprings*, p. 127; see also Feroze Khan Noon's assertion that "the Mussalmans in Pakistan are against communism," quoted in M. S. Venkataramani, *The American Role in Pakistan* (Lahore, 1984), p. 24.

<sup>11</sup>Tahir-Kheli, *United States and Pakistan*, p. 124.

<sup>12</sup>Steven J. Baker, "Nuclear Nonproliferation," in Hoyt Purvis and Steven J. Baker, eds., *Legislating Foreign Policy* (Boulder, 1984), p. 139.

Glenn Amendments into play against Pakistan—the first time ever against any country—which affected economic aid and the international military education and training (IMET) program to Pakistan.<sup>13</sup> President Carter later moved to resume economic and military aid to Pakistan in the wake of the Soviet incursion into Afghanistan in December 1979, by using the waiver clause in the NNPA, thereby indicating the abrupt downgrading of the U.S. nonproliferation policy in favor of regional strategic objectives.<sup>14</sup> After the Reagan administration took over, it requested Congress to make changes in Section 669 of the Foreign Assistance Act to conform to its Section 670, which would thus parallel the waiver provisions of the NNPA and remove the anomaly which differentiated between those countries that reprocessed and those that enriched nuclear fuel.<sup>15</sup>

The new approach was specifically meant to remove the appetite for nuclear weaponry, which comes from an intense sense of vulnerability to threats from the Soviet Union.<sup>16</sup> The United States, therefore, sought to reestablish a relationship of confidence with Pakistan as the best way of dealing with its nuclear program.<sup>17</sup> Along with that, it continued taking the position that “suppliers should not cooperate in the development of the nuclear power station now planned to be built in Pakistan.”<sup>18</sup> Overall, the American approach seems to be one of guarded optimism about the possibility of economic and military aid doing the trick where an earlier cutoff had failed.<sup>19</sup>

<sup>13</sup>Replies by the Department of State spokesman (Carter) to questions asked at a press briefing, April 6, 1979 (excerpts), in *Cutoff of United States Aid to Pakistan*, Document 475, AFP 1977–80 (Washington, DC, 1983), p. 902.

<sup>14</sup>Baker, “Nuclear Nonproliferation,” p. 137.

<sup>15</sup>Statement by the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs (Coon) before two subcommittees of the House Foreign Affairs Committee, April 27, 1981, in *U.S. Aid to Pakistan*, Document 446, AFP-1981 (Washington, DC, 1984), p. 863.

<sup>16</sup>Transcript of an interview with the Secretary of State (Haig), June 28, 1981 (extracts), in *U.S. Policy Seeks “To Remove the Appetite—for Nuclear Weaponry,”* Document 450, AFP-1981 (Washington, DC, 1984), p. 870.

<sup>17</sup>Statement Issued by the Department of State, June 30, 1981, in *Nonproliferation: Pakistan*, Document 451, AFP-1981 (Washington, DC, 1984), pp. 870–71.

<sup>18</sup>Address by the Deputy Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs (Marshall) before the International Nuclear Law Association, San Francisco, September 12, 1983 (extracts), in *U.S. Opposition to Pakistani Unsafeguarded Nuclear Power Development*, Document 441, AFP-1983 (Washington, DC, 1985) p. 910.

<sup>19</sup>Robert F. Goheen, “Problems of Proliferation: U.S. Policy and the Third World,” *World Politics*, January 1983, p. 203.

Pakistani reactions to this controversy varied from outright denial of nuclear ambitions to pleading the case for a peaceful nuclear energy program. President Zia, for example, categorically declared that "Pakistan would 'in no circumstances' produce a nuclear bomb."<sup>20</sup> In 1985, media reports that Pakistan had conducted a nonnuclear explosion with the help of Kreyton-electronic switches, bringing it closer to a nuclear weapon, were followed by foreign minister Sahabzada Yaqub's reassertion of Pakistan's commitment to nuclear nonproliferation.<sup>21</sup>

However, the general feeling in Pakistan is that U.S. nonproliferation diplomacy is at cross-purposes with the declared American commitment to the stability of Pakistan.<sup>22</sup> Pakistanis complain of U.S. policies that discriminate against Pakistan, while the United States not only condoned but actually helped India and Israel in their nuclear programs.<sup>23</sup> In fact, Pakistanis see the role of the Jewish lobby to be very critical in the framework of American politics.<sup>24</sup> Thus, the prevalent hostile public opinion in the United States on the issue of Pakistan's nuclear program is often attributed to the Jewish lobby.<sup>25</sup> It is claimed that the current Islamic revival

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<sup>20</sup>Prepared statement by the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs (Schaffer) before a subcommittee of the House Foreign Affairs Committee, March 9, 1983, in *Foreign Assistance for Pakistan in Fiscal Year 1984 and Supplemental Assistance for Fiscal Year 1983*, Document 436, AFP-1983 (Washington, DC, 1985), n. 18, p. 896.

<sup>21</sup>*The Muslim*, July 18, 1985.

<sup>22</sup>Rasul Bux Rais, "The Nuclear Factor in Pakistan-United States Relations," *Pakistan Journal of American Studies* (Islamabad), September 1984, p. 85.

<sup>23</sup>Editorial, "Pakistan's Atomic Program: Unfriendly Attitude of the U.S.," *The Nawai-Waqt* (Urdu daily) (Rawalpindi), September 30, 1985; see also Shafqat Ali Shah, "Pakistan's Perceptions," p. 101.

<sup>24</sup>Rais A. Khan, "Pakistan-U.S. Relations: Divergences and Convergences of Perceptions," in Rose and Husain, eds., *U.S.-Pakistan Relations*, p. 36; Ross Masood Husain, "Influencing Congress," *Pakistan Journal of American Studies* (Islamabad), March 1986, pp. 14-15; Mowahid H. Shah, "Captive of Zion: The U.S. Congress," *The Muslim*, September 24, 1986.

<sup>25</sup>Mohammad Ahsan Choudhry, "Pakistan-U.S. Relations: The Historical Perspective," in Rais Ahmed Khan, ed., *Pakistan-United States Relations* (Islamabad, 1983), p. 17; Mushahid Hussain, "Pakistan's Foreign Policy: An Exercise in Tight Rope Walking," *Pakistan Journal of American Studies* (Islamabad), September 1984, p. 19; Qutubuddin Aziz, "Need for More Lobby Work for Pakistan in USA," *Pakistan Times* (Rawalpindi), September 22, 1985, p. 4.

is perceived by Israel as a threat to its security.<sup>26</sup> The reality of tremendous Jewish influence in the United States not only is not lost on the Pakistanis, but is also flashed across the national media. In this context, the Democrats' espousal of the Zionist cause is duly noticed, as is the Republicans' relatively less than all-out commitment to put all their eggs in one basket.<sup>27</sup> On the other hand, references to finer shades of policy differences between the two parties on the issue of their commitment to Israel's security are absent from the media as well as scholarly works in this country. Israel's internal politics as a factor in U.S. policy on the Middle East is almost totally unknown to Pakistani observers. Instead, they take a holistic view of Israel and the Israeli lobby in the United States and generally use stereotypes for defining Jews and the Zionist state.<sup>28</sup>

In comparison, Pakistani views of the India lobby in the United States operate in less thin air. It is recognized, for example, that there is an overall systemic bias toward India, which is seen as a great cultural, educational, moralistic, and ideological force. Pakistan, on the other hand, operated on persons in key positions such as Nixon or Kissinger.<sup>29</sup> Others look at things in simplistic terms and ask, "Why is [Selig] Harrison, a brilliant American intellectual, so hostile to Pakistan and so fond of India?"<sup>30</sup> Such

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<sup>26</sup>Hamid H. Kizilbash, "The United States and the Muslim World: American Perceptions and Responses to Some Significant Developments," *Pakistan Journal of American Studies* (Islamabad), September 1984, p. 53.

