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PAKISTAN: BALANCING REFORM AND COUNTERTERRORISM

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WEDNESDAY, JULY 14, 2004

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met at 9:34 a.m., in room SD–419, Dirksen Senate Office Building, Hon. Richard G. Lugar (chairman of the committee), presiding.

Present: Senators Lugar, Chafee, Biden, and Bill Nelson.

OPENING STATEMENT OF SENATOR RICHARD G. LUGAR, CHAIRMAN

The CHAIRMAN. This hearing of the Senate Foreign Relations Committee is called to order.

The Foreign Relations Committee meets today for an important discussion on Pakistan, a key ally of the United States in the global war on terrorism. Pakistan's efforts against terrorists within its borders, its stewardship of its own nuclear arsenal, and its relations with other nations in the region are critical to global security. The commitment of the U.S. Government to provide Pakistan with $3 billion in assistance over 5 years is a measure of Pakistan's importance to our own national security objectives.

President Musharraf faces immense challenges in rooting out extremism and putting Pakistan on a stable path toward economic development and democracy. He has called for modernization and conciliation across the Islamic world to reverse the spread of terrorist influences and movements. Pakistan has improved its economic performance over the last 2 years and increased spending on health and education.

To be fully successful, Pakistan's efforts at reform and modernization will require broad-based participation by the Pakistani people. Institutional checks and balances, along with accountability and transparency, are important elements needed for long-term stability in Pakistan. The international community and the United States should support reforms and contribute to the strengthening of Pakistani civilian institutions.

Pakistan's stability also is intricately tied to the pursuit of peace with India through comprehensive negotiations. For many years, Pakistan's conflict with India has sapped its resources and distracted its attention from reducing poverty and enhancing its economic potential. The United States has strongly encouraged Pakistan and India to continue their dialog in the issues that divide them. The 8-month cease-fire along the Line of Control in Kashmir is the longest such cease-fire in more than a decade. This progress,

coupled with the nuclear confidence-building measures, to which both sides agreed last month, could help build momentum for a more permanent and more deeply-rooted strategic stabilization of South Asia.

The substantial increase in United States assistance for Pakistan is intended to help Pakistan meet these challenges. We must think carefully about how we balance military and economic assistance to promote security, development, strengthened democratic institutions, and improved education. Military assistance provides communications, firepower, and mobility, three capabilities that are essential to the Pakistani army's efforts to track down and apprehend al-Qaeda operatives. U.S. economic and technical assistance programs support social sector development, particularly in areas like education reform.

In August 2002, USAID signed a 5-year $100 million grant agreement with the Government of Pakistan to support reform of the public education system, with emphasis on early childhood and teacher education. Currently only 42 percent of Pakistani children between the ages of 5 and 9 are enrolled in school, and less than half of these children complete 5 years of schooling. The failing public education system in Pakistan has prompted many parents to send their children to madrassahs, religious schools. Some of these schools incite violence and serve as a breeding ground for terrorists. The Pakistan Government has taken some steps to address the problem surrounding the religious schools, but much more needs to be done.

Today we welcome a distinguished panel to help us review the status of U.S.-Pakistan relations and to assess the Pakistan Government's efforts to combat terrorism and implement reforms. With us are Ms. Teresita Schaffer, the South Asia Program Director of the Center for Strategic and International Studies; Dr. Vali Nasr, Professor of Middle East and South Asia Politics at the Naval Postgraduate School in Monterey, California; and Dr. Marvin Weinbaum from the Middle East Institute.

We look forward to the insights of each of these witnesses. We welcome them to the committee table today as they propose recommendations for United States policy toward Pakistan.

Let me mention that the distinguished ranking member Senator Biden's train is due in shortly. It has been delayed. When Senator Biden arrives, I will recognize him for his opening statement.

But for the moment, we will proceed with the testimony of our witnesses, and we look forward to their testimony. I will ask you to testify in the order I introduced you. That would be, first of all, Ms. Teresita Schaffer. Would you please proceed.

STATEMENT OF HON. TERESITA C. SCHAFFER, SOUTH ASIA PROGRAM DIRECTOR, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Ambassador SCHAFFER. Thank you, Mr. Chairman, and thank you for inviting me to share my views with the committee.

This discussion of Pakistan is both timely and important. Policy toward Pakistan has always attracted more than its share of controversy, in part because of the heavy list of U.S. interests that are

in play and in part because of the internal stresses that have affected Pakistan over the years.

I believe that the United States needs to adopt a comprehensive strategy toward Pakistan or we risk failing in all of our objectives. Focusing primarily on one goal, even a vitally important one like counter-terrorism, is a false choice because the issues we face in Pakistan are so intimately connected. I recommend that we use our assistance and our diplomatic leverage in three predominant ways.

First, generous economic assistance, most of it specifically programmed toward the rebuilding of Pakistan's institutions rather than in cash.

Second, a security relationship conditioned on a Pakistani foreign policy compatible with U.S. security interests.

And third, an active diplomatic posture, encouraging India and Pakistan to work toward robust nuclear risk reduction and a durable settlement.

I will go through each of these elements in turn, but first let me set the context.

The United States has extraordinarily ambitious hopes and objectives in Pakistan.

First, combating terrorism. We seek to put out of business the terrorist organizations that have operated from Pakistan and Afghanistan.

Second, maintaining peace in the region, eliminating if possible the risk that two nuclear-armed rivals, Pakistan and India, will go to war, providing support for a durable peace process, and helping Pakistan and Afghanistan rebuild a decent relationship.

Third, ending nuclear transfers, trying to ensure that Pakistan's nuclear assets and know-how are not transferred, and that the nuclear bazaar maintained by Pakistani scientist, A.Q. Khan, is fully revealed and disabled.

And fourth, rebuilding Pakistan's political institutions which are the foundation of any kind of decent government and certainly of any kind of democratic government, which I believe is what most Pakistanis want.

This is a heavy agenda, which the United States has attempted to deal with by policy triage and by focusing on the personal leadership of President Musharraf. In practice, high level dialog between Pakistan and the United States has been dominated by the anti-terrorism issue.

Both the triage and the personal focus are, I believe, flawed concepts. By focusing such a high percentage of our dialog on anti-terrorism, I fear we are leaving Pakistan with the impression that as long as it satisfies the most urgent U.S. demands on the anti-terrorism front, the United States will look the other way if our policies diverge in other areas. We have already seen that this really is not true. A crisis in India-Pakistan relations, as happened in 2002 or a crisis on nuclear transfers, as happened late last year, quickly brings these issues to the top of the United States' to-do list.

More importantly, triage neglects the connections among the issues on the U.S. agenda. If we really want to help Pakistan to dismantle its terrorist infrastructure, we have to help Pakistan deal with the other ramifications of that terrorist infrastructure in

Kashmir and India-Pakistan relations and we have to address the connections between India-Pakistan rivalry and the nuclear issue.

I also believe that the U.S. tendency to build its policy around the person of President Musharraf is a mistake. Clearly leaders are important, especially in troubled times. My argument is that we need to have a broader base to our policy. President Musharraf is certainly important, but we need to act as if the institutions in Pakistan, including the parliament and the elected government, are important, even on those occasions when Musharraf acts as if they are not.

This brings me back to the U.S. strategy for dealing with Pakistan. A comprehensive strategy, which is what I am recommending, would have many elements to it, but I would like to address three that are intimately connected to issues the Congress will be asked to vote on.

The first is economic assistance. The administration has requested a total of $350 million in economic assistance for the coming fiscal year when you combine ESF and DA. It proposes to provide $200 million of that in cash, or debt relief, which is the equivalent, and the remainder under specific programs. I believe that two-thirds rather than half of the U.S. ESF package—that would be $400 million in ESF plus the planned $50 million in DA—should be devoted to economic assistance, and that at least $250 million per year should be programmed, half of it for activities that rebuild Pakistan's institutions and its educational system. This economic assistance, I would argue, should be provided without foreign policy conditions.

Which institutions am I talking about rebuilding? I would start with the judiciary, the civil service, the police, and the institutions that administer water and power. Financial support will make institutional reform an even more attractive option than it already is for the government.

These are the institutions on which any kind of decent government depends. Without institutions, there really is no possibility of democratic government. You can have elections, but you will have no counterweight to the power of the Presidency in between elections. Therefore, institutional rebuilding, to my way of thinking, is the best way and the only serious way to structure a democracy policy. It will not bring democracy soon, but it is the only chance of helping democracy grow over time.

On education, I know you will hear from the other witnesses on this subject. I would like to put in a plea for rebuilding Pakistan's public schools rather than strictly focusing on madrassah reform. If you want to ask me more details about that, I will be happy to answer questions.

Pakistan today is in better economic shape than it has been in many years. But two ingredients are still needed for a healthy economic environment. One of these is increased investment in productive capacity, and the other is increased social spending. Both are currently very low by international standards despite the verbal understandings between the U.S. and Pakistani Governments on how our cash assistance should be spent. This is to my mind another reason to try to program more of our assistance.

The second strategic element I wish to discuss is a security relationship. Both the nature of Pakistan's problems and the historical role of its military make it essential to keep up active communication between their military and ours and a serious dialog between our two governments on security issues. Pakistan has a longstanding sense of insecurity, stemming from its rivalry with a much larger neighbor. Its friends need to take that seriously.

But the United States should be selective about military supply. Pakistan has real security needs, but it has also periodically undertaken reckless policies that were strongly contrary to U.S. interests. The incursion into Kargil 5 years ago is a case in point. So is Pakistan's unwillingness to abandon the option of returning to active support for the Kashmir insurgency. Therefore, I would argue that the U.S. supply of major weapons systems should proceed only if we are confident that Pakistan's foreign and security policy is compatible with U.S. interests.

The third element to U.S. policy, an active diplomacy on India-Pakistan peace, is the other side of that coin. Happily, as you noted, Mr. Chairman, India and Pakistan have now resumed an active dialog and they have basically restored their bilateral relations to about where they were before the bombing of the Indian parliament in December 2001.

I hope that the coming months will see real decisions by India and Pakistan, to create some visible successes in the short term and to lay the groundwork for peace in the longer term. Two great places to start would be by opening the road between the two parts of Kashmir, something that both sides say they want to do, and by negotiating an electric grid connection between the two parts of Kashmir and effectively between India and Pakistan, a much more ambitious goal.

Another useful early step would be to strengthen the risk-reduction measures that India and Pakistan have agreed on from time to time. I was delighted that the Indian and Pakistani foreign secretaries agreed last month to strengthen the hot lines between the two countries, both at the military level and between themselves, between the two foreign secretaries.

Let me diverge for just a moment to tell the committee about an interesting exercise that I participated in earlier this year. My colleague Bob Einhorn from CSIS organized three meetings with a distinguished group of former military officers, civilian officials, and academics from India and Pakistan and a small team of Americans to see whether the concept of nuclear risk reduction centers could be adapted to be a useful mechanism for India and Pakistan. The group concluded that the model used by the United States and Russia was not suitable, but that a new communications mechanism would be useful. In their concept, the mechanism would provide a dedicated, secure means of doing three things: first, each side notifying the other about activities or events on its territory that might be misperceived or misinterpreted, leading to conflict; second, exchanging information that the two countries are obliged to exchange under existing security agreements; and third, seeking and receiving clarifications about ambiguous events on the territory of the other. The group also concluded that the infrastructure

in the region could support such a mechanism for a relatively modest cost.

The Indian and Pakistani members of the group shared our report with their respective governments, and it is now up to those governments to decide whether these ideas are useful.

Coming back to U.S. policy, my key point is that the United States needs to be actively, strategically, and discreetly involved in helping India and Pakistan move their peace process forward. The new government in India will need some time to figure out how it is comfortable interacting with the United States on this sensitive issue, but I remain convinced that a serious and sophisticated U.S. diplomatic effort will be very important to the success of this enterprise.

Let me conclude with a thought about hyphenation, or linkage between our relations with India and Pakistan. The United States has, as far back as I can remember, tried to avoid treating India and Pakistan policy as if they were joined at the hip. That is a proper goal, but frankly both India and Pakistan make it hard to achieve. They relentlessly keep score on U.S. affections. Each of them ultimately needs to understand that a close tie with Washington is not going to diminish American ties with the other. That is a tough message particularly for Pakistan. Pakistan is understandably suspicious about the blossoming of U.S.-Indian relations in the last few years, the more so because they have had doubts for decades about the reliability of their ties to the United States. The strategy I suggest here is in no way incompatible with the expansion of U.S.-India ties, which I consider to be one of the key elements of U.S. policy toward Asia. In short, we have to do both.

Thank you, Mr. Chairman.

[The prepared statement of Ambassador Schaffer follows:]

PREPARED STATEMENT OF HON. TERESITA C. SCHAFFER

U.S. STRATEGY IN PAKISTAN: HIGH STAKES, HEAVY AGENDA

Mr. Chairman, thank you for inviting me to share my views with the Committee. Your discussion of Pakistan is timely and important. Pakistan's future matters profoundly to the United States. Policy toward Pakistan has always attracted more than its share of controversy, in part because of the heavy list of U.S. interests that are in play, and in part because of the internal stresses that have affected Pakistan over the years.

I believe that the United States needs to adopt a comprehensive strategy toward Pakistan, or risk failing in all of our objectives. Focusing primarily on one goal, even a vitally important one like counter-terrorism, is a false choice, because the issues we face in Pakistan are so intimately connected. I recommend that we use our assistance and our diplomatic leverage in three ways:

- Generous economic assistance, most of it specifically programmed toward the rebuilding of Pakistan's institutions rather than in cash;
- A security relationship conditioned on a Pakistani foreign policy compatible with U.S. security interests; and
- An active diplomatic posture, encouraging India and Pakistan to work toward robust nuclear risk reduction and a durable settlement.

I will go through each of these elements in turn, but first, let me set the context. The United States has extraordinarily ambitious hopes and objectives in Pakistan.