<sup>27</sup>E.g., the 1984 presidential candidate, Walter Mondale, tried to woo the Jewish vote by announcing that as president he would shift the American Embassy in Israel from Tel Aviv to Jerusalem; Rahman Muznab, "President Reagan's Second Presidential Term," *The Jung* (Urdu daily) (Rawalpindi), January 20, 1985, p. 3. Similarly, Pakistani observers picked up the Republicans' allegations that their troubles were due to the liberal press dominated by Jews; see Ikramul Haque, "Reagan's Second-Term Blues" (American diary), *The Muslim*, May 29, 1985, p. 4.

<sup>28</sup>Israeli intransigence on the issue of West Bank Jewish settlements and changes from the Labor Party's "bureaucratic-strategic" approach to the Likud's "ideological-strategic" approach in 1977, as well as the paradox of relatively small numbers of the pro-Likud settlers on the West Bank as compared to their rigid policy stance on that issue, are matters of great concern for Israel-watchers but of little significance for Pakistani observers; see Yadin Kaufmann, "Israel's Flexible Voters," *Foreign Policy* 61 (Winter 1985-86):111, 117.

<sup>29</sup>Shafqat Ali Shah, "Pakistan's Perceptions," pp. 99-100.

<sup>30</sup>See, e.g., Qutubuddin, "Need for More Lobby Work." Indeed, the author blames Harrison for seeing too much in the Baluchistan and NWFP nationalist movements, acting as "India's buckler," while alleging that Pakistan was developing a nuclear weapons capability and casting doubts on the legitimacy of the 1985 elections.

questions manifest the Pakistanis' irritation over Harrison's incessant warnings to Washington against underrating the damage of a nuclear explosion in Pakistan, which would involve the United States on the wrong side, as in 1965 and 1971.<sup>31</sup>

This pro-India stance seems to be a part of an ongoing controversy in Washington over the foreign policy objective of effecting a total break between the USSR and India, whereby "Pakistan could be used as a bargaining counter."<sup>32</sup> Fluctuations in the level of U.S. commitment to Pakistan's security are, then, understood in terms of the factional struggle inside the American establishment as well as their counterparts on the Pakistan side. The high-level economic and military cooperation between the two countries under the Reagan administration is, thus, interpreted as a tilt in favor of those relying on the military in Pakistan as a principle of stability; the faction that would favor a confederal arrangement between India and Pakistan is then understood to have suffered a defeat.<sup>33</sup>

We can compare this dichotomy with the U.S. government's efforts of "balancing strategic interests and human rights in South Asia,"<sup>34</sup> corresponding to its policies toward Pakistan and India. At a broader level, it reflects differences between the Republicans and Democrats, the former giving priority to extending security assistance to Pakistan, the latter raising critical questions about its nuclear program and the post-martial law civilian setup. Given Pakistan's internal problems of establishing a viable political system, it is natural that successive regimes found ready partners in the Republicans, and not in the Democrats. The former have traditionally given less attention to the form of government in a Third World country and cared more about its stability and effects on what are considered to be "the tangible and demonstrable interests of the United States."<sup>35</sup>

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<sup>31</sup>Selig S. Harrison, "Cut a Regional Deal," *Foreign Policy* 62 (Spring 1986):129. For the rebuttle of his argument as developed in his earlier article—"India and Reagan's Tilt Toward Pakistan," *New York Times*, July 15, 1981—see James L. Buckley, "Why the United States Must Strengthen Pakistan," letter to the editor, *New York Times*, August 5, 1981, p. 22.

<sup>32</sup>Tariq Ali, *Can Pakistan Survive?* (Harmondsworth, 1983), p. 189.

<sup>33</sup>*Ibid.*, p. 191.

<sup>34</sup>Statements by the Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs (Schneider) before subcommittees of the House Foreign Affairs Committee, December 9, 1982, in *Balancing Strategic Interests and Human Rights in South Asia*, Document 434, AFP-1982 (Washington, DC, 1985), p. 897.

<sup>35</sup>George F. Kennan, "Morality and Foreign Policy," *Foreign Affairs* 64(2) (Winter 1985-86):209-10.

Understandably, Pakistanis felt a great setback during and after the Watergate scandal, with their friend, President Nixon, being its biggest casualty. Typically, Republicans are admired for their bold policies of extending a helping hand to friends. Thus, the Reagan administration's commitment to "rewarding friends and penalizing opponents"<sup>36</sup> is better understood in this part of the world than the Carter administration's flirtations with India, which was never its ally or even a close friend. President Zia found the Reagan administration, as compared to its predecessor, "a little more alive to the realities of the security problem in the region and the importance of Pakistan in the state of affairs."<sup>37</sup> Some would go so far as to praise President Reagan for combatting the post-Vietnam isolationist trends at home and taking up missions against the Soviet influence in Grenada and elsewhere.<sup>38</sup> There is, however, also a minority who would, for example, chide Jeane Kirkpatrick for denying that she is the warrior intellectual of the right wing and the least caring for human rights.<sup>39</sup> Overall, Pakistani observers and decision-makers continue to feel an affinity with the Republican Party.

As far as consciousness about the impact of various groups and institutions on the formulation of foreign policy is concerned, many Pakistanis tend to discount it in favor of a simple monolithic view. This may be the result of Pakistan's total commitment to the United States as guarantor of its national security. Inasmuch as the level of U.S. economic and military aid is critical to Pakistan, its perceptions of U.S. domestic politics revolve around the elements that are most outward-looking in terms of American commitment abroad, especially to Pakistan's security. This so-called "perception of centrality" by Pakistanis about the U.S. role in their survival, especially after its initial military buildup in the 1950s, is a structural constant of the standard Pakistani perspective.<sup>40</sup>

Obviously, it led to high hopes of a consistently strong U.S. commitment to Pakistan, which were dashed first during the pro-India tilt in

<sup>36</sup>Husain, "Pakistan-U.S. Security Relations," p. 23.

<sup>37</sup>Transcript of an Interview with Pakistani President Zia ul-Haq, Rawalpindi, December 4, 1981 (extract), in *We Are Not Acting as Stooges of the United States*, Document 462, AFP-1981 (Washington, DC, 1984), p. 885.

<sup>38</sup>Parveen Arabi, "Security of Pakistan: Limitations of American Aid," *The Nawai-Waqt*, January 3, 1985.

<sup>39</sup>Shahid, "Jeane Kirkpatrick," *The Jung*, January 5, 1985.

<sup>40</sup>Stephen P. Cohen, "U.S.-Pakistan Security Relations," in Rose and Husain, eds., *U.S.-Pakistan Relations*, p. 20; Burke, *Mainsprings*, p. 143.

U.S. policy in the early 1960s, then during the 1971 Indo-Pakistan war, which manifested a so-called tilt toward Pakistan, and finally during the late 1970s on the issue of nuclear nonproliferation. Despite these setbacks and the corresponding search for new vistas of friendship, Pakistan's systemic bias in favor of security links with the United States continued exerting pressure on its foreign policy. Finally, in the wake of the Afghanistan issue, Pakistan once again established a close security relationship with the United States, despite its recent conversion to nonalignment. President Zia dismissed any adverse effects of the new Pakistan-U.S. economic and military aid program on the country's nonaligned status, declaring, "There are only two countries which are nonaligned—that is the United States and the Soviet Union."<sup>41</sup> Pakistan's feeling of insecurity sometimes shows through some observers' dismissal of \$3.2 billion as "not a staggering sum," and its military component as "surely not enough to make the Kremlin shudder."<sup>42</sup>

It is natural, therefore, to find Pakistanis complaining about the unreliability of the United States as a friend. These allegations originally stemmed from the close Indo-U.S. collaboration against the PRC in the 1960s. For almost two decades since then, the United States shied away from committing itself to Pakistan at the level of the 1950s. While Pakistan looked on the United States from a totalist point of view as guarantor of its security, U.S. perceptions of Pakistan did not go far beyond "a trustworthy instrumentality to serve as a conduit in the realization of a principal strategic concern,"<sup>43</sup> such as opening up to the PRC in 1971. Again, in the 1970s, American hypocrisy on the issue of nuclear nonproliferation—supplying nuclear fuel to India but putting pressure on Pakistan's nuclear program—created widespread disillusionment with the U.S. government.<sup>44</sup> It is thus not uncommon to see the Pakistani press strongly condemn the Americans for their self-assured "right of opting out whenever they have

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<sup>41</sup>Transcript of an Interview with Pakistani President Zia ul-Haq, Rawalpindi, October 16, 1981 (extracts), in *Pakistan Must Stand on Its Own Feet*, Document 459, AFP-1981 (Washington, DC, 1984), p. 880.

<sup>42</sup>A. Fareed Ameen, "USA and Pakistan: A Security Relationship," *Pakistan Times*, January 23, 1985.

<sup>43</sup>Richard Sisson, "Pakistan and U.S. Foreign Policy Formulation: Interest, Perception, and the Context of Choice," in Rose and Husain, eds., *U.S.-Pakistan Relations*, p. 125.

<sup>44</sup>See e.g., Shirin Tahir-Kheli, *Evolution*, p. 100; and Agha Shahi, "Inaugural Address," in Rais Ahmed Khan, ed., *Pakistan-U.S. Relations*, p. 4.

made a tactical deal with the other superpower, leaving their allies in a quandary.’<sup>45</sup> Taking the matter still further, a former Pakistani foreign minister condemned both superpowers for the invasion of Afghanistan and Lebanon, thus shaking the faith of Third World nations in them as the upholders of a civilized world order.<sup>46</sup>

Despite these misgivings, Pakistan and United States have managed to remain allies for three decades, mainly because their interests converged on the need to maintain the former’s stability at any cost. From praising Ayub Khan for establishing ‘‘a stable political situation’’<sup>47</sup> in Pakistan to the present moment, a commitment to Pakistan’s stability is a constant feature of American foreign policy. In its comment on their aid agreement in 1981, the State Department announced that ‘‘a stronger, more self-confident Pakistan, capable of withstanding Soviet pressures, is in our national interest.’’<sup>48</sup> President Zia, on his part, endorsed U.S. acceptance of the strength and importance of Pakistan as the sole criterion of the new aid agreement between the two countries.<sup>49</sup> Similar direct relationships between the U.S. conception of stability in South Asia and U.S. aid to Pakistan have been stressed by Sahabzada Yaqub Ali Khan.<sup>50</sup> In other words, Pakistan’s stability, as defined in terms of its security needs, carries a high priority, not only within the country but also in its relationship with the United States.

That explains the predominantly militarist notions of national security in Pakistan, which serve as the basis of its aid relationship with the United States. In fact, Pakistani perceptions of the centrality of the U.S. role in their security have essentially revolved around their arms

<sup>45</sup>Editorial, *The Muslim*, July 15, 1985.

<sup>46</sup>Inaugural Address by Agha Shahi to the First International Conference on ‘‘The Strategy for Peace and Security in South Asia,’’ *Strategic Studies* 6(2-3) (Winter-Spring 1982-83):18.

<sup>47</sup>National Security Council, *Report*, quoted in Sisson, ‘‘Foreign Policy Formulation,’’ p. 122.

<sup>48</sup>Transcript of the Department of State daily press briefing, June 15, 1981 (extracts), in *A Stronger More Self-Confident Pakistan, Capable of Withstanding Soviet Pressures, Is in our National Interest*, Document 448, AFP-1981 (Washington, DC, 1984), p. 866.

<sup>49</sup>Transcript of an Interview with President Zia, New York, December 12, 1982 (extract), in *Relationship Between the United States and Pakistan*, Document 458, AFP-1982 (Washington, DC, 1985), p. 953.

<sup>50</sup>Sahabzada Yaqub Ali Khan’s address, ‘‘Foreign Policy Debate in the National Assembly,’’ *Pakistan Horizon* no. 4 (1986):31.

relationship with the latter.<sup>51</sup> The two high-water marks of Pakistan-U.S. relations are the two periods of highly visible arms transfers from the latter to the former, first in the mid-1950s and second in the 1980s. The 1960s and 1970s were the lean years of friendship between the two, precisely because there were long periods of suspension of arms supplies, three arms embargoes on Pakistan—in 1965, 1971, and 1979—and considerable arms supplies to India. In fact, long before Pakistan moved into close political and diplomatic relations with the United States, it had furnished the latter with a long shopping list for the purchase of arms, in an atmosphere of acute shortage of its military arsenal immediately after independence.<sup>52</sup> In other words, the prospects of procurement of arms from the United States initiated the whole process of its friendship with Pakistan, rather than vice versa. Inasmuch as Pakistan's military leadership was able to influence national thinking on arms because of long periods of martial law, articulate public opinion in this country has come to identify national security with "army, defense, weapons, soldiers, missiles, planes."<sup>53</sup> On the other hand, the United States fully appreciates the great desire for arms in Pakistan, as in other Third World countries, and has used arms supplies as the foundation for its relations with them. In this context, the U.S. arms policy has become the surrogate for its foreign policy. What is lacking on both sides is a consciousness of the need for larger economic and political links and the corresponding expansion of the domestic base for the conduct of foreign policy.

### III

We are now in a position to evaluate Pakistani perceptions in terms of their sources, modes, direction, issues, and consequences for policies. It is clear that Pakistan's bureaucratic channels of information and decision-making in the realm of foreign policy tend to operate exclusively at the international level. We have noted that given the infrastructural inability of Pakistan and other new states in the postindependence period, this country took much more time to react to the tremors of U.S. domestic

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<sup>51</sup>Cohen, "Security Relations," p. 20.

<sup>52</sup>For details of the shopping list, see "Pakistan's Request for U.S. Military Material and Assistance to the Department of State, October-November 1947," in R. K. Jain, ed., *U.S. South Asian Relations, 1947-82*, vol. 2 (New Delhi, 1983), Document 8, p. 7.

<sup>53</sup>Husain, "Pakistan's Foreign Policy," p. 15.

politics than to its foreign policy, which reached its doorsteps out of its own volition. That explains the gross lack of Pakistani observations on U.S. politics worthy of serious attention, up to the present moment. Correspondingly, Pakistan has been unable to effect a change of attitude in any sphere of U.S. politics, given the lack of institutional penetration or a domestic constituency like the Jews for Israel. Therefore, it has to operate within the available options, limited to choosing between the Republicans and Democrats, between the White House and Congress, between the State Department and the Pentagon.