- *Combating terrorism:* The United States seeks to put out of business the terrorist organizations that have operated from Pakistan and Afghanistan, as well as the organizations that have given them support and sanctuary. I'm referring chiefly to Al Qaeda and their supporters in the Taliban, but also to radical militant organizations that have established a base in Pakistan.

- *Maintaining peace in the region:* The United States wants to reduce and if possible eliminate the risk that the two nuclear-armed rivals, Pakistan and India, will go to war, and to provide appropriate support for a durable peace process. It also wants Pakistan and Afghanistan to build a constructive relationship, despite their complicated history.
- *Ending nuclear transfers:* The United States seeks to ensure that Pakistan's nuclear assets and know-how are not transferred outside of Pakistan, and that the nuclear bazaar maintained by Pakistani scientist A.Q. Khan is fully revealed and fully disabled.
- *Rebuilding Pakistan's political and economic institutions:* Finally, the United States wants to help Pakistan restore the health of its institutions, and move toward sustainable, effective, and decent government. I believe that this means democratic government, and that this is what most Pakistanis want, but I do not believe that full democratic government will happen soon.

This is a heavy agenda, which the United States has attempted to deal with by "policy triage" and by focusing on the personal leadership of President Musharraf. In practice, high-level dialogue between Pakistan and the United States has been dominated by the anti-terrorism issue, and the U.S. government has looked on Musharraf personally as the man who needed to deliver Pakistan.

Both these concepts are flawed. By focusing such a high percentage of our dialogue on anti-terrorism, I fear we are leaving Pakistan with the impression that as long as Pakistan satisfies the most urgent U.S. demands on the anti-terrorism front, the United States will look the other way if our policies diverge with respect to relations with India, nuclear transfers, or Pakistan's internal rebuilding efforts. We have already seen that a crisis in India-Pakistan relations (as happened in 2002) or on nuclear transfers (as happened late last year) can quickly bring these issues to the top of the U.S. "to do" list.

More importantly, "triage" neglects the connections among the issues on the U.S. agenda. Pakistan's long-standing hostile relationship with India and its grievances over India's possession of the most important parts of Kashmir have led it to support armed insurgency in Kashmir. It has maintained a substantial extremist infrastructure within Pakistan, one that has come to threaten President Musharraf's life. But even this threat has not led Pakistan to dismantle that infrastructure, because of the links between these extremists and Pakistan's yearning to change the status quo in Kashmir. In other words, if we really want Pakistan to dismantle the terrorist infrastructure, we have to help Pakistan deal with its other ramifications, in Kashmir and in India-Pakistan relations, and we have to address the ties between India-Pakistan rivalry and the nuclear commerce conducted out of Pakistan.

I also believe that the U.S. tendency to build its policy around the person of President Musharraf is a mistake. Clearly, leaders are important, especially in troubled times. President Musharraf dominates the power structure in Pakistan, and many of his decisions have been helpful to the United States. My argument is that we need to have a broader base to our policy. He is not the only person who matters, especially if one believes, as I do, that Pakistan's ability to face down its internal extremists ultimately depends on its ability to rebuild viable political and economic institutions. We need to act as if these institutions mattered, even when President Musharraf does not.

This brings me back to the U.S. strategy for dealing with Pakistan. A comprehensive strategy would have many elements to it, but I would like to address three that are intimately connected to issues the Congress will be asked to vote on.

First, *economic assistance.* The administration has requested $350 million in economic assistance for FY 2005 under ESF and DA. It proposes to provide $200 million of that in cash and the remainder under specific programs. I believe that two-thirds rather than half of the total U.S. assistance package—that would be $400 million in ESF plus the planned $50 million in DA—should be devoted to economic assistance, and that at least $250 million per year should be programmed, half of it for activities that rebuild Pakistan's institutions and its educational system. This economic assistance should be provided without foreign policy conditions. Pakistan's economic recovery and institutional rebuilding are profoundly important to the United States, and helping them should be a central element in U.S. policy.

Which institutions? I would start with the judiciary, the civil service, the police, and the institutions that administer water and power. The Pakistan government has tried to make a start by reforming the Central Board of Revenue, their equivalent of the I.R.S. The effort was incomplete but shows that there is an interest in this type of reform, and plenty of talent available to devise a reform program. The possibility of significant financial support would make institutional reform an even

more attractive option. Other reform targets include political institutions, including the parliament and provincial governments.

These are the institutions on which any kind of decent government depends. If, as I firmly believe, Pakistan's military-dominated government has become an important part of its domestic problems, the solution has to involve developing robust institutions that can eventually stand up to the power of the military and the presidency. This is, to my mind, the way to structure a serious democracy policy. It will not bring democracy soon, but it is the only approach that has a chance of helping democracy grow over time.

A word about education. I'm sure the other witnesses will have words of wisdom on the effort to reform madrassahs. This is an enormous task, which may be beyond the capability of Pakistan's Education Ministry. I would like to put in a plea for rebuilding Pakistan's public schools. The schools themselves exist. They need staffing, supervision, books, equipment, and repairs. A couple of dedicated NGO's have taken on the task of mobilizing corporate philanthropy to "adopt" non-functioning schools, restore them, and run them. This type of effort is likely to have a quicker payoff and a better chance at the institutional support it needs.

Economic assistance is also supposed to help the economy grow. Pakistan today is in better economic shape than it has been in many years. But two ingredients are still needed for a healthy economic environment. One is increased investment, initially by Pakistanis and eventually, one hopes, by foreigners as well. Pakistan last year devoted only 16.5 percent of its GDP to investment in productive enterprises. This is abysmally low by international standards. More importantly, it cannot begin to provide jobs for Pakistan's rapidly growing working age population. Underemployed young people are ripe for recruitment into terrorism and other antisocial activities.

The other needed element is increased social investment. In principle, our cash aid has been conditioned on increased allocations to health and education. In practice, this has had relatively little effect. Budget expenditures on health and nutrition have risen from 0.7 to 0.84 percent of gross domestic product, but spending on education is virtually unchanged as a share of GDP since 1998, and is well below the level of 1995 (1.8 percent, compared with 2.8 percent in 1995). The ineffectiveness of this effort to encourage a reallocation of Pakistan's resources based on a handshake is a powerful argument for programming a higher share of our economic assistance.

The second strategic element I wish to discuss is a *security relationship.* Both the nature of Pakistan's problems and the historical role of its military make it essential to keep up active communication between their military and ours, and a serious dialogue between the two governments on security issues. Pakistan has a long-standing sense of insecurity stemming from its rivalry with a much larger neighbor; its friends need to take that seriously.

But the United States should be selective about military supply. For many years we provided generous military supply on the theory that a robust conventional force would reduce Pakistan's perceived need to depend on nuclear weapons. There is something to that argument, but it is also true that Pakistan has periodically undertaken reckless policies that were strongly contrary to U.S. interests. The incursion into Kargil is a case in point; so is Pakistan's unwillingness to abandon the option of returning to active support for the Kashmir insurgency. Because the possibility of war between South Asia's two nuclear rivals is a major issue for the U.S., I believe that U.S. supply of major weapons systems should only proceed if we are confident that Pakistan's foreign and security policy is compatible with U.S. interests. Some of the items Pakistan would like to buy, such as the F-16 aircraft that were denied it in 1990 (and for which we finally reimbursed the funds Pakistan had spent in 1998), would currently be inadvisable.

The third element, *an active diplomacy on India-Pakistan peace,* is the other side of this coin. The reason Pakistan's security policy has been so problematic for us is that Pakistan has an unresolved dispute with India. Pakistan's own policy has fed that dispute, especially by encouraging insurgency and ultimately risking conflict with India. But India's reluctance to come to grips with the Kashmir issue is also part of the problem. Happily, India and Pakistan have resumed an active dialogue, and they have now restored their bilateral relations to roughly the situation prevailing before the bombing of the Indian parliament in December 2001.

I hope that the coming months will see real decisions by India and Pakistan, to create some visible successes in the short term and to lay the groundwork for peace in the longer term. Two great places to start would be by opening the road between the two parts of Kashmir, and by negotiating an electric grid connection between the two parts of Kashmir (which effectively means between India and Pakistan).

Another useful early step would be to strengthen the risk-reduction measures that India and Pakistan have agreed on from time to time. I was pleased that the Indian and Pakistani Foreign Secretaries agreed last month to strengthen the hotlines between the two countries' Directors General of Military Operations, and to reinstate a largely dormant hotline between the two Foreign Secretaries.

Let me diverge for a moment to tell the Committee about an interesting exercise that I participated in earlier this year. My colleague Robert Einhorn from CSIS organized three meetings with a distinguished group of former military officers, civilian officials and academics from India and Pakistan and a small team of Americans knowledgeable about the region and about nuclear risk reduction. The purpose was to see whether the concept of Nuclear Risk Reduction Centers could be adapted to become a useful mechanism for India and Pakistan. The group concluded that the model used by the United States and Russia was not suitable for India and Pakistan, but that a new communications mechanism would be useful. This mechanism would provide a dedicated, secure means for each side to do three things:

(1) Notify the other about activities or events on its territory that might be misperceived or misinterpreted and lead to conflict;

(2) Exchange information that the two countries are obliged to under existing security agreements; and

(3) Seek and receive clarifications about ambiguous events on the territory of the other. The group also concluded that the infrastructure in the region could support such a mechanism for a relatively modest cost.

The Indian and Pakistani members of the group shared our report with their respective governments. It is now up to the governments to decide whether these ideas are useful.

Coming back to U.S. policy, the key point is that the United States needs to be actively, strategically and discreetly involved in helping India and Pakistan move their peace process forward. Its quiet presence will be most needed when the process runs into snags, as it inevitably will. The new government in India will need some time to figure out how it is comfortable interacting with the United States on this sensitive issue. But I remain convinced that a serious and sophisticated U.S. diplomatic effort will be very important to the success of this enterprise.

It will also be a key element in dealing with Pakistan's broader problems. Pakistan's chronic insecurity stems largely from its tangled relationship with India. In the final analysis, the only way to craft a sustainable U.S. security relationship with Pakistan is to help India and Pakistan build a new and peaceful relationship.

Let me conclude with a thought about "hyphenation." The United States had long sought a situation in which its relations with Pakistan and India could proceed on their own independent tracks. That is a proper goal, but both India and Pakistan make it hard to achieve. They relentlessly keep score on U.S. affections. Each of them, ultimately, needs to understand that a close tie with Washington is not going to diminish American ties with the other. That's a tough message. Pakistan is understandably suspicious about the blossoming of U.S.-Indian relations in the last few years, the more so because they have had doubts for decades about the reliability of their ties to the United States. The strategy I suggest here is in no way incompatible with the expansion of U.S.-India ties, which I consider to be one of the key elements of U.S. policy toward Asia.

The CHAIRMAN. Thank you very much, doctor, for a really extraordinary paper. We look forward to raising questions after we have heard the remaining two witnesses, and we would like to call now upon Dr. Vali Nasr.

STATEMENT OF DR. VALI R. NASR, PROFESSOR, DEPARTMENT OF NATIONAL SECURITY AFFAIRS, NAVAL POSTGRADUATE SCHOOL

Dr. NASR. Thank you, Mr. Chairman. Thank you for the opportunity to share my observations with the committee.

The recent surge in violence in Pakistan suggests that some 3 years after September 11, 2001, extremism in Pakistan is once again on the rise and is gaining in sophistication and strength, posing a threat to political stability in the country.

Extremism has its roots in regional turmoil that go back to the Afghan war which produced the infrastructure for a region-wide network of extremists. This network has had ties with al-Qaeda and the Taliban and, initially at least, enjoyed support of Pakistan's military which, since the mid-1980s, saw extremism as a strategic tool for managing relations with Afghanistan, keeping India under pressure in Kashmir, and helping the military manipulate domestic politics in Pakistan.

The extremist network was also viewed as a strategic asset by Saudi Arabia in its attempt to contain Iran's influence in the region.

The events of September 11, 2001 led to an international intervention in Afghanistan that dismantled the Taliban regime and downgraded the institutional basis of jihadi activism and also forced the Pakistan military to abandon its overt patronage of jihadi networks and to cooperate with the United States in the war on terror. This cooperation, however, did not reflect a new strategic position. The military's policy, at least until December 2003, when General Musharraf became the target of two al-Qaeda assassination attempts, was to mostly contain and mothball extremists, especially those active in Kashmir rather than eradicate them.

The Pakistan military has continued to believe that in the absence of greater U.S. guarantees regarding Pakistan's long security interests, it is dangerous to completely remove the threat of extremism to Kabul and Delhi. Eradicating extremism would be tantamount to dismantling a weapons system without countervailing concessions from India or Afghanistan.

As a result, in the past 3 years, the military has distinguished al-Qaeda and Taliban from jihadi forces that were active in Kashmir and sectarian groups that are active inside Pakistan. The military cooperated with the United States in suppressing the former while protecting the latter. In fact, Pakistan continues to distinguish between terrorists, those who have ties with al-Qaeda and the Taliban, and freedom fighters, those involved in jihad in Kashmir who are not tied to al-Qaeda. Hence, the military is not concerned with all expressions of extremism, but only with particular extremist groups.

The military has also showed great lenience in allowing prominent leaders of extremist groups to operate in the open. Key recruiters and educators associated with various madrassahs were never targeted by government clamp-downs. Similarly, after September 11, extremist organizations, which became the target of international condemnation, were allowed to voluntarily disband and then to apply for new charters and operate under new names. There was also little done to reduce the power and influence of madrassahs, which continue to produce extremists. This reflects that fact that Pakistan's military leaders remain concerned with Pakistan's position in the region once the war on terror comes to an end and the United States' attention turns elsewhere.

In addition, many in the military, especially among junior officers and enlisted men, are sympathetic to Islamic extremism and some may have ties with them, and they hold anti-American attitudes. The war in Iraq has only accentuated this trend. The presence of these attitudes in the military has made it more difficult

for senior commanders to effectively suppress extremism without risking a breach within the military.

Since he rose to power in 1999, General Musharraf has been primarily concerned with legitimating military rule over Pakistan and extricating the influence of secular civilian parties, especially Nawaz Sharif's Pakistan Muslim League and Benazir Bhutto's PPP, from national politics and was, by comparison, relatively indifferent to containing Islamism. This has provided Islamist activists with ample time and space to regroup and reorganize after the initial collapse of their infrastructure in 2001.

The problem of extremism is also compounded by changes in Pashtoon politics since 2001. Between 1994 and 2001, the Taliban had largely served as an expression of Pashtoon power in Afghanistan which has strong emotive appeal among Pakistan's Pashtoons. The fall of the Taliban has been viewed as the disenfranchisement of Pashtoons before the ascendance of the non-Pashtoon Northern Alliance. That both the United States and Pakistan military are seen as complicit in this development has turned Pashtoon politics anti-American and also critical of the Pakistan military's leadership.

The Pashtoon anger will continue to supply extremists with recruits, and as tensions with the Pakistan military escalate and possibly anger mounts after the Afghan elections, which might consolidate Karzai's position in Kabul, Pashtoon nationalism can become a destabilizing force in both Afghanistan and Pakistan. It can also impact the cohesion of the Pakistan military, which has a significant Pashtoon component.

Revisionist nationalism against a new political order in the region, anti-Americanism and anti-Shi'ism are all staples of extremism in Pakistan which have an echo in the burgeoning extremism in the Middle East. Al-Qaeda and Pakistani extremists have shared ideas and training and may well connect to extend their reach. Already there is suggestions that Jaish Muhammad fighters may have found their way to Iraq. Abu Musab al-Zarqawi's attacks on Shia targets in Najaf and Karbala have an eerie resemblance to attacks on Shia places of worship in Pakistan, and the Ashura bombings in Najaf, Baghdad, and Quetta, Pakistan on March 2, 2004 are indicative of the potential of these linkages.

Now, what more can be done to stem the tide of extremism? In the short run, more needs to be done to directly constrict the problem. This would mean a blanket policy of opposing all expressions of extremism. The government in Pakistan must also do more to disarm extremist groups and limit the space for the recruitment, training, and organization. The government must also take reform of madrassahs more seriously and more effectively limit jihadi propaganda and ability to disseminate their ideas through newspapers and other publications. The success of these measures greatly depend on changes in the broader political climate in Pakistan.

In this regard, it is important to note that the fact that the military insists on ruling over Pakistan reduces its ability to contend with extremism and, in fact, necessitates that it undertake compromises that benefit extremism. Far from the proverbial bulwark against extremism, the nature of politics that is fostered by the

military's domination has encouraged extremism. Whereas for the United States, extremism remains the primary concern; for the Pakistan military, it is staying in power that matters most.

For instance, in order to secure the agreement of the Islamic alliance, MMA, to General Musharraf remaining both President and head of army until December 2004, the military relaxed its pressure on religious activism and backed away from the reform of extremist madrassahs, some of which belong to the constituent parties of MMA, and also shied way from pursuing al-Qaeda activists in south Waziristan earlier.

The military will be far more effective in dealing with extremism if it were not distracted by imperatives of politics and was not duly concerned with political consequences of its security decisions. Conversely, civilian parties, when not hindered by the military, have done a better job of eroding the Islamic forces' base of support.

To the extent that the culture of the Pakistan military is tolerant of Islamic activism, General Musharraf must continue to reform the military and clean it of supporters of extremism.

Much of the economic assistance to Pakistan since 2001 has not found its way to the lower and lower middle classes. The impact of economic restructuring has not only made it difficult to wean away the youth from extremism and to absorb the product of madrassahs into the economy, but has created convergence between socioeconomic disgruntlement and extremist tendencies. More must be done to make sure that aid directly impacts those social classes most at risk of embracing extremism.

Finally, Pakistan military must be encouraged to put forth a serious plan for return of power to civilian politicians. Opposition to authoritarianism and decay in political institutions is on the rise in Pakistan. It will constrict the military's ability to contend with the security challenges before it, and it can provide extremists with the kind of political environment that they need to recruit and operate more freely.

Thank you.

[The prepared statement of Dr. Nasr follows:]

PREPARED STATEMENT OF DR. VALI R. NASR

Recent attacks on Shia places of worship in Quetta and Karachi, a bold assassination attempt against the Corp Commander of Karachi, and growing unrest among Pashtoons following military operations in South Waziristan all suggest that some three years after September 11, 2001 extremist Islamist forces in Pakistan are resurgent, and are gaining in sophistication and strength, all of which poses a threat to political stability in Pakistan.

This brief addresses three issues. First, what are the root causes of religious extremism in Pakistan. Second, what has been done to date to contain extremism, and has it been successful? What is the extent of extremist threat to Pakistan and its surrounding region? Third, what additional steps can be taken to deal with extremism?

ROOT CAUSES OF EXTREMISM

Religious extremism in Pakistan has its roots in the Afghan war. The campaign against the Soviet occupation, and the subsequent battle for dominance in Afghanistan both radicalized various Islamist groups and produced an infrastructure for jihadi activism that supported the network of militants that extended from religious seminaries and recruiting nodes in Pakistan to training camps in Afghanistan. This network produced and supported the Taliban, jihadi fighters in Kashmir [Hizb ul-Ansar/Hizb ul-Mujahedin (HUA/HUM), Jaish Muhammad (JM) or Lashkar Tayiba (LeT)], and Sunni sectarian groups in Pakistan [Sipah Sahaba Pakistan (SSP) or

Lashkar Jhangvi (LJ)].[1] These groups drew their followers from the same madrassahs (seminaries) in Pakistan's NWFP, Baluchistan and Punjab provinces (mostly from Deobandi seminaries), shared in the same hard-line interpretation of Islamism that was focused on jihad, advocated a narrow interpretation of Islamic law and vehement opposition to Shi'ism that represented a new form of Islamic activism, and in many regards was influenced and inspired by Saudi Arabia's Wahhabism.

The extremist network from inception had ties with the Arab fighters in Afghanistan that later coalesced around al-Qaeda and the Taliban, and enjoyed financial support of Saudi Arabia. More important it also enjoyed support of Pakistan's Inter-Services Intelligence (ISI), which since the mid-1980s saw extremism as a strategic tool for controlling Afghanistan (giving Pakistan strategic depth), keeping India under pressure in Kashmir (as was evident in the Kargil operation), and helping the military manipulate domestic politics in Pakistan.

The extremist network was also viewed as a strategic asset by Saudi Arabia in its attempt to contain Iran's influence in the region. The Saudi-Pakistani management of the extremist forces was designed to promote militant Sunni identity across the region that would be anti-Shia and hence, anti-Iranian, and thereby create a militantly Sunni wall around Iran that would extend from the Persian Gulf into Central Asia. To this end much was invested in madrassahs that would train a new breed of firebrand preachers as well as a generation of activists and militant fighters that would serve as the leaders and foot soldiers of the Taliban, jihadi fighters in Kashmir and anti-Shia sectarian forces in Pakistan. Although madrassahs belonging to all schools of Islam in Pakistan were involved in this enterprise, madrassahs associated with the Deoband tradition which is particularly influential among Pashtoons (and is also a force in Punjab) were most prominent in the rise of the new extremism. Deobandis who support a large network of madrassahs developed close financial, organizational and ideological ties with Saudi Arabia to propagate a militant and pro-Wahhabi view of Islam in the Afghanistan-Pakistan corridor, and to enable Riyadh to project power in the region.

The extremist network became particularly prominent during the 1994-2001 period when the Taliban's ascendance in Afghanistan also convinced Pakistan of the greater fighting efficiency of jihadi forces, and hence their utility as a strategic weapon. By 1994 it was clear that the various Mujahedin factions were unable to work together and to control Afghanistan. The fall of Kabul to the Tajik Mujahedin commander Ahmad Shah Masud and his Northern Alliance troops too seriously challenged Pakistan's position in Afghanistan, and raised the ire of Pakistan's Pashtoons who account for about 15% of the military's officer corps. It was in this context that in 1994 Pakistan abandoned its erstwhile Mujahedin clients such as Gulbidin Hikmatyar and turned to the Taliban. During the 1994-96 time period Pakistan military was instrumental in creating the regional structure of support for the Taliban, and in organizing militant Sunni madrassah students into Taliban and other extremist groups for Pakistan-backed operations in Afghanistan and Kashmir.

The Taliban's control of large parts of Afghanistan in the late-1990s also provided the extremist forces of all hues with the ability to more freely operate, train, and implements their objectives. These groups included Arab fighters, but more important, graduates of Afghan and Pakistani madrassahs who shared ideological and institutional ties and in many regards represented different manifestations of the same phenomenon. These groups worked closely together. For instance, following the Taliban's capture of the Shia towns of Mazar-i Sharif and Bamiyan in Afghanistan in 1997-98 thousands of Shias were massacred by Taliban, Arab fighters and Pakistani SSP and LJ fighters. Many of these groups also shared fighters—allowing groups to expand and contract in response to the needs of various theaters of conflict. It is often said that when in Kashmir or Afghanistan extremists are jihadi fighters, and when they come back to Pakistan they become anti-Shia sectarian militants. Sectarian extremist groups such as SSP and LJ have routinely provided fighters for Taliban campaigns and operations in Kashmir.

By September 11, 2001 state support for extremism had produced a sustained momentum for jihadi activism that supported surging extremism in the region. The growing number of religious seminaries had created a large pool of extremists who supplied various jihadi groups with foot soldiers and also helped carry their views into mosques, schools, and various other social institutions.

The events of September 11, 2001 led to an international intervention in Afghanistan that dismantled the Taliban regime and downgraded the institutional bases of

[1] There has also existed Shia extremist groups in Pakistan such as Sipah Muhammad (SM), but they were not tied to the same infrastructure of support, and have not been at the center of the extremist threat to Pakistan in recent years.

jihadi activism, but it did not reverse the rising tide of jihadi activism, nor provide the basis for absorbing the jihadi manpower that was the product of the rise in religious activism during the previous decade.

Deobandis had since the 1980s developed close ties with Saudi Arabia, and were promoting a more militant view of Sunnism in Pakistan in keeping with Wahhabi teachings. This trend would become more evident as Deobandi madrassahs became central to the military's project in the 1990s. Over a decade these madrassahs trained upwards of one hundred thousand students. Although not all graduates have joined extremist groups, they have helped provide the support structure for militancy, and propagated jihadi ideals across a broad cross section of society. In the late-1990s with the help of the military the Deobandi model was also replicated in other traditions, producing new groups such as LeT that hail from Ahl-i Hadith madrassahs—which are also close to Saudi Arabia. The madrassahs meanwhile were responding to financial incentives provided by Saudi and ISI funding in escalating militancy in their education systems and encouraging jihadi activity among their students. The military-madrassah combine accounts for the success to date of LeT, as well as Deobandi jihadi outfits such as JM or SSP.

The events of September 11, 2001 complicated the ties between the military, the madrassahs and the jihadis; forcing jihadis out of public arena, and disturbing the financial linkages that supported their operations. For instance, the collection boxes that dotted bazaars and were a staple of many shops are now gone. Similarly overt funding from outside through charities or financial networks centered in Persian Gulf states have dried up. Still, since September 11 there has been more money available in Pakistan. The flow of funds back to Pakistan after September 11 has provided many more domestic sources of funding that avoid international financial networks.

THE MILITARY AND EXTREMISM AFTER SEPTEMBER 11

September 11 changed the strategic scene in the Pakistan-Afghanistan corridor. Most important, it forced the Pakistan military to abandon its overt patronage of the jihadi network, and to accept the demise of the Taliban. The military also agreed to cooperate with the United States in the war on terror. However, Pakistan military's cooperation did not reflect new strategic thinking on Islamabad's part. The military's policy, at least until December 2003 when General Musharraf became the target of two al-Qaeda assassination attempts, was to only contain and "mothball" extremists—especially those active in Kashmir—rather than eradicate them. The military distinguished al-Qaeda and the Taliban from extremist forces that are active in Kashmir and sectarian groups inside Pakistan. The military cooperated with the United States in suppressing the former, while protecting the latter. In fact, Pakistan continues to distinguish between terrorists (al-Qaeda operatives) and freedom fighters (those involved in the jihad in Kashmir). Pakistan also distinguishes between extremists tied to al-Qaeda such as JM or LJ and extremists that the military believes are free of al-Qaeda ties, such as SSP or LeT. Hence, the military is not concerned with all expressions of extremism, but only with particular extremist groups. Given the deep linkages between various strands of extremism in the Afghanistan-Pakistan corridor, this policy has allowed various activists to shift from one organization to another.

The military has also showed greater lenience in allowing prominent leaders of extremist groups such as Azam Tariq of SSP, Fazlur Rahman Khalil of HUM or Hafiz Idris of LeT (both of whom were only briefly under house arrest in 2001-02) to operate in the open. Khalil gave a Friday prayer sermon in the government owned Red Mosque of Islamabad in September 2003. In October 2003 LeT held a large public rally in Muridke in Punjab, which was attended by an estimated 100,000 supporters and retired military leaders. The rally openly defended the organization's right to wage jihad in Kashmir. Key recruiters and educators associated with various madrassahs were never the target of government clamp-downs. For instance, Mawlana Shamzai (who was the rector of a leading extremist madrassah in Karachi, and who was an ardent supporter of JM and the Taliban, and had been instrumental in their recruitment efforts in Pakistani madrassahs throughout the 1990s) continued his pro-jihadi activity up until his assassination last month. Similarly, after September 11 extremist organizations such as SSP, JM or LeT which became the target of international condemnation, were allowed voluntary disband, and then to apply for new charters and operate under new names.

There was also little done to reduce the power and influence of madrassahs which continue to produce extremists. Although sources of funding for madrassahs and jihadi groups were disrupted, little was done to either reduce the scope of madrassah influence or to reform their curricula. Since September 11 the number

of madrassahs has remained unchanged, and whereas their funding has become constrained none has faced closure as a result financial troubles.