As a net recipient of U.S. aid, Pakistanis tend to have a single-function perception of the donor country, which has limited value. Such a monolithic view seems to be the direct outcome of a totalist view of the United States as the guarantor of Pakistan's security. Obviously, this has an adverse bearing on Pakistan's relations with the Soviet Union, which has always looked at Islamabad's strategic alliance with Washington with great suspicion.<sup>54</sup>

The convergence of U.S. and Pakistani views on the Soviet Union can be traced back to a common source of conventional wisdom inherited from British India. Early in this century, Sir Halford Mackinder talked of the "pivot area" of the Eurasian landmass stretching from Iran, Afghanistan, Tibet, Sinkiang, and the vast Russian territory from the Volga basin to the Pacific, and believed that whoever controlled this "heartland" controlled the world.<sup>55</sup> Even though Anglo-Russian rivalry, which provided the impetus, if not a convincing logic, to this theory, is already a part of history, the theory itself continued to attract important adherents. Sir Olaf Caroe, the ex-governor of the NWFP, argued that following the British withdrawal from India and Nehru's strict adherence to nonalignment, only Pakistan remained the possible bulwark against Soviet communism.<sup>56</sup> In fact, he claimed that South Asia was in a real sense the "center of the free

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<sup>54</sup>Rifaat Hussain Syed, "Pak-Soviet Relations III," *The Muslim*, August 22, 1986. Hussain distinguishes between the "alarmist" and "rationalist" schools of thought in Pakistan vis-à-vis its relations with the USSR, according to how they emphasize the ideological-geostrategic view of the Soviet Union or hold the Washington-Islamabad-Beijing axis responsible for alienating the USSR. See Rifaat Syed Hussain, "Pak-Soviet Relations, I," *The Muslim*, August 20, 1985.

<sup>55</sup>Sir Halford Mackinder's theory is discussed in C. Lamb, *Asian Frontiers* (London, 1968), pp. 12-13.

<sup>56</sup>Letter of Chester Bowles, U.S. Ambassador to India, to Secretary of State Allen Dulles and his comments on the origin of the U.S. military aid program to Pakistan, December 23, 1953 (extracts), in Jain, ed., *U.S.-South Asian Relations*, Document 87, p. 84.

world," an argument later taken up by President Carter's National Security adviser, Brzezinski.<sup>57</sup>

Such views, which date back to the pre-cold war era, enjoy an a priori position in the conduct of foreign policy in this region by Pakistan and the United States, long before the former was exposed to the latter's internal politics. For Pakistan, the way to American politics was opened through the relevant aspects of U.S. foreign policy, especially by the need to lobby on such issues as its much-maligned nuclear program during the late 1970s. It was alerted by the activities of Jewish and Indian lobbies, which have become a necessary part of its perceptions of American politics ever since.

Likewise, Pakistan's experience with the three Republican administrations of Eisenhower, Nixon-Ford, and Reagan has been far happier than with the two Democratic administrations of Kennedy-Johnson and Carter; this fact duly reflects the relative affinity of views between the Republicans and the successive Pakistani regimes on the latter's national security, especially in relation to defense strategy. It also indicates that Pakistan's perceptions remain unmediated by concern for institutionalizing a long-term structural presence in the United States in the fields of development and technology and remain confined to short-term objectives such as arms supply. On the other hand, the ups and downs of U.S.-Pakistan relations cannot be exclusively ascribed to the latter's lack of sophisticated knowledge of the former. Rather, there are structural constraints that Pakistan is not likely to overcome in the near future, given its limited resources of thought and action. The initiative will, for the most part, remain in the hands of the United States in terms of meeting Pakistani perceptions halfway.

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<sup>57</sup>For a discussion of the views of Caroe and Brzezinski, see Shafqat Ali Shah, "Pakistan's Perceptions," p. 104.

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## 19. The Impact of Domestic Politics on Pakistan's Foreign Policy: An American View

RICHARD P. CRONIN

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For American analysts and policymakers concerned with South Asian affairs, the impact of domestic politics on Pakistan's foreign policy is a difficult but potentially momentous question. Foreign policymaking in Pakistan, as in other South Asian states, traditionally has been the preserve of a narrow elite. The personality and predilections of the head of government have frequently been the decisive factors. Up to the present, the military and the foreign policy bureaucracy have, more often than not, had the dominant voices. Regional, ideological, and partisan political factors have had an important influence, however, and may carry increasing weight in the future.

Certain shifts in Pakistan's external relations obscure an underlying continuity of objective. However, because it is not necessarily a permanent object of Pakistani policy, the United States cannot draw too much comfort from this underlying stability. The limited restoration of elective politics in 1985 and the potential for a fully operative democratic process in the future, combined with urgent external pressures, make the question even more relevant.

The task of anticipating Pakistan's foreign policy is made more difficult by a history of domestic political discontinuity. As a result, the past is helpful to understanding the present and future, but only to a point. None of the governments of the past three decades, whether of Ayub Khan, Zulfikar Ali Bhutto, or Zia ul-Haq, could be anticipated except in the very short term.

At present, foreign policy is a matter of serious contention. Yet the current political order still provides few opportunities for the play of domestic politics or the exercise of civilian political influence on foreign

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policy. Consequently, it is all the more difficult to assess the real power and salience of various groups and points of view or to anticipate the consequences of a major political change. The premise of this chapter, however, is that domestic politics does influence foreign policy, even when political institutions are suspended, and that the current trend is toward increasing interaction between domestic opinion and foreign policy.

### **Sources of Pakistan's Foreign Policy**

In broad terms, Pakistan's foreign policy has been grounded in the search for security and a distinctive national identity. Above all, this means maximizing the country's autonomy vis-à-vis India, the predominant power in the subcontinent. The pursuit of this objective has led Pakistan into a variety of arms supply and aid relationships, most notably with neighboring China and Iran, and with more distant powers such as the United States, Britain, and France. Toward this end Pakistan has also adopted foreign policy stances designed to undercut Indian influence in international forums such as the United Nations and the Non-Aligned Movement, especially by cultivating good ties with the Islamic world.

Another important goal has been to check Afghan irredentism. Successive Afghan regimes have refused to accept the incorporation of the North-West Frontier Province (NWFP), with its Pathan population, into Pakistan, and have, sometimes with the assistance of India, sought to stir up dissidence in the border region. Afghan recognition of the Durand line dividing the countries has remained an important Pakistani foreign policy goal.

Having come into existence as an impoverished state with few resources, industries, or infrastructure, Pakistan long has sought outside support for economic development. During the 1950s and early 1960s especially, Pakistan's pro-Western foreign policy orientation helped it to become a major beneficiary of multinational and bilateral development aid. This aid built up much of the current irrigation and power infrastructure. In the 1970s Pakistan sought economic support from the conservative Islamic states of the Gulf, whose oil income was soaring. Remittances from its workers in the Gulf became a principal source of foreign currency to cover a large trade imbalance. In the 1980s, once again, Pakistan has emerged as a major beneficiary of U.S. and other Western aid.

### **The Interaction of Domestic Politics and Foreign Policy**

Notwithstanding the institutional power of the foreign policy bureaucracy and the army, domestic politics does have an impact on

foreign policy, occasionally to a decisive degree. It is often difficult to isolate this influence due to collateral changes in the external environment. Nonetheless, some generalizations seem valid. For instance, historically, periods of military rule generally have been periods of tension if not conflict with India. It is questionable whether another leader besides Ayub Khan would have pursued the policies that led to the 1965 war with India. The 1971 India-Pakistan war likewise had its roots in domestic political developments. These led, by degrees, to a major reorientation of the country's foreign policy.