The reason for the military's position was that while the military had felt compelled to cooperate with the United States in the war on terror, it did not view the American campaign in Pakistan's strategic interest. Operation Enduring Freedom had eliminated Pakistan's influence in Afghanistan, opened Afghanistan to Indian influence, and brought to power a government in Kabul that Pakistanis view as hostile to their interests. In the absence of any security guarantees from the United States Pakistan has viewed the post-September 11 balance of power in the region as inimical to its national interest.

Pakistan's military leaders remain ill-at-ease with the implications of changes in the regional balance of power after September 11, 2001. They are also concerned with Pakistan's position in the region once the war on terror comes to an end and the United States turns its attention away from the region. Pakistan views itself as more vulnerable to Indian pressure with the loss of Afghanistan. Consequently, Pakistan is by and large a revisionist player in the region—a power that has lost ground in the recent changes and has little vested interest in the new order. This revisionist posture has led to continued interest in extremist forces, which remain Pakistan's only viable instruments for influencing Afghan politics. Pakistan has viewed its participation in the war on terror as merely a defensive measure meant to protect its position and assets during a time of regional tumult, and also to gain from a tactical relationship with the United States, as it also had in during the Afghan Jihad in the 1980s.

Although in 2001 General Musharraf made a personal commitment to reign in extremism in Pakistan, his position is not reflected in the military's position as a whole. The Pakistan military continues to view extremist forces as an asset in maximizing Pakistan's regional interests. Extremism at its core is a military project that has taken a wrong turn. It is closely tied to the military, institutionally as well as strategically. This fact has been reinforced by challenges that President Musharraf has faced as a result of the military's continued presence in the center of politics. Although initially the Musharraf regime promised to uproot extremism, it is evident that the military continues to be part of the problem rather than the solution. The reasons for this ambiguity in the military's attitude are as follows:

First, the military in Pakistan continues to view extremist groups as an effective weapon in managing regional interests—protecting Pakistan's position in Afghanistan and keeping India engaged in Kashmir. The reasons why Pakistan used jihadis in the 1990s to achieve its domestic and regional goals have not changed. Pakistan was able at the time to perpetuate its regional interests by adroitly using extremism with minimal investment in resources. That Pakistan's strategic outlook on the Afghanistan and Kashmir issues has not changed suggests that the military is likely to continue to use extremism to achieve its strategic objectives. Islamabad has little interest in the current set-up in Afghanistan—viewing the new regime in Kabul as hostile to Pakistan's interest. Pakistan would like to limit Kabul's influence in Southwestern Afghanistan and to prevent India from gaining a foothold there. For Pakistan the ideal outcome would be a sphere of influence in Southwestern Afghanistan akin to the Iranian zone of influence in Herat. To achieve these goals Pakistan is likely to continue to rely on extremists to alter the status quo and promote Pakistan's position.

The key issue is how will Pakistan manage to balance its strategy of preserving its jihadi assets (and even deploying them) while supporting the war on terror, and how will it manage jihadis without that policy effecting Pakistan's own society and politics, and General Musharrafs goals of economic development and social modernization. Moreover, the military has continued to believe that it can best control groups such as SSP and LeT by maintaining a patron-client relationship with them—to allow them to operate under the military's supervision. Even when that control has weakened as is the case in the military's relations with JM and LJ, the military has sought to use extremism to fight extremism—which has helped the military in dealing with particular groups but with the consequence of expanding the scope of extremist activism. For instance, the recent escalation in sectarian violence in Karachi is associated with the regrouping of the militant Shia Sipah-i Muhammad (SM), which has been a client of ISI, and which is being used in Karachi to put pressure on JM and LJ over whom the military has lost control.

Second, many in the military, especially among junior officers and soldiers are sympathetic to Islamic extremism and hold anti-American attitudes. The war in Iraq has only accentuated this trend. The presence of these attitudes in the military has made it more difficult for the senior commanders to more effectively suppress extremism without risking a breach within the military. It was for this reason that the military has proved reluctant to aggressively pursue extremists in South

Waziristan, and was quick to publicly seek a truce with the tribal forces there after the failure of its operations in Wana. The problem is all the more sensitive as it has now become evident that extremist groups have infiltrated the military, and have been able to use intelligence provided from within the military to organize assassination attempts against General Musharraf.

Third, since he rose to power in 1999 General Musharraf has been primarily concerned with legitimating military rule over Pakistan and extricating the influence of secular civilian parties (Nawaz Sharifs Pakistan Muslim League (PML) and Benazir Bhutto's PPP) from national politics, and was by comparison relatively indifferent to containing Islamism. In fact, the general continues to view civilian parties—and not Islamists—as the principle threat to the military's position in politics, and his determination to continue to rule Pakistan.

It was for this reason that in the elections of 2002 the military's suppression of PML and PPP candidates and change of electoral rules to favor Islamic parties produced a strong showing for Islamic parties in the MMA coalition. Still, the election results vindicated the General's fears as the rump of Nawaz Sharif's PML and Benazir Bhutto's PPP put together garnered most number of votes. Since 2002 the military has had closer relations with MMA in the parliament than it has had with those civilian parties, leading many to facetiously characterize the MMA as the "Musharraf-Mullah Alliance." For instance, between 2002 and 2003 when he was assassinated, Azam Tariq the leader of SSP—one of Pakistan's most murderous extremist groups that is responsible for the bombing and assassination of many Shias and participated in the Taliban massacre of Shias in Mazar-i Sharif in 1997—was General Musharraf's closest Islamic ally.

The reliance on Islamic parties to bolster the military's position and off-set the pressure from secular civilian parties for the return of democracy led the General to back away from contending with extremism including adopting policies for reform of madrassah curricula, greater control of funding for extremist causes, and constricting the ability of extremists to recruit, train and operate. The military's policies remained limited to dealing with only specific acts of violence and explicitly al-Qaeda activists, and leaving other expressions of extremism free to function as before. General Musharraf's failure to contend with extremism over the course of past three years is therefore reflective of the political imperatives that face a military that is determined to control the civilian political process.

The time and space that the military provided extremist groups over the past three years has proved crucial in allowing them to reorganize their financing, to develop recruitment and training outside of the military's control, and to function with greater autonomy from the military. Whereas until 2001 the military had strong control of extremist outfits today some groups have deliberately severed ties with the military (fearing that it will eventually bow to outside pressure and shut them down completely) and have found means to grow and function independently. This has created a problem in that the military's dithering in dealing with extremism has served to augment its threat to Pakistan and the region, and contending with the problem today is far more challenging than it was in 2001.

The problem of extremism is also compounded by changes in Pashtoon politics since 2001. Between 1994 and 2001 the Taliban had largely served as an expression of Pashtoon nationalism. This trend began with the Afghan jihad and was later closely associated with Jami'at Ulama Islam (JUI)—the Deobandi political party that has a strong following in both Afghanistan and Pakistan's Pashtoon areas, and whose *madrassahs* were important to the rise of the Taliban. Although the Taliban was an Islamist force, its rank-and-file were all Pashtoons, and its center of power in Kandahar lay in the Pashtoon heartland. Finally, the Taliban's drive to capture Kabul was fuelled by the belief that Afghanistan must be ruled by Pashtoons.

The fall of the Taliban has been viewed as the disenfranchisement of Pashtoons before the ascendance of Tajiks, Hazaras and Uzbeks under the banner of the Northern Alliance. That both the United States and Pakistan are viewed as complicit in this development has turned Pashtoon nationalism anti-American and also critical of Pakistan military's leadership. For instance, in the 2002 elections in Pakistan the Islamic parties did very well in the Pashtoon areas of West and Northwest Pakistan (and also Karachi, which is today Pakistan's second largest Pashtoon city). In many regards the Islamism of MMA and activism of extremist forces in Pakistan are expressions of Pashtoon frustration. MMA has been entrenching its support by manipulating Pashtoon anger, and fanning the flames of opposition to United States' policy in Afghanistan. MMA has helped create alliances between the rump of Taliban and other extremist Pashtoon forces such as that of Gulbidin Hikmatyar, who has been behind attacks on the Karzai regime in Kabul.

This is a source of concern in that it is suggestive of "Talibanization" of Pashtoon politics in Pakistan. Talibanization in Afghanistan meant extremist and jihadi activ-

ism. It also meant Islamization of Pashtoon nationalism. It is this meaning of Talibanization—Islamization of Pashtoon nationalism—that is what is at work in Pakistan. The rise of MMA suggests that Deobandis have completed their domination of Pashtoon politics and nationalism in Pakistan in the manner that the Taliban had done in Afghanistan. The Deobandi ascendancy in NWFP and Baluchistan and Afghanistan has in effect created an Islamist-Pashtoon belt that stretches from Kandahar in Afghanistan to Quetta and Peshawar in Pakistan. The tenor of politics in this belt is extremist and anti-American. It is bitter about the disenfranchisement of the Pashtoons in Afghanistan, is hostile to the Karzai regime, and is increasingly at odds with the leadership of Pakistan military. The extent of this disagreement has become evident during the recent operations in South Waziristan. The Pashtoon belt will continue to supply extremist recruits, and as tensions with the Pakistan military escalate (and possibly anger mounts after the Afghan elections over consolidation of power under Karzai), Pashtoon nationalism can become a destabilizing force in both Afghanistan and Pakistan. It can also impact the cohesion of the Pakistan military which has a significant Pashtoon component.

Another important issue is that extremism in the Afghanistan-Pakistan corridor is becoming more overtly anti-American. Whereas in the 1990s extremists were primarily concerned with regional issues and saw the United States as a distant and secondary concern, today the reverse is true. Extremists view the United States as their main enemy and the principal obstacle to the realization of their aims. The United States dismantled the Taliban and is the main source of support for the Musharraf regime which some extremists view with opprobrium as an "American puppet." Developments in Iraq, most notably the empowerment of Shias—who Pakistani extremists view as infidels and who have been the focus of much violence in Pakistan—has reinforced the belief that it is the United States that is the impediment to the realization of their aims, and the adversary that is most likely to threaten their existence.

Extremist activism is today on the rise in the Afghanistan-Pakistan corridor. It draws on an entrenched infrastructure of support in the region, and continues to recruit from among the large number of students that have come out of madrassahs over the past decade (and continue to do so). It is poised to take advantage of instability in the larger region—possible failure of the Karzai regime in Kabul and growing anti-Americanism as a result of the war in Iraq. In addition, extremism in the Afghanistan-Pakistan corridor is based on ideas that have resonance elsewhere, and as such can create ties with other extremist forces. Revisionist nationalism against the new political order, anti-Americanism, and anti-Shi'ism are all staples of extremism in Pakistan, which have an echo in the burgeoning extremism of the Middle East. Al-Qaeda and Pakistani extremists have shared ideas and training, and may well connect to extend their reach. Already there is suggestions that JM fighters may have found their way to Iraq. Abu Musab al-Zarqawi's attacks on Shia targets in Najaf and Karbala have an eerie resemblance to attacks on Shia places of worship in Pakistan. The Ashura bombings in Najaf, Baghdad, and Quetta on March 2, 2004 are indicative of these linkages.

WHAT MORE CAN BE DONE?

Extremism in Pakistan must be dealt with by both short run and long run strategies—contending with immediate security issues while looking to address underlying causes of and sources of support for extremism.

In the short run more needs to be done to constrict extremism. This would mean a blanket policy of opposing all expressions of extremism. The government in Pakistan must also do more to disarm extremist groups and limit the space for their recruitment, training and organization. The government must also take reform of madrassahs more seriously, and more effectively limit jihadi propaganda and ability to disseminate their ideas through newspapers and other publications. The success of these measures greatly depends on changes in the broader political climate of Pakistan.

A key issue to consider is that the military in Pakistan has only been partially successful in accomplishing its stated goal of containing—if not eradicating—extremism. One can excuse this shortcoming in terms of inertia within the military, and limits to general Musharrafs ability to change the culture and strategic thinking in the military. It is, however, important to note that the fact that the military insists on ruling over Pakistan reduces its ability to contend with extremism, and in fact necessitates that it undertake compromises that benefit extremism. Far from the proverbial "bulwark" against extremism the nature of politics that is fostered by the military's domination of politics has encouraged extremism. Whereas for the United States extremism remains the primary concern for the Pakistan military it is

legitimating military rule that matters most. For instance, in order to secure the agreement of the MMA Islamic alliance (which is a major voice in the parliament and also controls the governments of NWFP and Baluchistan) to General Musharraf to remaining both president and head of the army in contravention to the constitution, the military relaxed its pressure on religious activism, and backed away from the reform of extremist madrassahs (which are closely linked with constituent parties of MMA, and most notably the Deobandi JUI), and also shied away from pursuing al-Qaeda activists in South Waziristan earlier. The military will be far more effective in dealing with extremism if it were not distracted by imperatives of politics, and was not duly concerned with political consequences of its security decisions. Conversely, civilian parties when not hindered by the military have done a better job of eroding the Islamic forces' base of support.

To the extent that the culture of the Pakistan military is tolerant of Islamic activism, General Musharraf must continue to reform the military and clean it of supporters of extremism. Two factors will help him in this regard. First, a military command that is not encumbered by constraints of ruling the country will have a freer hand to address security and cultural issues within its own ranks, and to enforce professionalism to a degree that is currently not possible. Second, Pakistan military continues to view United States' security considerations with suspicion, believing that in the absence of greater guarantees regarding Pakistan's long run security interests it is dangerous to more forcefully confront Islamic forces and to remove the threat of extremism to Kabul and Delhi. Eradicating extremism would be tantamount to dismantling a weapons system without countervailing concessions from India or Afghanistan. The United States must address Pakistan's strategic concerns as a part of the war on terror.