The period of Bhutto's ascendancy and the eclipse of the army in politics saw some reduction in tensions with India, in the wake of the 1972 Simla Accord, and a reorientation of Pakistani policy away from the West and toward the Islamic and nonaligned world. To a significant extent, this shift was a consequence of military defeat, not a demonstrable civilian predilection toward better ties with India.

Currently, Pakistan's relationship with Iran is influenced not only by basic geopolitical factors, but also by the fact that the country has an economically and politically important Shi'a minority and because some Sunni Moslem fundamentalist groups also admire Iran's Islamic revolution.

Relations with India are also influenced by domestic politics. For instance, Pakistan has been wary of Indian proposals for normalization partly out of concerns by conservative forces that wide-open cultural interaction would introduce unwanted anti-Islamic notions, both Hindu and secular, and by the fears of industrialists—many of them immigrants from India—that freer trade would damage Pakistan's industries.

### **Current Constellation of Political Forces and Their Impact on Foreign Policy**

Pakistan's foreign policy is influenced by nationally dominant interest groups, institutional interests, regional minorities, and political parties. Often these groups and interests are overlapping and mutually reinforcing.

#### ***Nationally Dominant Interest Groups***

***Punjabis and Immigrants from India.*** Among various groups and interests in Pakistan, two have dominated foreign policy as they have dominated domestic politics and the economy. Punjabis in general and Pakistanis from various communities who moved to Pakistan after partition (*muhajirs*) have a deep commitment to opposition, if not enmity,

toward India and Indian aspirations of regional dominance. They are also vigilant toward other sources of threat to national integration, such as autonomy movements in Baluchistan, the NWFP, and Sind. This stance has had its own foreign policy ramifications, including hostility toward Afghanistan and, in the early 1970s, cooperation with Iran in putting down a Baluch insurgency.

Punjabis and muhajirs are also dominant in the army and the bureaucracy, including the foreign ministry. Their influence has a significant institutional base as well. Of only slightly less importance, they are disproportionately represented in industry.

### *Institutional Interests*

*The Military.* The military, predominantly represented by the army, has governed Pakistan for much of its history and has often dominated foreign policy. Institutionally, the military has a vested interest in maintaining sure sources of supply of the best available arms, a security-oriented foreign policy, and an aversion to internal disorder and chaos.<sup>1</sup> All of these, together with the relatively low level of development of the rest of Pakistani society, have made the army the one institution with the ability to dominate politics and foreign policy, save for periods of eclipse such as after the 1971 debacle.

Since the Soviet invasion of Afghanistan the military has been the most important factor in Pakistan's foreign policy alignment, most notably support for the Afghan resistance, opposition to accommodation of the USSR under presently available terms, and security cooperation with the United States. The military remains hostile to India, and some officers still express a desire to avenge their 1971 defeat. Much, however, remains unknown about the military's role in foreign policymaking. It is not a monolithic group, and the degree of influence of even its most senior officers vis-à-vis President Zia and Foreign Minister Shahabzada Yaqub Khan is not readily apparent. To a point the military may be content to allow Zia to run foreign policy and make basic political decisions—notably his

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<sup>1</sup>Military leaders frequently pass judgment on the behavior of the "politicians," in which the latter are viewed adversely according to norms that the military can relate to, such as "efficiency." This suggests a tendency to suffer democratic politics only so long as the political leaders remain on good behavior. Many analysts accept that the military took power in 1977 either to protect its institutional interests during a period of chaos or, more darkly, for personal power. Oft-expressed military attitudes toward politics suggest something more fundamental, i.e., a basic cultural antagonism toward Western-style politics and a preference for authoritarianism.

decision to hold elections and reintroduce parliamentary forms—so long as nothing goes amiss and the personal aspirations of the senior officers and material needs of the services are looked after. Some American observers have speculated that the current political tempest over Benazir Bhutto's campaign for an early parliamentary election, a consequence of the lifting of martial law, may be straining the relationship between Zia and his military colleagues.<sup>2</sup>

*The Foreign Policy Bureaucracy.* The foreign policy bureaucracy has no strong inherent policy inclinations except, perhaps, antipathy toward India and a preference for continuity. Otherwise it dutifully supports the policies of the government in power, apparently finding sufficient satisfaction in serving in an elite cadre. Since the military takeover in 1977 the foreign policy bureaucracy has become heavily dominated by former military officers at the top, a matter of dismay to lower-level members and a potential cause of sympathy for opposition political forces. Since 1982 the ministry has been headed by a retired army officer of exceptional diplomatic skills, Shahabzada Yaqub Khan. Many of the important ambassadorial posts, including, until recently, that of Ambassador to the United States, are also held by military officers.

### *Regional Minorities*

Regional minorities have often been at odds with Pakistan's foreign policy, owing to their opposition to the dominance of Punjabis and muhajirs over the machinery of government and business. In some cases, regional groups oppose national integration and sympathize with foreign states.

*Sind.* In general, Sind was not a strong base of support for the Pakistan movement, and the province has been an important locus of political dissidence. The administrative headquarters at Karachi, the capital, owes its present status as the preeminent commercial and port city largely to the influx of immigrants from India. The interior of Sind has been penetrated increasingly by Punjabi farmers and businessmen, administrators, and muhajirs. The result has been an upwelling of political radicalism based on Sindhi ethnic consciousness.

These problems were bridged to some extent during the ascendancy of Zulfikar Ali Bhutto, a Sindhi. Bhutto gave Sindhis a greater sense of equitable participation in national life (while simultaneously alienating

<sup>2</sup>Richard M. Weintraub, "Pakistani Rulers, Foes Both Scarred by Protests," *Washington Post*, Aug. 24, 1986, p. A21.

the Baluchis and Pathans). Sindhi dissidence might be bridged over again were Benazir Bhutto to come to power. The fact that the current prime minister is a Sindhi has not been sufficient to dampen growing discontent.

In matters of foreign policy, Sindhi dissidence translates into opposition to the present stance toward the Afghanistan question and security cooperation with the United States. Attitudes toward India are less clear, although a few political dissidents have apparently enjoyed the patronage of India. During the 1983 riots the government's allegations of Indian meddling seemed to inhibit Punjabi Pakistan People's Party (PPP) supporters from joining the agitation.<sup>3</sup>

*Baluchistan.* The Baluch, comprising only 2–3 percent of the total population of Pakistan, rival the Sindhis in disaffection. Ironically, the leftist Baluch tribal leaders of the Pakistan National Party (PNP) preside over one of the most backward and feudal social systems in the country. The identification of a few tribal chieftains with the Soviet Union goes as far back as the aftermath of the Russian revolution, when some of the Baluch tribes supported the suppression of the Central Asian minorities as an outgrowth of their opposition to British imperialism.<sup>4</sup> Leftist tribal chieftains, intellectuals, and students opposed the incorporation of Baluchistan into Pakistan in 1947. In the current period, some of the dissident Baluch chieftains have lived in exile in Afghanistan, while leftist university students identify openly with the Soviet-backed regime.

*The Northwest Frontier.* Like Baluchistan and Sind, the NWFP has often felt alienated. This sentiment has sometimes translated into support for Paktunistan as promoted by Afghanistan. Some prominent Pathan leaders such as Abdul Gaffar Khan, the so-called frontier Gandhi, opposed the creation of Pakistan. This tradition continues today with his son, Wali Khan, head of the Awami National Party (ANP). Both from his home in Peshawar and from Kabul and Moscow, which he frequently visits, Wali Khan calls for reconciliation with the Afghan regime and opposition to the U.S.-Pakistan security relationship.