Much of the economic assistance to Pakistan since 2001 has not found its way to the lower and lower middle classes. In fact, even the salaried middle class is losing ground as a consequence of economic reforms. The impact of economic restructuring—as witnessed in Latin America and Eastern Europe in the 1980s and the 1990s—has not only made it difficult to wean away the youth from extremism and to absorb the products of madrassahs into the economy, but has created a convergence between socioeconomic disgruntlement and extremist tendencies. More must be done to make sure that aid directly impacts those social classes most at risk of embracing extremism.

Pakistan military must be encouraged to put forth a serious plan for return of power to civilian politicians. Opposition to "authoritarianism" is on the rise in Pakistan. It will constrict the military's ability to contend with the security challenges before it, and it can provide extremists with the kind of environment that they need to recruit and operate more freely. The problem is likely to grow after a technocrat hand-picked by General Musharraf takes over the job of prime minister later this year, and the general backs away from the agreement he made with the parliament to relinquish his leadership of the military in December 2004. A confirmation of military rule at that time can lead to serious political instability in Pakistan with direct consequences for the security operations there. The main beneficiaries of such a development will be the extremists. The war on terror should not be a license for authoritarianism, for no more important reason than that it is likely to make the fight against extremism less effective.

The CHAIRMAN. Thank you very much, Dr. Nasr.

We would like to hear now from Dr. Marvin Weinbaum. Dr. Weinbaum.

STATEMENT OF DR. MARVIN G. WEINBAUM, SCHOLAR-IN-RESIDENCE, MIDDLE EAST INSTITUTE

Dr. WEINBAUM. Thank you, Mr. Chairman and Senator Chafee.

Pakistan's performance in countering terrorism and its progress in promoting social, economic, and political reforms cannot be understood without understanding General Musharraf and the corporate interests of the military. The Pakistani President regularly displays his well-meaning, principled intentions. Yet, Pakistan's policies regarding terrorism and reform, I submit, are noticeably incomplete, inconsistent, and not infrequently disingenuous.

Behind my remarks this morning is the proposition that a military-guided regime bears responsibility for many of Pakistan's

problems but it is also indispensable to finding their solutions. The same military that fails to provide a more democratic, stable, and secure country is also uniquely positioned to advance those goals.

And I would further premise that Musharraf and the military have more to gain from a viable democracy than they have from authoritarianism. And I say that because if Pakistan continues to fall behind other countries in the region, because it is trapped in violence, it is economically uncompetitive, politically fragile, with a society that is largely uneducated and unskilled, the military will also fail.

Pakistan, as it is presently, cannot serve as a sustainable, reliable partner for the United States unless its leaders come to accept reasonable risks associated with harnessing popular forces. It needs to build the consensus and coalitions that can further a more just society and progressive Islamic state, and this will require democratic institutions that honor civilian rule and constitutionalism. While we cannot dictate to Pakistan what kind of political system it should have, we do have leverage and that leverage, I am afraid, has sometimes, indeed perhaps often, been used in a counterproductive way.

To understand the half measures and seemingly contradictory aspects of Pakistan's foreign and domestic policies, it is necessary that we see Musharraf as a leader who functions, above all, as a marginal satisfier. Musharraf seems particularly adept at calculating what is required in order to manage competing demands and to keep everyone minimally satisfied. He has shown a keen sense of limits, knowing just how far to pursue policies. He has managed to placate the military with perks, to please us, occasionally apprehending militants. He has shown great talent in maneuvering the religious political establishment, and understanding how to appease his own political loyalist jihadi groups, business groups, ethnic groups, intellectuals, democrats, and so on.

Musharraf has taken decisive actions on the international front: a break with the Taliban, restraint on Kashmir. We see here many of the same tactical approaches. His actions are too often compromised by an unwillingness to sever older ties completely and to alienate sympathizers.

This calculus that I am referring to I think is at work along the Afghan border region. Until recently, Pakistan's efforts against the Taliban and other anti-Kabul elements have been unconvincing. Security forces have failed to effectively monitor and control movement of those who launch raids into Afghanistan and deny them sanctuary in Pakistan. Military action by Pakistani troops along the border have been brief and largely unproductive. All of this is to accommodate the various constituencies, the jihadis, the tribals, popular opinion in Pakistan, and, of course, the United States and Afghanistan.

Pakistan's military operations, however, in the last few weeks have broadened and intensified. In their sweeps, the Pakistani army units are increasingly engaged in bribing, threatening, and punishing local tribal populations, and fighting the foreigners, as they are called, that they are harboring. Why has this taken place? Well, I think we know. This is because we here in Washington have been pressuring Pakistan to give greater urgency to finding

high-value targets and through coordinated intelligence and joint military operations along the frontier, we are making some progress, at least in the south Waziristan area.

There is another element here too, and that is that the Pakistani military itself has a new determination. And that grows out of the fact that in some of their initial, more showcase operations, they did not do well. Indeed, the regular Pakistani military was, to some extent, humiliated, and what we are seeing here now, together with also the attempted assassination of the corps commander in Karachi, is that the Pakistan military has decided that they are going to have to get serious.

Yet, I would say that Musharraf is likely to return to his satisfier mode. We have only to compare this with last December when there were two attempts on Musharraf's life, and it was, indeed, thought at that time by most analysts that we were looking at him declaring war on jihadis. Instead, what we found after a short time was the familiar truce between their leaders and security forces.

We see the same customary weighing of demands in the area of the wide range of reforms that Musharraf has promised to introduce in Pakistan. We often refer to the blasphemy law, the hudood ordinances, and what is being spent on the social programs in Pakistan as against what goes to the military. The promised pursuit of corruption in business and politics, like most of the other programs, have petered out.

Musharraf's boldest domestic initiative involved the devolution of power to local councils and officials, but I am afraid this has also been temporized under pressure from provincial and national government officials.

The context for this is that Musharraf continues to fear Pakistan's mainstream parties and their leaders. The military, indeed, has a disdain for the country's traditional political classes and in the process has discredited or sought to discredit these more secular parties. In doing so, it has promoted political opportunists and de facto alliance with some of Pakistan's mostly obscurantist Islamic parties. Musharraf has chosen to placate and to seek alliances with those elements that in fact preclude his delivering on most of his pledges to pursue a reform agenda and progressive laws.

Now, what about U.S. policy? I think we have had a short-sighted policy, and that has already been suggested here. We have tied the future too closely to a single individual. A bilateral relationship so personality-dependent is unavoidably fragile, its survival subject to outcomes over which the United States may exercise little or no control.

The lavish praise which we continue to heap on Musharraf, designed to strengthen his resolve on combating terrorism, has in effect given Musharraf a pass on satisfying Washington on issues of democracy, nuclear proliferation, domestic extremism, and social investment. Ironically, we may not have helped Musharraf domestically nor helped insure that he stays on the course to combat terrorism.

Now, for conclusions and my recommendations. The United States must alter the impression that our support for Pakistan is essentially support for Musharraf. Instead, we must emphasize by

our statements and our actions that it is not about keeping one man in power or keeping a military ascendant to serve our interests, but we are aiming here at strengthening the country's institutions and the well-being of its people, as well as serving our interests. We should be prepared to engage with the country's political parties, to invest in its institutions, to refocus our aid into Pakistan education, health, and employment-generating projects, and find other ways to create a more solid foundation for a sustained relationship with Pakistan.

It follows that the United States must refrain from the kind of unqualified public praise that we have accorded Musharraf for his cooperation on anti-terrorism. We require a more nuanced approach that blends strong incentives with conveying a better appreciation that there are red lines and that Pakistan recognized them.

We must recognize that our terrorism agenda with Pakistan cannot be detached from the broader need for domestic reform. If Pakistan fails to make progress in resolving its civilian military strains, if it compromises with forces of intolerance and radicalism and ignores basic popular grievances, we could find ourselves without a partner to pursue our objectives.

Last, the United States must better appreciate the stakes in Pakistan. If we get it wrong, Pakistan could very well become our major national security interest or concern. Above all, we must convince the Pakistanis that our concerns in the region are multifaceted and long-term and that we will not desert them once we have achieved our leading objectives.

Thank you.

[The prepared statement of Dr. Weinbaum follows:]

PREPARED STATEMENT OF DR. MARVIN G. WEINBAUM

MUSHARRAF AS CATALYST: BALANCING COUNTERTERRORISM AND REFORMS

Pakistan's performance in countering terrorism and its progress in promoting political, social, and economic reforms cannot be understood without probing the mindset of Pervaiz Musharraf and the corporate interests of his military. Pakistan's president regularly displays his well-meaning, principled intentions, and has ordered actions consistent with his stated commitments. Yet Pakistan's policies regarding terrorism and reform are noticeably incomplete, inconsistent and, not infrequently, disingenuous.

Behind my remarks today is the proposition that a military-guided regime bears major responsibility for many of Pakistan's problems but is also indispensable to finding their solutions. The same military that fails to provide for a more democratic, stable, and secure country is also uniquely positioned to advance those goals.

Pakistan, as it is presently, cannot serve as a reliable partner for the United States unless its leaders accept reasonable risks associated with harnessing popular forces. To build the necessary consensus and coalitions that can further a more just society and progressive Islamic state also requires democratic institutions that honor civilian rule and constitutionalism. While the United States cannot tell Pakistan how to fashion its political system, it does have leverage that has been used to date in an often counter-productive way.

Musharraf and Our Expectations

The United States has invested heavily in President Musharraf as valued partner in preventing Pakistan and its region from becoming a safe haven for terrorists and descending toward armed conflict, potentially between two nuclear-armed powers. We have also seen in him a leader who possesses the personal values that we believe can bring together a Western-oriented foreign policy with a Pakistani state dedicated to what he calls "enlightened moderation."

Specifically, we look to Pakistan for enhanced cooperation in flushing out Al-Qaeda and Taliban terrorists and their support network along the Afghan frontier. Our government expects Musharraf to honor his pledge that Pakistan will not mate-

rially aid the armed insurgency in India's Kashmir. We furthermore are anxious for him to reverse a trend toward Islamic extremism by reforming madrassahs and cracking down on radical Islamic groups inside Pakistan. To match the country's observable progress in growing and disciplining the national economy, the United States encourages Pakistan to also address its formidable economic deficits, notably worsening poverty and unemployment, and its broken educational and health systems.

The United States has been prepared to take Musharraf and his military at their word that they are committed to installing genuine democracy. This would entail not only holding elections and appointing civilian officials, but instituting the kind of open politics that allows for full competition and expression. While Pakistan's military would no doubt retain influence and perhaps a constitutional role, it would divest itself of much of its formal and informal hold on power. Ideally, the military would transform itself from rulers to guarantors of the political system. Indeed, it can be argued that Musharraf and the military have ultimately more to gain from viable democracy than from authoritarianism.

Musharraf As Marginal Satisfier

To understand the half-measures and often seemingly contradictory aspects of Pakistan's foreign and domestic policies, it is necessary that we see Musharraf as a leader who functions, above all, as a marginal satisfier. Musharraf seems particularly adept at calculating what is required in order to manage competing demands and keep everyone minimally satisfied. He has shown a keen sense of limits, usually knowing how far to pursue policies. Musharraf has managed to placate his military with perks and please Washington with occasionally apprehending militants. He has been adept over time at maneuvering with the religious political establishment, and in understanding how to appease political loyalists, jihadi groups, the business class, ethnic and tribal groups, intellectuals, and democrats, among others. Though Musharraf has taken decisive actions on the international front, including Pakistan's break with the Taliban and restraint on Kashmir, here too his actions seem compromised by an unwillingness to sever completely older ties or alienate sympathizers.

Not surprisingly, this tactical approach has become increasingly difficult, and Musharraf's popularity and reputation at home have suffered as his various constituencies become less willing over time to defer their expected payoffs. For the country's more progressive elements, there is disappointment that he has not used his considerable authority to create a new framework for domestic politics. Instead, despite his declared intentions about bringing enlightened moderation, most of Musharrafs attention politically has gone into sidelining and undercutting his real or imagined enemies in the political mainstream. And in his effort to retain power, his security forces have employed the same manipulative political tactics normally associated with the discredited politicians of the 1990s. However, for all of the accumulated disappointments with Musharraf, virtually none of his domestic and foreign constituencies—aside from those sectarian terrorists who have targeted Musharraf for assassination—can imagine him leaving the political scene anytime soon.

Counter-Terrorism and the Afghan Border Region

At least until recently, Pakistan's efforts against the Taliban and other anti-Kabul elements have been unconvincing. Notwithstanding the difficulties encountered in the rugged, porous border areas, Pakistan's security forces have failed to effectively monitor and control the movement of those who continue to launch raids into Afghanistan from sanctuaries in Pakistan. Military actions by Pakistani troops along the border have been brief and largely unproductive in apprehending higher level Taliban and Al-Qaeda leaders. Elements of both groups have reportedly established training camps and terrorist cells in and around Quetta and Peshawar. Extremist groups in Pakistan have been allowed to finance and facilitate these activities. Though Pakistan's religious parties and tribal leaders raised objections to the army's border operations, few took the raids by Pakistani troops as much more than necessary theater.

Pakistani military operations have, however, broadened and intensified over recent weeks. In their sweeps, the Pakistani army units have increasingly engaged in bribing, threatening, and punishing the local tribal population. Washington is pressuring Pakistan to give greater urgency to finding Osama bin Laden through coordinated intelligence and joint U.S.-Pakistani military operations along the frontier. In the course of those operations, mostly focused on South Waziristan, the Pakistani army has encountered far more resistance than in the past and taken surprisingly heavy casualties. Negotiations to enlist tribal militias to turn in "foreign" fighters have brought no results. Frustrated and humiliated—and smarting from

the near assassination by jihadis of the Karachi corps commander—the military has mounted forays into the area with a new determination.

And yet Musharraf, to mollify mounting criticism, could soon return to his more accustomed satisfier mode. The seeming new leaf in clearing the border regions may instead mirror Musharrafs supposed resolve to attack extremism following two attempts on his life during December 2003. In a matter of weeks his declared war on some of the more notorious groups turned into a familiar truce between their leaders and security forces.

Islamabad's recent military actions are serving not only to please Washington but also to quiet complaints from Kabul charging Pakistan with negligent border policies. For some time, the United States has been concerned that Islamabad might be contributing to destabilizing the Kabul government. Islamabad insists on its common objectives with the Karzai government in fighting terrorism and has offered development assistance. A politically stable Afghanistan, able to secure the flow of commerce, is in fact preferable to any current alternatives. However, Pakistani agents continue to befriend power brokers within Afghanistan's Pashtun tribal belt. A pro-Pashtun policy serves Islamabad as insurance against the possibility that should the Afghan experiment fail, Pakistan can complete with other regional powers in their likely bids for spheres of influence inside Afghanistan.

Compromising on Reform

Musharraf's cautionary weighing of demands on a wide range of reforms is easily documented. Some issues such as land reform have never made the reform agenda. Musharraf quickly backed off an initial attempt to modify the country's misused blasphemy law. Moreover, religious-inspired ordinances that fundamentally compromise women's rights remain untouched. While a self-confident finance minister has addressed a number of economic reforms, including more effective revenue collections, the promised pursuit of corruption in business and politics by a specially appointed bureau has largely petered out. In any case, the political selectively of the process has been all too evident. Musharraf's boldest domestic policy initiative, involving the devolution of power to local councils and officials, has also been temporized under pressure from provincial and national office holders.

Though some extremist groups have been declared illegal, the most influential of them continue to flourish, and their fund raising and recruitment are hardly affected. Most of their leaders move freely and are active politically. Widely touted policies to gain control over the country's madrassahs have produced very few results. Registration of religious schools has been stubbornly resisted, as have attempts to revise curricula. Elaborate plans for reform of state schools are starved for a lack of funds. Like other social programs, education cannot compete with the military's claims on the country's treasury.

Any successful political figure must balance interests and make prudent judgments about what issues to push and which to defer. But Musharrafs continuing fears of Pakistan's mainstream parties and their leaders, and the military's disdain for the country's traditional political class have resulted in the promotion of political opportunists and a de facto alliance with Pakistan's mostly obscurantist Islamic parties. Musharraf has chosen to placate and seek alliances with elements that in fact preclude his delivering on most of his pledges to pursue a reform agenda and enact progressive laws.

U.S. Policy

Since September 11, 2001, Washington has taken the view that virtually any change from the present leadership in Pakistan is likely to set back the prime objectives of the United States in the war on terror. In turn, Musharraf has staked much of his political future on his close ties with the United States and the benefits it can bring to Pakistan. With American interests hanging so critically on Musharrafs remaining in power, Washington, however, may have shortsightedly tied the future too closely to a single individual. A bilateral relationship so personality-dependent is unavoidably fragile, its survival subject to outcomes over which the United States may exercise little or no control.

Cooperation on counter-terrorism operations and, in particular, targeting high-value leadership, has long trumped all other American demands on Musharraf. The lavish praise heaped on Musharraf by Washington, designed to strengthen his resolve on combating terrorism, has, in effect, given Musharraf a pass on satisfying Washington on the issues of democracy, nuclear proliferation, domestic extremism, and social investment. Ironically, though, we may not have helped to insure that he stays the course on combating terrorism.

Repeated expressions of support for Musharraf from the highest echelons of the U.S. government strengthen his claim that he is personally indispensable for at-

tracting American and Western resources to Pakistan. Even many elements in Pakistani society that object vigorously to American foreign policies are unwilling to alienate the United States. At the same time, Musharraf, carrying our unqualified endorsement, is regularly charged with being a puppet of Washington by deferring to American interests in the region. The religious establishment questions his commitment to Islamic causes, and most democrats in the country accuse the United States of indiscriminate support for Pakistan's military at the expense of meaningful political reforms. Because Musharraf may believe that he can take American backing for granted on all but the issue of terrorism, we may have also inadvertently emboldened him to act—arranging a sham 2002 presidential referendum, arbitrarily invoking constitutional amendments, and unashamedly pre-cooking a parliamentary election—in ways that have, in fact, weakened him politically.

Conclusions and Recommendations

The United States must alter impression that our support for Pakistan is essentially support for Musharraf. Instead, we must emphasize by our statements and actions that our policies are not about keeping one man in power to serve our interests but are aimed at strengthening the country's institutions and the well being of its people. We should be prepared to engage with all of the country's political parties and work with civil society. We must refocus our aid to Pakistan on education, health, and employment generating projects, and find other ways to help create a more solid foundation for a sustained relationship with Pakistan.

It follows that the United States must refrain from the kind of unqualified public praise that we have accorded Musharraf for his cooperation in anti-terrorism. We require a more nuanced approach that blends strong incentives with conveying a better appreciation in Islamabad that the red lines in our relationship are not effectively erased by our concerns about terrorism.

We must recognize that our terrorism agenda with Pakistan cannot be detached from the broader needs for reform. If Pakistan fails to make progress in resolving its civilian-military strains, compromises with forces of intolerance and radicalism, and ignores basic popular grievances, we could find ourselves without a partner for any of our objectives.

The United States must better appreciate the stakes in Pakistan. If we get it wrong, Pakistan could dwarf Afghanistan, Iran, and even Iraq in threatening our national interests. Above all, we must convince Pakistanis that our concerns in the region are multifaceted and long term, and that we will not desert them once we have achieved our leading objectives.

The CHAIRMAN. Well, thank you very much, sir.

Let me just say that one of the benefits of this committee is the educational experience we receive which occurs when there are three remarkable papers such as we have heard this morning. I certainly have that feeling, and I am certain those who have witnessed this hearing have, too. We will take advantage of your presence to probe the recommendations you have made as well as those that we might hear in our discussion.

Let me start with the thought that many of you have stressed. We have been, perhaps, preoccupied with our own national security interests, which are our fight against terrorism, including very specifically in the war in Afghanistan against al-Qaeda, against Osama bin Laden and his lieutenants. The general supposition about Osama bin Laden is that he is now resident somewhere in Pakistan, probably near the border of Afghanistan, as are many other al-Qaeda leaders, perhaps protected by Taliban or whoever may be there.

So one of the basic questions, before getting into the very important concerns about institution building and the political parties, and the future relationship, is specifically, why has Pakistan been ineffective in finding Osama bin Laden? Why has it been ineffective in routing out the rest of the al-Qaeda operatives who happen to be there? We understand that there are questions of sovereignty. The Pakistani military has taken a very dim view of United States

forces simply coming into the area and cleaning up. So as a result, we have indicated that we will support the Pakistani military, and we understand that President Musharraf shares that goal.

But many Americans would simply raise the question to begin with, why have we together been ineffective? The ramifications of Osama bin Laden and/or others planning out there, wherever they are, for destruction and attacks on the United States, or what have you, are rampant in our political discussion here now, a very topical subject. This very building, for that matter, for all we know, may be targeted. We hear homeland defense people discussing the possibility of attacks during the upcoming fall political season, or even this summer.

Do any of you have any thoughts as to what we ought to be doing about Osama bin Laden with regard to our relationship with Pakistan, with Musharraf? Or is this one of these situations that are virtually hopeless, in which you simply try to do the best you can to encourage Pakistanis to do their duty as we see it, to have Musharraf step up to the plate? Do any of you have thoughts about this specific security conundrum?

Yes, Ambassador Schaffer.

Ambassador SCHAFFER. In the short term, I am not sure we have a lot of terribly different options from what we are doing now with respect to trying to find Osama and put the rest of al-Qaeda out of business.

Why has it not worked so far? A combination of it being difficult to get operational intelligence on these matters, the weakness of some of Pakistan's operational instruments in the police and military—and this gets back to the institutional question very quickly—and some level of ambivalence, as Dr. Nasr alluded to, that really putting extremism out of business is tantamount to abandoning a major weapons system. The people that we were looking for in the past have been assets of the Pakistani intelligence services. I do not think there is an intelligence service in the world that likes to give up an asset. If Osama bin Laden came within range of the Pakistani forces, I dare say that they would nab him, but when it comes to dismantling all of al-Qaeda and particularly the Taliban, that involves both more people and people with direct personal relationships. So you may have some level of ambivalence in Pakistan in dealing with it. As I said, I think in the short term we are pretty much at the mercy of what the Pakistanis can deliver, plus whatever our intelligence is able to sustain.

In the long term, I think that the institutional rebuilding task I talked about is absolutely central to making this kind of task more feasible.

The CHAIRMAN. Dr. Nasr, do you have a thought?

Dr. NASR. Yes, Mr. Chairman. I think the problem of Pakistan dealing with bin Laden has changed somewhat since 2001. I agree with Ambassador Schaffer that initially it was a matter of foot-dragging and trying to protect assets and also inertia within a military that supported jihadis. Now the issue is somewhat different in that primarily extremist forces in the past 3 years have been able to establish an infrastructure which is now partially independent of the control of the military, and their ability to carry out assassination attempts and directly targeting the military is indicative.

So it is not as easy for the military now to essentially shut down these operations.

Second, Pakistan is in a very difficult year. President Musharraf is coming upon his promise of taking his uniform off. He has sacked the Prime Minister. He is trying to bring in a technocratic government. Going after the extremist groups and particularly bin Laden would require a great deal of political capital to be put on the table. As Dr. Weinbaum mentioned, it is a matter of will. The political costs from this point forward for Pakistan are much higher.

And I would say at least as far as the United States is concerned, in the past 2 years we have relied a great deal more on the carrot in hoping that the Pakistanis would step up to the plate. That might need to be reassessed.

The CHAIRMAN. Dr. Weinbaum.

Dr. WEINBAUM. I think in specific response to your question, Osama bin Laden is not in south Waziristan, as the operation is almost entirely directed there. There is infiltration from that area. But if we are talking about those high-value targets around Osama bin Laden, if I had to place them somewhere, I would place them much further north along the border, a far easier place in which to hide and to cross back and forth between Afghanistan and Pakistan. So I do not think that is what it is about there.

I do believe, though, that there is a sense in Pakistan that if they ever did take care of the jihadi problem, particularly the al-Qaeda problem, that somehow we would lose interest in the region. So the idea of doing something and also not solving the problem has a lot of appeal. Now, maybe that is just a bit cynical, but there is a strong feeling, nevertheless, that this keeps us interested.

Further, I would mention, of course, that I also believe that most of the al-Qaeda leadership is not in the tribal area. They have long left that area. What we will find and what is being discovered here are foot soldiers. They are not unimportant for the stability of Afghanistan. But aside from Osama bin Laden and his immediate entourage, we are probably not going to find the people that you are speaking of in that region.

The CHAIRMAN. Well, what if we proposed, just hypothetically, that we understand that the Pakistani military is stretched, that perhaps as you say, bin Laden is not in Waziristan, but somewhere else? Could we take a more aggressive posture and say, well, we are more impatient, we need to get on with this? Our own security, as well as yours, depends upon this. What is likely to be the Pakistani reaction to a concerted military operation by the United States to find bin Laden and other high-value targets, as you point out, of the al-Qaeda leadership?

Dr. WEINBAUM. There is a cost to Musharraf if he allows us to play a larger role than we are playing right now. First of all, Osama bin Laden is not viewed by many Pakistanis as their enemy, and so Musharraf has to take that into account as he balances off, as he satisfies. He is going to have to be very careful, as I think has already been indicated, that anything which suggests that Pakistan's territorial sovereignty is being compromised could be a very serious issue for him. So I suspect that it is not going to happen. He does have the forces there. He started off with some

70,000 troops. We are providing the majority of the financing to keep those troops busy. So I think that what we are doing is a great deal and that eventually we may get lucky.

The CHAIRMAN. All right. Well, I will return for another round of questioning in my turn. I would really like each of you, in one way or another, to talk about our ties with Musharraf, including any problems he has internally and balancing that relationship with problems we have.

Senator Chafee.

Senator CHAFEE. Thank you, Mr. Chairman. Welcome to the witnesses.

Dr. Nasr, you talked quite a bit about the Afghanistan-Pakistan border, the corridor between Kandahar and Peshawar and the extremism there. Is that different from the rest of Pakistan? I assume that most of the people do not live in that corridor, the 140 million people, whatever, in Pakistan. Most of the people do not live in that corridor. But does it spread out of that corridor, some of that same extremism you talked about? Or is there a difference?

Dr. NASR. Well, there is extremism also in Punjab and also in Karachi. But one has to note also Karachi is now Pakistan's second largest Pashtoon city after Peshawar. The reason that the problem is focused on that corridor is essentially because of the growing Pashtoon nationalism and Pashtoon political frustration after the fall of the Taliban. And if one looked at the elections of 2002, Islamist parties did extremely well in that border area, in the Pashtoon area. Essentially the problem of the government is dealing with the Pashtoon unhappiness.

Ambassador SCHAFFER. Could I add something to that, Senator?

Senator CHAFEE. Absolutely.

Ambassador SCHAFFER. I think you have got to look at both extremism and ethnic politics, and you have got to look at the things that drive extremism within Pakistan that are not directly part of the Afghan problem but feed into it. One of the most difficult problems Pakistan has faced in recent years has been sectarian violence. That has been actually predominantly in the city of Karachi and in parts of Punjab. You have a combination of sectarian hostility, organizations that feed on the extremist sentiments of one particular sect. Now, some of these are predominantly Shia organizations and some are predominantly Sunni. Shia doctors have been a particular target of violence.

But one other dimension to it is simply bad governance. Why is it that the cities of Pakistan have been hit by such sectarian violence? Well, it is not just that cities in Pakistan, as elsewhere, have a rich cocktail of ethnic and sectarian differences in their population. It is also that the police force is corrupt and does not work, and that they have slums where it is relatively easy to hide out, and if the police are looking for you, it probably does not cost very much to bribe the cop on the beat.

So that is why I have argued that the problems of extremism and institution-building and policy toward India and Afghanistan all get tangled up together when you try to deal with them in practice.