It would appear to the outside observer that Wali Khan's credibility within the Pathan community has declined because of this stance and that on the whole, Pathans tend to support government policy. At the

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<sup>3</sup>Whatever the truth of the allegations, many Pakistanis, even those critical of the marital law regime, regarded the Sind agitation in 1983 as having an antinational character. Haqqani Hussain, "The Show Must Go On," *Far Eastern Economic Review* (hereafter *FEER*), Oct. 27, 1983, pp. 42–44.

<sup>4</sup>Inayatullah Baloch, "Afghanistan-Pashtunistan-Baluchistan," *Aussenpolitik*, vol. 31, no. 3 (1980), pp. 291–295.

same time, many Pathans deeply resent the refugee influx and some, most notably left-leaning intellectuals and students, oppose the government's current policy both for its own sake and because of deeper regionalist and ideological dissidence.

An additional factor is the volatility of the Pakistan border tribes, especially the Afridis and Shinwaris. The traditional antigovernment stance of the tribes has been exacerbated by resentment at efforts to crack down on the drug trade within and across the tribal belt. In the summer of 1986 the government faced a minirevolt in the tribal belt that was put down by force. This incident appeared to highlight the vulnerability of the tribes to manipulation by Kabul and the Soviet Union, a potential constraint on Islamabad's Afghan policy.<sup>5</sup>

### *Political Parties*

Under current circumstances the acquisition of domestic political power, not the ability to influence foreign policy, is the dominant objective of the political parties. Among the parties that aspire to national appeal, only the *Tebrik-i-Istiqal* and the *Jamaat-i-Islami* have strong foreign policy planks.

*Pakistan Muslim League (PML)*. The majority party in the national legislature generally represents the rural landed classes and the new middle class. The current PML resembles in many ways the PML of the late Ayub Khan era, which similarly represented a disparate group of interests without any real ideology or program.<sup>6</sup> For practical purposes the party is aligned with the military and President Zia and thus far seems inclined to support the current foreign policy. As politicians, however, the members are more conscious of the need to be in tune with popular opinion. They are more diffident about support for the Afghan resistance and security cooperation with the United States, to the extent that these are perceived to be personal political liabilities. Additionally, the leaders appear less than enthusiastic about the influence of Western-oriented economic technocrats, a stance that led in part to the displacement of Mahbubul Haq as finance minister by Mian Mohammed Yasin Khan Wattoo. On the other hand, the PML also appears to be sensitive to the potential impact

<sup>5</sup>*The Economist*, Jan. 25, 1986, pp. 34–35.

<sup>6</sup>For a description of the Ayub era PML and obvious points of comparison, see Rounaq Jahan, *Pakistan: Failure in National Integration* (New York: Columbia University Press, 1972), pp. 127–132.

of normalization of ties with India on domestic economic interests, a concern that causes the leaders to prefer a go-slow attitude on this issue.<sup>7</sup>

*Religious Parties.* The religious parties, including the conservative *Jamiat-ul-Ulema-i-Pakistan* (JUP), the more reformist *Jamiat-ul-Ulema-i-Islam* (JUI), and the intellectual reformist *Jamaat-i-Islami* (JI), have limited electoral appeal but considerable influence. The JUI, a supporter of the eleven-party Movement for the Restoration of Democracy (MRD), opposes the current security relationship with the United States but supports the Afghan resistance. The JI, with a strong base of support in the bureaucracy, the professions, the universities, and among certain middle-class economic groups, is effectively aligned with the Zia-Junejo government on foreign policy and strongly supports the current policy toward Afghanistan. Judging from the results of last year's national and provincial assembly elections, the JI appears to have gained support in the NWFP because of its alignment on this issue, while suffering an electoral setback in Karachi.<sup>8</sup>

*Tebrik-i-Istiqlal.* The Tehrik, which has a widespread but numerically thin base of support among the professional and middle classes, is largely the creation of its leader, retired Air Marshal Mohammed Asghar Khan. While its ideology is moderate-conservative, Asghar Khan has taken an outspoken and somewhat idiosyncratic stance against the current Afghan policy and the U.S.-Pakistan security relationship. His position apparently derives from his NWFP origins and his visceral opposition to the martial law regime under Zia ul-Haq. The party has a limited electoral base but was a significant partner in the loose coalition of anti-Bhutto parties under the 1977 Pakistan National Alliance (PNA) umbrella. Asghar Khan's personal reputation as a consistent opponent of martial law

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<sup>7</sup>At the inaugural meeting of the PML on January 18, 1986, the central council adopted several resolutions on foreign affairs. One urged a cautious attitude toward talks with India lest, among other things, Pakistan turn into simply a market for Indian goods. The council also reaffirmed the long-standing Pakistani policy that true normalization could only follow a resolution of the Kashmir issue on lines of the U.N. resolutions (i.e., a plebiscite) and stated that the Afghanistan conflict could be settled only "through political means." On the basis of a Karachi radio report it is not clear whether a political settlement was deemed to require a Soviet withdrawal and the fulfillment of other planks in the country's official stance on the issue or whether these were desirable but not essential goals. Foreign Broadcast Information Service (FBIS), *Daily Report, South Asia*, Jan. 22, 1986 (Karachi Domestic Service in English), p. F1.

<sup>8</sup>Jamaat-i-Islami candidates running as individuals lost ground in the party's Karachi stronghold while winning two seats in Lahore, four in the NWFP and, for the first time, one in Baluchistan. *FEER*, Mar. 7, 1985, pp. 12-13.

and his background as a former military officer with a record of honorable service and opposition to praetorianism have allowed him to project himself as a possible compromise leader in lieu of Benazir Bhutto or another PPP figure.

*The Pakistan People's Party.* The PPP remains, incontestably, the single most popular political party. Originally a vehicle for the ambitions of Zulfikar Ali Bhutto, the party united landed interests, landless labor, the urban intelligentsia, and the urban lower classes under a populist-socialist ideology. While the party professed an international socialist and anticapitalist foreign policy orientation, in practice Bhutto was generally pragmatic about foreign affairs. During his tenure as prime minister Pakistan's policy featured enmity toward Afghanistan, close friendship with China and the Islamic countries of the Gulf, strained ties with the West, and a cautious policy of normalizing relations with India.

The present fissures within the PPP make it more difficult to judge where its center of gravity might lie in foreign policy. The dissident group under Ghulam Mustapha Jatoui's banner are generally conservative landholders who might be expected generally to endorse continuity. By some accounts the army has long regarded Jatoui as possible leadership timber were a "national" government required to alleviate pent-up political steam.<sup>9</sup> Benazir Bhutto, who still appears to command the support of the vast majority of the party, has been cautious in her foreign policy pronouncements. Both on the Afghan question and on the issue of security ties with the United States, she has essentially endorsed the status quo.<sup>10</sup> At the same time, she has aligned herself with the younger, leftist elements of the party, whose natural inclinations are toward a radical foreign policy shift on issues affecting U.S.-Pakistan relations.

### *Prospects for Pakistan's Foreign Policy*

Two essential questions arise concerning the future. First, assuming domestic political stability and continuity, how is the current government likely to respond to possible external developments in light of domestic pressures and influences? Second, how might an alternative government conduct Pakistan's foreign relations under current or alternative external circumstances?