Dr. WEINBAUM. May I just add one brief thought? Since you mentioned both sides of the border, we are talking about the essentially Pashtoon areas, which include the tribal area of Pakistan but also

settled areas of Pakistan also along with Afghanistan. There is an important distinction, though, to make here. Afghan Pashtoons are not ideologically extremists. Pakistanis are. The kind of Islamic radicalism that we saw enter into Afghanistan by virtue of the Taliban was based on the schooling that took place in Pakistan. The Afghan Pashtoons are conservative. They are consumed with their religion, but they are not politically extremists. That is a learned behavior in Pakistan, and I think it is important that we recognize that particularly for our policy toward Afghanistan.

Senator CHAFEE. So the answer to my question about the extremism kind of in that mountainous corridor that Dr. Nasr talked about, does that spill over eastward into the valley? Is there a difference in the extremism?

Dr. NASR. It does, Senator, and actually many of the extremist groups, also as Ambassador Schaffer mentioned, are located in Punjab and in Karachi. But in the past 3 or 4 years, it is resurgent in that corridor for the reasons of Pashtoon awakening. There are also other factors, including that is the drug corridor as well and there are linkages between extremists and drug lords going all the way into Iran and Afghanistan. It is an area that is also now under the control of an Islamic MMA government which gives it a certain degree of liberty in terms of providing a space for extremist behavior.

Senator CHAFEE. Forgive my ignorance, but is the MMA popular east at all in the country, into the valley, or is it mostly out of the mountains?

Dr. NASR. Well, it did not do very well in the 2002 elections. Some of the political parties have roots in Lahore and in Karachi, but it did not virtually win anything outside of NWFP. And all but one of the leaders of the parties are all Pashtoons. Actually I think now all of them are Pashtoons. So they also really play to the bleachers when it comes to the issue of Pashtoon nationalism as well.

Senator CHAFEE. Could I ask you to expound a little bit on the anti-Shi'ism? What are the dynamics of that?

Dr. NASR. Well, this goes back to essentially the 1980s where anti-Shi'ism grew as a reaction to the resurgence that was produced by the Iranian revolution. It is my belief that Saudi Arabia and Pakistan helped invest in extremist Sunniism as a way of containing Iran's influence. The consequence was that anti-Shi'ism was sort of built into the ideology of extremist groups that now is also spreading out through al-Qaeda also into Iraq and the like. And the conflict has been surging every once in a while. Both sides now have extremist groups. They engage in assassinations and in bombing of religious holy places. Although since the mid-1990s onwards, Shia extremism has been essentially more docile and on the street has largely lost the war in terms of numbers and activity to the far larger network of Sunni militants which were tied to the Taliban and received far more funding from the Persian Gulf and far more support from the security services in Pakistan.

But I must add also that there is a cynical view that the resurgence of violence in Karachi has to do with the military's struggle with extremists, in particular the Shia extremist groups, the Sipah Muhammad, which was always known to be the client of the mili-

tary, is going back into Karachi in the past few months, and a cycle of assassinations and bombings has been escalating. So there is a sort of an argument about a subterranean war going on as well.

Ambassador SCHAFFER. It is worth remembering that there are a couple of areas with higher than average concentrations of Shia population, and one important one is in southern Punjab where you have a number of fairly substantial land-owning families that are Shia, whereas the rest of the population may not be. And there is also a significant Shia population in Lahore. As with other divided populations, this tends to stoke hostility where you have other roots for it. So this is one of the things that gives the sectarian problem roots in Pakistan proper that have been aggravated by trouble spilling over from Afghanistan.

Senator CHAFEE. It seems to me there are so many fingers to the anti-Americanism and the civil strife also and the anti-Shi'ism.

But I will change my question, if President Musharraf does not abide by his pledge by the end of 2004, what would you guess would happen then. Any predictions?

Dr. WEINBAUM. I think right now President Musharraf is keeping his options open. By everything he has said and done, it is very clear that he wants to hold onto his army office. He believes that that is an important lever in terms of wielding power and he views himself as being indispensable for Pakistan. Naturally he gains strength with that office.

However, he has made some promises to us, to the Europeans, and to the Pakistani ruling classes that he is going to step down. The military would like him to step down. It sort of frees up the promotion ladder. So he is under pressure to meet the obligations which he himself has agreed to, although reluctantly. However, I believe that if there is the least reason that he can cite as to why it is necessary to hold onto his uniform for the good of the country, he will take that route.

I think if he does give it up, it is in the belief that at least for a time, through his appointments among the corps commanders—that is the senior military leadership—that he has placed enough loyalists in position so that at least for the first year, he is secure. However, he knows how he came to power. He knows how General Zia came to power and he knows that is not worth anything for very long.

The CHAIRMAN. Thank you very much, Senator Chafee.

Senator Nelson.

Senator NELSON. Shortly after September 11, 2001, President Musharraf was confronted with the mullahs and the madrassahs and was going to try to crack down on some of the madrassahs. Can you give us a progress report? Bring us up to date.

Dr. NASR. I do not believe much has been done for a variety of reasons. First of all, whereas the growth of madrassahs may have slowed down, particularly because of the shutting down of the outside funding through the charities and the like, none has been completely shut down. None have really lost students. In fact, the government has gradually backed away from its pressure as well, as part of its compromises that it is making with the Islamic opposition for reasons of military rule wanting to stay in power.

In addition, the efforts to reform curricula have essentially ground to a halt. It was largely left to madrassahs to voluntarily engage in reform, and some of them tried to do so, but they found that there are no resources. For instance, there are no mathematics teachers to hire. Even though the government gave financial incentives for madrassahs to hire mathematics and physics teachers, there are none to be hired. As a result, not much has been done, and they continue, in the vacuum of absence of public education, to be the education choice for much of the rural areas and some urban areas as well.

Senator NELSON. At the same time, our ambassador was trying to get some of our financial assistance specifically out into the rural areas for just what you said, straight to the classroom to hire teachers and mathematics teachers and so forth. Can you critique whether or not that U.S. effort has been forthcoming, and if so, has it been in any way successful?

Dr. NASR. At least in terms of interviews I did with one of the Islamic parties, which was forthcoming, the Jama'at Islami, which is a member of the MMA, they have taken advantage of some of the financial incentives that have been provided by the government. The problem is that this is not a problem that could be solved in 3 years. For instance, as I said, they first of all could not find a sufficient number of mathematics teachers to fill up 3,000 madrassahs that they have. Second, for some of the classes that they were asked to reform, they essentially are presenting the same old material under new course titles. So physics or natural sciences are still the same old courses. Even at the best of times, they just admit that it is not something that can be done because of the manpower constraint that Pakistan has.

Ambassador SCHAFFER. Senator, I think there is another interesting perspective on this. The madrassah reform program was supposed to start with registration. Registration has not got very far partly because the religious parties saw it as the camel's nose under the tent, but partly because of the well-known administrative weaknesses of the Education Ministry in Pakistan.

I had a long talk a few months ago with the director of an NGO coordinating agency, a woman who was trying to mobilize corporate support for adopting particular public schools. She had found that in some areas the funding from the Ministry of Education, presumably with external donor support, was helping madrassahs buy computers, which was leading parents in the area to say, hey, we have got a school with a computer. Let us put the rest of our kids into the madrassah.

This is one of the reasons that I think we must not lose sight of the potential for taking these shells of public schools and trying to make sure that they have teachers and proper supervision and can provide some competition. This particular NGO/corporate effort, the Pakistan Center for Philanthropy, was most impressive partly because of whom it has mobilized in this effort. I am a big believer in getting a lot of different people involved in the education sector because no one, not the Education Ministry and not any other organization, is big enough and sufficiently able to operate at scale to take on the whole task.

Dr. WEINBAUM. They were also up against something else about Pakistan. Pakistan traditionally trained the elite. After all, this is a country which has 35 percent literacy. In training the elite, the emphasis historically has been on higher education and ignoring primary schools. So it even involved changing the mind set of Pakistan, the need to invest. As has been suggested here, it is an enormous undertaking. It will take years to be able to create the pool of people who could conceivably provide an education which would give them, the madrassah students, the option to do something other than opening their own madrassah or perhaps joining a jihadi group.

So there is a problem here which is very deep. As has been suggested, it cannot be solved in the short term, and yet I think everyone agrees this is where the investment has to go and it has got to start now if we are ever going to see any progress in the future.

Senator NELSON. And is it starting with the United States assistance?

Dr. WEINBAUM. It is about $20 million that we are now programmed to provide. That is a pittance for what is needed here. We have talked about in this large package of $100 million, but that is spread out. So I think that if we are serious about this, we are going to have to put a lot more in the way of resources behind it, but even that will not be enough because, again as has been suggested here, we have got to get them to change their attitude and we need the ministry to be capable of following through.

There are other solutions too. We should perhaps be encouraging the right kind of private schools. Right now most middle class people will send their child to an English medium private school and this is filling the gap for them. So it may very well be that indeed we have to support the state schools, but we may in the near term have to depend on better private schools to step in and perhaps to be subsidized so that they can take the students who cannot afford the normal tuition.

Dr. NASR. If I may add, Senator, that this is not just an educational problem. The madrassahs in Pakistan are the political base of Islamic parties and they will not give that up easily. In fact, if President Musharraf is to back away from his promises on the political front, it is more likely that he will compromise with Islamic parties to get their consent to his continuance in office, and that will mean that he is going to back away from encroaching onto the power base of the Islamic groups, which are the madrassahs. That is where they train the population. That is where they are creating the next generation of voters, and that is where they are recruiting. This is a political battle that the government has to engage in. It is not educational.

Senator NELSON. It is very troubling.

Let us talk about maybe some ray of hope. It seems that things have cooled on the Kashmir border. Do you think India and Pakistan are really at a point at which they are serious about wanting to reduce tensions? Where do you see it going?

Ambassador SCHAFFER. I think they are serious about wanting to reduce tensions. When the outgoing government, the Vajpayee government, agreed last January to start talks with Pakistan, it was very clear to me that that represented a serious decision. It is in-

teresting to me that during the Indian election campaign just a few months later, relations with Pakistan were not an issue. In fact, the Congress Party, which eventually wound up winning the election, made it clear that they wanted to continue the effort. The Pakistanis have said the same thing.

So far what they have done has been relatively easy. They have been agreeable to each other. Officials have met the number of times that they were expected to. The two Foreign Ministers keep running into each other in third party places and on airplanes and smiling and shaking hands for the cameras, and they have brought their bilateral relationship up to where it was 3 years ago. They have got functioning ambassadors in both places. They have got their embassies and consulates built back up to the strength they were at least 3 years ago. They have restored the rail and air links that were severed.

Now it is going to start to get interesting. They are going to have to get beyond the mood and into making some real decisions on what they want to do next. As we all know, that is harder. They are going to have to figure out what policies both of them are prepared to change.

This issue of opening up a bus service between the two sides of Kashmir is a very interesting case in point. It was an idea that was proposed by India, initially greeted rather coolly by Pakistan but eventually embraced. It is very popular in Kashmir, actually on both sides of Kashmir, which I visited last March. The issue is what kind of documentation should be used by those who travel on the road. India's position is they should have passports and visas. They want this both because it provides them greater security against people they do not want to let in and because it represents, one can argue, some kind of acknowledgement of India's sovereignty in Kashmir. For precisely that reason, Pakistan initially said, no, no, they have to have U.N. travel documents and has now backed off of that to say we want them to travel on some kind of local documentation. As a technician, I could draw you three or four different solutions to this, all of which would include an agreement that this did not prejudge the eventual outcome.

I believe both sides understand they can solve this problem. They will solve it when the President of Pakistan and the Prime Minister of India tell their officials "go solve it and do not come back to me until you have done it"—and not a moment earlier. That has not happened yet. I hope that it eventually will because I think they need some concrete progress in order to sustain the overall process.

Dr. WEINBAUM. Senator, in the broader sense, I do not believe that there are the ingredients on the table for a solution of the Kashmir issue. What is important here, though, is that this process continue partly because of the hope that over time the chemistry may change. Also I believe that the way in which it ultimately is going to be resolved, however that is—and it probably will look something like the status quo—to see it in the larger context of the bilateral relationship between India and Pakistan. When they begin to see the mutual advantages in their bilateral relationship, in that context perhaps the Kashmir solution lies. But if the problem itself is contained as Kashmir, what I worry about is that be-

cause they will not show that kind of progress any time soon, that there will be domestic pressures from both sides to back away from that process. So what one can hope for, most of all, is that there is enough continuity to create the momentum so that both sides will see that it is in their mutual interest to certainly not go back to where they were.

Dr. NASR. If I may also add. It will not go forward without direct U.S. assistance to the process, the reason being that after September 11, the balance that existed before has changed. India has gained greatly. Pakistan has been a major loser, having lost its position in Afghanistan. The fate of Afghanistan and its implications for Pakistan are still not clear. It will be decided after the elections. President Musharraf is likely to be weaker domestically and not able to take the bold moves that are required to go the next step after December. So without some outside power providing a certain degree of confidence and security to Pakistani mind set, it will be very difficult for them to take any risky moves.

The CHAIRMAN. Thank you very much, Senator Nelson.

I would like to recognize Senator Biden now. Senator Biden, if you would in the next 10 minutes give your statement or ask questions——

Senator BIDEN. Well, I am going to withhold the statement. I will wait to be the last one to question. Has everyone questioned already?

The CHAIRMAN. Yes.

Senator BIDEN. I would just go right to questions, if I may, if that would be appropriate.

The CHAIRMAN. All right, fine.

Senator BIDEN. I would ask unanimous consent that my statement be placed in the record.

The CHAIRMAN. It will be placed in the record.

[The opening statement of Senator Biden follows:]

OPENING STATEMENT OF SENATOR JOSEPH R. BIDEN, JR.

Mr. Chairman, I commend you for calling today's hearing. There are few places in the world more vitally important to the national security of the United States than Pakistan—and few places where our policy is in more desperate need of a serious, long-term strategy.