<sup>9</sup>Mushahid Hussain, "Has the Unravelling Begun?" *The Muslim*, Aug. 29, 1986.

<sup>10</sup>Among other interviews see, FBIS, *Daily Report, South Asia*, Aug. 14, 1986, pp. F2-6 (Indian Express Interviews Benazir Bhutto, July 30, 1986, p. 6).

***Current Government's Response to  
Alternative Foreign Policy Scenarios***

Although the foreign policy challenges of Pakistan are multifaceted, the most important issues facing the present government involve Afghanistan, India, and relations with the superpowers. For the past six years Pakistan has carefully and skillfully sought to minimize the liabilities arising out of the Soviet invasion of Afghanistan and maximize the opportunities. While adhering to what it calls its "principled stand" against the Soviet occupation, it has also pursued an active diplomacy aimed at raising its international stature and keeping alive the hope of a peaceful settlement of the issue. By moving into a security relationship with the United States, the army-dominated government succeeded in significantly modernizing its military equipment and raising the level of deterrence, both directly in the case of the Soviet threat and indirectly in the case of India.

While these are significant accomplishments, it remains in question how long external circumstances will permit this favorable maximization of foreign policy opportunities.

*Afghanistan Situation.* With regard to the Afghanistan conflict, there are several growing uncertainties about the future. While Pakistan has succeeded in maintaining its policy for six years, it is not clear, for instance, how long the United Nations negotiations can be pursued without a breakdown over the fundamental problem of Moscow's unwillingness to abandon the communist regime in that country by agreeing to a short time-frame for withdrawal. Thus far Pakistan has stood its ground on the main issues while the Afghan side has made adjustments to allow the talks to continue. At some point, however, the parties could run out of negotiating room unless they are prepared to make fundamental concessions.

Under Mikhail Gorbachev, Soviet policy has increasingly emphasized the necessity for a political settlement in Afghanistan. While the Soviets appear determined to maintain the dominance of the Afghan communists, their statements show increasing flexibility regarding the nature of any internal settlement. Such a Soviet posture may put increasing pressure on Pakistan to show more flexibility in its position.

As noted above, the current policy enjoys limited domestic support. Should the talks break down, or the war heat up, or both, it is possible that increased Soviet military and psychological pressure, combined with destabilization efforts, will weaken the domestic support base to a degree that will cause the PML majority in the national assembly to challenge the policy of the government.

At the same time, the current government obviously recognizes the domestic liabilities of accommodating Moscow. These include the possible creation of an armed Palestine Liberation Army (PLO)-type Afghan exile force as a permanent part of the political scene, forceful criticism from the Jamaat-i-Islami and other fundamentalist political forces, and perhaps the development of fissures in the ranks of the military that would upset the current political compact.

*India-Pakistan Relations.* Thus far Pakistan has managed to continue a normalization dialog with India despite severe strains growing out of the crisis in the Indian Punjab (in which Pakistan is accused of playing a meddlesome role), exchanges of fire in the Siachen glacier area and other points on the line of control in Kashmir, and growing acrimony over each country's perceptions of the other's nuclear activities. As with the Afghanistan situation, the government apparently perceives its best interest in treading a line between politically unpalatable normalization steps and a complete breakdown in the dialog.

A new conflict with India would shatter Pakistan's current foreign policy calculations and place enormous stress on the U.S.-Pakistan relationship. It could put the Soviet Union in a position to orchestrate a peace that would make Moscow the arbiter of South Asian security. Fortunately, up to now India has not seen any gain from a conflict with Pakistan. Were the situation in the Punjab to break down completely or discontent to get out of hand in Kashmir, the potential for a major breakdown in relations or even conflict would grow significantly.

Similarly, the signs appear to be pointing to an approaching decision concerning nuclear weapons in the subcontinent. Various press reports suggest that both Pakistan and India are taking actions that imply an imminent nuclear weapons capability, despite official denials. These include reports allegedly based on intelligence information that Pakistan has enriched uranium beyond 30 percent; that both countries have clandestinely purchased flash x-ray technology that could be applied to warhead development; and that New Delhi has secretly acquired unsafeguarded heavy water or has diverted heavy water from facilities now under international inspection.<sup>11</sup>

While Soviet verbal threats against Pakistan have become routine over the past years, Moscow's July 1986 warning to Pakistan not to develop

<sup>11</sup>K. N. Malik, "London Paper Says India Shopping for Nuclear Devices," *The Times of India* (Bombay), May 10, 1986, p. 9; Gary Milhollin, "Dateline New Delhi: India's Nuclear Cover-up," *Foreign Policy*, Fall 1986, pp. 161-175; "Soviet Warns Pakistan on Bomb; America Complains to Russians," *The Washington Post*, July 16, 1986, p. A8; Dilip Mukerjee, "U.S. Media Focus on Pak N-Plan," *The Deccan Herald* (Bangalore), July 18, 1986.

nuclear weapons and reports that the Soviet Union may be urging India to take military action against Pakistan before it actually deploys nuclear weapons are disturbing.<sup>12</sup> At a minimum, it suggests that Moscow is escalating its rhetoric in an irresponsible fashion.

While none of these reports can be taken at face value, one must necessarily reflect on the fact that Pakistan has enjoyed over the past six years a remarkable degree of success for its foreign policy in the face of very adverse conditions. Whether in the future the conflicting pressures will continue to exist in a relative equilibrium or will shift fundamentally in an adverse fashion remain to be seen.

*U.S.-Pakistan Relations.* U.S.-Pakistan relations have deepened over the past six years and now rest on a degree of mutual confidence not known since the height of the alliance relationship in the 1950s. In both countries, however, the bilateral relationship appears to rest on footing that cannot be taken too much for granted. In the United States, domestic political support for aid to Pakistan is dependent on the perception that Pakistan is threatened by the Soviet Union and is playing a supportive role on the Afghanistan question and on the controversial assumption that U.S. aid deters Pakistan from going nuclear. Were these perceptions to change, maintaining current levels of aid would become very difficult.

The 100th U.S. Congress, which convenes in January 1987, will be asked to approve the new \$4.02 billion multiyear aid program for Pakistan for the period after fiscal year 1987. To approve further aid, Congress will have to consider how to deal with Section 669 of the foreign assistance act (Symington amendment), which bars aid to countries—in this case Pakistan—that have acquired unsafeguarded uranium-enrichment technology. In 1981 action Congress waived the applicability of this provision in Pakistan's case, subject to certain conditions, until September 30, 1987. Aid cannot be continued into fiscal year 1988 without further congressional action on this score.

How Congress will deal with this question cannot be determined in advance. What is certain is that consideration of a new waiver will occur amidst a climate somewhat different from that of 1981, when the question was taken up.<sup>13</sup>

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<sup>12</sup>"Soviet Warns Pakistan," *The Washington Post*, July 16, 1986, and "Revelations about Conspiracy to Attack Pakistan," *Haidar* (Rawalpindi in Urdu), FBIS, *Daily Report, South Asia*, September 30, 1986, p. F2. (The editorial is based on an article in the Calcutta newspaper *Ananda Bazar Patrika*.)

<sup>13</sup>As of mid-1987 the relevant authorizing committees both have reported out aid legislation generally supporting the proposed aid package, but providing only a two-year extension of the Symington Amendment waiver authority rather

Similarly, despite the growth of confidence in U.S. constancy over the past few years, many Pakistanis still question the premises of the relationship and its benefits for Pakistan. A variety of possible developments could fuel anti-Americanism and make security cooperation unpalatable. These could include some new crisis in the Middle East in which adverse reaction to U.S. policy proved destabilizing to U.S.-Pakistan relations or, less likely, a development in U.S.-India relations—such as a major arms transaction—that Pakistan found inconsistent with continued U.S.-Pakistan security cooperation. Such a perception likewise could lead to a change in the foreign policy of even the present government of Pakistan.

### **Foreign Policy Approaches of Alternative Governments**

While the record is one of strong continuity in the objectives of Pakistan's foreign policy, various administrations have pursued some quite different means. One can take it almost as a given that the Kashmir question and the maintenance of as favorable a balance of power with India as possible will remain the main foreign policy preoccupations of any government of Pakistan. In this sense, the debate over the country's Afghanistan policy is less one of "hawks" versus "doves" than one involving a dispute over which threat to emphasize and the appropriate means to meet that primary threat.

Three alternative political scenarios seem most relevant to this discussion of domestic politics and foreign policy. The first would involve a variant of the current civilianization policy that would put the army firmly out of politics and lead to a government dominated by the Muslim league and other conservative forces. By implication this scenario could only work if President Zia would give up office, perhaps as a concession to those seeking more radical change. The second scenario involves a more dramatic change that would bring Benazir Bhutto or the Movement for the Restoration of Democracy (MRD) coalition to power. One avenue to power would be the electoral route, either in the scheduled 1990 elections or an early poll, as currently demanded by the MRD. Another avenue could arise were a violent upheaval to lead the army to ask her to form a government. Finally, there is always the possibility of a return to martial law.

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than the six-year waiver sought by the administration. Members favoring more stringent provisions linking U.S. aid to the cessation of Pakistan's suspicious nuclear activities have declared their intention to introduce amendments during floor consideration of the aid bills in both houses.

Should the present elected politicians succeed in acquiring more complete control over the levers of government, the likelihood would be broad continuity in foreign policy. Under this situation the main changes would come from external developments, not domestic politics. Such a government would likely be inclined toward a more pragmatic policy that showed greater sensitivity toward public desires for an accommodation on the Afghanistan issue and less willingness to cooperate with the United States in supporting the *mujabidin*. At the same time, Pakistan would be unlikely to opt out entirely from its current Afghan role, and it would maintain continuity on other fronts, such as relations with China, the Gulf countries, and India.

Pakistan's foreign policy under an MRD or PPP government could depend heavily on the circumstances of how such a government came to power, though in any case one would expect a significant change in the U.S.-Pakistan relationship. To date Benazir Bhutto has sought to portray herself to the American audience as an acceptable alternative to the current government, from the point of view of U.S. interests. Whether that same stance is genuine or tactical remains to be tested, but its premise is that an orderly, democratic transition need not change Pakistan's foreign policy in a fundamental way. A prudent analyst would have to assume, however, that an MRD or PPP government taking power under these circumstances still would be less likely than an PML government to maintain Pakistan's present "frontline" stance on the Afghanistan question.

In the event that an MRD or PPP government took power following an upheaval, a radical shift in foreign policy is considerably more likely. The younger, left-wing members of the party would presumably have more influence as a consequence of their role in bringing about the collapse of the existing system. Overall, a change brought about by violence and disorder would naturally tend to favor sweeping away everything associated with the previous government, including its foreign policy.

Finally, however, under conditions of widespread disorder a return to martial law is at least as likely as the installation of a MRD or PPP government. All things being equal, such a development would imply continuity with the present policy. However, the circumstances that brought about a return to martial law could also introduce unpredictable elements into both Pakistan's foreign policy and U.S.-Pakistan relations.

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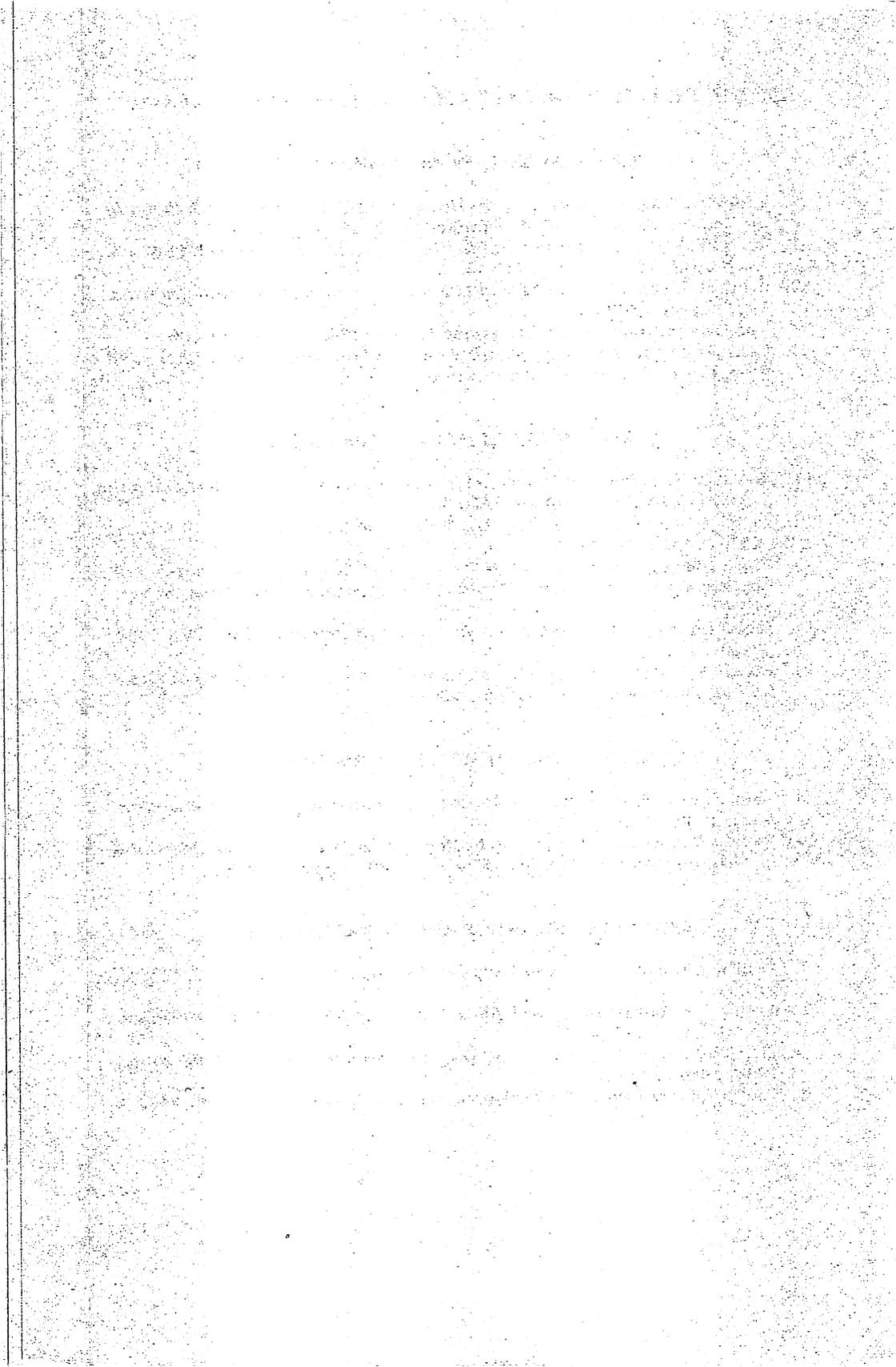
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