Do we have such a strategy in place? If we do, I'm hard-pressed to figure out what it is. Some of the administration's policies toward Pakistan make sense, but it's difficult to see how the various pieces add up to any coherent long-range plan.

And we can't go on much longer without a plan. The stakes are far too high—for Pakistan, for the rest of South Asia, and for the United States itself.

Let's take a minute to review a few of the formidable challenges that our policy must address:

First (certainly from our perspective) is counter-terrorism. Pakistan has been an important partner in this effort—but far more remains to be done. Nearly three years after September 11, 2001, the architects of the worst terrorist assault in history are still believed to be hiding on Pakistani soil.

Osama bin Laden, his terrorist aides, and his Taliban confederates, are holed up in the tribal areas near the Afghan border. In recent months the Pakistani military has finally launched a campaign against al-Qaeda hideouts, but the operations have not yet rooted the terrorists from their sanctuary.

What is the administration's plan for crushing al-Qaeda? Are we any closer to achieving this goal now than we were three years ago? Secretary Ridge tells us that al-Qaeda is planning a massive terrorist strike in the U.S.—so why did the White House wait until just this year before pressing Pakistan to launch a campaign in the tribal areas?

Maybe there truly is a coherent plan for counterterrorism cooperation with Pakistan, but I don't see it.

The second challenge is nuclear proliferation. Earlier this year, we learned that the head of Pakistan's nuclear program had sold both technology and know-how about the most dangerous weapons in the world to countries like Iran and Libya.

It's difficult to see how this trade could have gone on—for years, at facilities under military control—without the tacit consent or active participation of top officers in the Pakistani army.

Dr. Khan, the worst nuclear proliferators in the world, received a pardon for his activities from President Musharraf; he has not spent so much as a day in jail, and there is no likelihood that he ever will. To the best of my knowledge, he has not even been questioned by American officials, in order to shut down the nuclear black market he established.

Over the past few years, we've repeatedly been promised that Pakistan's nuclear secrets were not for sale. Even after 9/11—when everything was supposed to have changed, when we all were supposed to woke up to the dangers of weapons of mass destruction potentially being sold on the open market—there were signs that the promise wasn't being kept.

When rumors surfaced two years ago of nuclear trade between Pakistan and North Korea, both Musharraf and the Bush administration promised that if any leakage had occurred, it was absolutely 100% contained. Well, we now know that wasn't true. So what's the response today: a new promise that *this* time things will be different.

And maybe they will be. Maybe A.Q. Khan, and his cronies in the Pakistani military and intelligence agencies, truly have seen the light. But I wouldn't bet my life—or the lives of my grandchildren—on it.

What's the plan? What's our strategy to make sure that Pakistan's nuclear know-how isn't spread further afield?

The third challenge is Pakistan's relations with its neighbors. To the east is India—a relationship that has seen four wars so far (the most recent, in 1999, was sparked by reckless adventurism at Kargil, and ended only with the intervention of President Bill Clinton). In addition, Pakistan has supported a range of militant groups operating in Jammu and Kashmir, including some of the most brutal terrorist organizations currently in existence.

Thankfully, the leaders of Pakistan and India have tried to forge a peace between their countries. But all too often the current administration's policy toward Indo-Pakistani peace appears to be little more than crisis management. And the failure to crack down on several hard-core terrorist groups based on Pakistani soil threatens the long-term prospects of any treaty.

Relations with Pakistan's neighbor to the west, Afghanistan, are hardly more encouraging. Elements of the Pakistani military and intelligence agencies still provide support to the resurgent Taliban, and to other militants seeking to destroy Afghanistan's fledgling democracy. U.S. officials complain about it, but nothing seems to get done.

Does the administration have a strategy for bringing a lasting peace to one of the most volatile regions in the world? Is there a plan to give Pakistan sufficient reassurance of its legitimate security needs that it doesn't have to embark on dangerous adventurism to the east and to the west? If so, I'd sure like to know what it is.

There are a range of other pressing challenges—the increasing power of extremist groups in Pakistani politics, the failure of Pakistan's secular education system, the urgent need for democratization. If I were to touch even briefly on each of these topics, I'd leave little time for our witnesses.

And, Mr. Chairman, we have an excellent panel of witnesses today.

Ambassador Schaffer has served her country both as a diplomat in South Asia, and the director of the Foreign Service Institute.

Prof. Nasr is widely known as one of this country's foremost authorities on Pakistani politics, particularly the role of Islamic parties and the rise of radical groups.

Dr. Weinbaum is also a top scholar of the region, and was until recently the head of the Pakistan desk at the State Department's Bureau of Intelligence and Research.

I look forward to hearing their testimony on this vitally important topic.

Senator BIDEN. I apologize. I was, as we say in the business, necessarily absent but I cannot think of anything more important, Mr. Chairman, than this hearing and, quite frankly, the fate of Pakistan. That is the single greatest concern I have, quite frankly, of

all that hangs in the balance out there in our present attempts to grapple with a foreign policy that makes some sense.

If the questions that I raise have been raised before, please just tell me and I will be briefed by my staff and look at the record so we do not have to take more of the committee's time.

Doctor, you just indicated that Pakistan has been a loser relative to India in the recent past, and you indicated that part of that evidence of that loss is its loss of influence in Afghanistan. Would you amplify what you mean by that?

Dr. NASR. Well, historically Afghanistan had always been an irredentist power vis-à-vis Pakistan all the way until the Soviet invasion of Afghanistan and it had always traditionally been an ally of Delhi. Pakistan had always felt under a pincer between Afghanistan and India. For the period of 1980 to 2001, Pakistan was able to reverse that situation. It essentially controlled Afghanistan and claimed to have gained strategic depth. As a consequence of September 11, it essentially in one swoop lost its back yard, and the Pakistanis are very nervous about the fact.

Senator BIDEN. I hope you are right. I do not see any evidence that that is true. That is what I thought you meant.

So you are not asserting that India has regained its influence in Afghanistan, are you? I have seen evidence of that.

Dr. NASR. Well, the Pakistanis would often tell you that they view with concern the fact that India has now eight consulates, including one in Kandahar, and that Hamid Karzai was educated in Delhi and the Northern Alliance were allies of India before the war began. In other words, as far as they are concerned, they are looking at a glass half empty and they see that compared to before 2001, their situation is more precarious.

Senator BIDEN. Well, before 2001, they were the Taliban. Now, the Pashtoon—let me ask you the question rather than me state it because I do not want to, by a statement I make, lead anyone to believe that I am in any way referencing any intelligence data because I am not. But that sometimes happens in this business.

Is there evidence that the ISI and others have ceased and desisted from their involvement in the internal affairs of Afghanistan and that they have, in fact, become the good neighbor? Is there any evidence of that, or is there contrary evidence?

Dr. NASR. Well, I can only give you my opinion rather than hard evidence, and my opinion is that no, they have not. The extremists or the Taliban remain the one instrument with which Pakistan could possibly remain involved in Afghanistan. Until such time as there are alternate ways to influence the future of Afghanistan, they are likely to remain engaged.

I also personally believe that the Pakistanis, based on my observations, would not like the consolidation of power in Kabul in the manner that it is occurring and would rather see a southwestern Afghanistan as a zone of influence, much like Iran's zone of influence in Herat, a buffer that can give them the kind of strategic depth that they always looked for in Afghanistan.

Dr. WEINBAUM. Can I just add on to this?

Senator BIDEN. Yes, please.

Dr. WEINBAUM. I do not believe that Pakistan is at the moment deliberately trying to undermine the Karzai regime. Pakistan, as

do the regional neighbors in general, believes that a successful, a stable Afghanistan at this point would be in its interest. All of them, however, and especially Pakistan, are taking out insurance policies. They are not completely severing their connections with their former clients. So those relationship, remains, and should the Afghan experiment fail, these countries are likely to bid for their spheres of influence. But I would not want to characterize certainly Musharraf's views as ones which are sometimes expressed in Afghanistan that he is simply trying to undo the Karzai government.

Senator BIDEN. I know we are talking about Pakistan, but what is your view of the Iranian's attempt—let me back up. On the front page of the newspaper a couple days ago, Karzai has changed his tune a bit and is now saying what the chairman and I have been saying for a while and that is the warlords have gained ascendancy, that they are a problem. It is not merely the Taliban. How do you assess Karzai's assertions in the press, which I am sure you read, I guess it was Monday, saying that the postponement of elections relates in part at least to the warlords? And as you point out, historically the five neighbors have viewed Afghanistan as a place to compete for influence, and they have had their own clients. It looks like most of the clients are up and running. It looks like most of the clients are still in business.

Dr. WEINBAUM. We have reason to be surprised. When President Karzai was here in Washington last month, he made a point of saying: do not fear the fact that I am talking to the warlords. Ambassador Schaffer and I sat together when he made that statement; he tried to allay fears, particularly expressed within Afghanistan, that somehow he was throwing his lot in with the mujahedin leadership and the warlords.

Then the statement just the day before yesterday. The only way one can interpret that is that some of the deals that he thought he had made have gone sour.

Senator BIDEN. Well, let me help you. I can tell you how to interpret that. And I am willing to bet my career on it.

The administration made a judgment a year ago in a direct conversation I had with Dr. Rice that there was an inevitability of the warlords maintaining control. When we were trying to expand ISAF—we were trying to significantly expand it 2 years ago—the assertion was made to me, that is always how it has been. There is security. There is stability. Meaning the Taliban and al-Qaeda are not in Herat. They are not up in the Tajik area. They are not functioning. That was a judgment made.

In my humble opinion, Karzai was left with a reality. The reality was he knew he was not going to get what he desperately wanted at first, a significant, as you will remember—and it is amazing, Ambassador, how we all have such short memories—a significant expansion of ISAF. A significant expansion and striking while the iron was hot, when all the warlords are ready to buy in, and the reason they were ready to buy in was because they viewed ISAF as apartheid cops. They were not sure they still had their sponsors, and they were willing to take a risk that if in fact ISAF was in their area and in control, at least their competitors would not be in and in control.

So he made a Faustian bargain. He thought, given the fact that he was not going to get help to do what needed to be done, he would have to try to figure out how to control these guys, and he figured out he cannot control them. Now he is doing what some of us pleaded personally with him to do 10 months, say straight up, I need help. I need force. Force. So there is nothing surprising about this. I am surprised you are surprised.

Dr. WEINBAUM. But, Senator, I think it is wrong to label all those who are competing with him for power as one kind of warlord. We have a variety of types.

Senator BIDEN. I could not agree with you more. But people who maintain large militias who have no intention of Kabul being the center of power in that country, starting with Ishmail Khan in Herat, just to name one, Dostum—we can go down the list—doctor, do you think any one of those folks envisions himself in Kabul with a united Afghanistan? What do you think?

Ambassador SCHAFFER. Only if he is in charge.

Senator BIDEN. No. But do you think they think that is remotely possible? No. I want to hear the answer.

Ambassador SCHAFFER. I do not.

Senator BIDEN. Right. I do not either.

Ambassador SCHAFFER. But I also believe that every leader that Afghanistan has ever had has had a job that involved a mix of forced negotiations, guile——

Senator BIDEN. Exactly right.

Ambassador SCHAFFER [continuing]. And perhaps a little luck.

Senator BIDEN. And that is exactly what Karzai was looking for. Leaders in the past, when they have been able to unite that country under one leader, have been in the position where there have not been robust militias that were in full flower and making it clear their claim was absolute in the region in which they operated. There have been deals cut. And so what Karzai tried to do, in my humble opinion, is cut those deals and found out he had no power really to pull off. What does Ishmail Khan need from him? What does Dostum need from him?

So there was not much to cut here except what they want to make sure is that he is not, I would suspect—this is a question. I do not know this. My guess is their greatest concern is what one of you just said is the concern of the Pakistanis, that there is a strong, united government out of Kabul controlling the money and making the judgments about development in the country. Does anybody disagree with that assertion?

Ambassador SCHAFFER. Senator, I think there is one asset——

Senator BIDEN. My time is up, but please go forward.

Ambassador SCHAFFER [continuing]. That arguably the government in Kabul ought to be able to mobilize, and that is foreign assistance.

Senator BIDEN. How can they do that?

Ambassador SCHAFFER. But their ability to mobilize that depends critically on their ability to get it to be relevant to its distribution in the different parts of the country.

Senator BIDEN. That is exactly right.

Ambassador SCHAFFER. That very quickly brings you back to two problems, the problem of security outside of Kabul and the problem of roads.

Senator BIDEN. Exactly right.

Ambassador SCHAFFER. Those are the two areas where I think a strategic investment ought to have been made as early as the beginning of 2002.

Senator BIDEN. I could not agree with you more.

Ambassador SCHAFFER. It is still important but it is late.

Senator BIDEN. It is not only important and late, I do not know how it gets done now. We had a significant debate up here with the administration. One of the things we argued—I speak for myself—that I argued repeatedly and intensely about as that we were providing for projects in relatively small amounts throughout Afghanistan and not having every one of them go through Kabul. That is all you are talking about. This is not rocket science, Ambassador, to go into Herat and let Ishmail Khan build the road, the sewer system, the school. What other power did Kabul theoretically have? They had no army. They had no ability to extend force. The only thing Kabul was needed for by any other part of Afghanistan was aid, and instead of funneling every single dollar through Kabul so it became relevant, it was done ad hoc. So what did Karzai have? He did not make the decision on the distribution of the dollars or the aid. He still doesn't make that distribution.

Dr. WEINBAUM. But, Senator, he does not have the administrative capacity to do what you are asking him to do.

Senator BIDEN. Sure he does. He has as much administrative capacity to do what we are talking about with our aid as we do to do it directly with Ishmail Khan. He does not have the administrative capacity anymore either.

Dr. WEINBAUM. Ishmail Khan has a very effective administrative apparatus. This central government cannot effectively control its own governance. So I agree with you that we should have focused more of our assistance toward the center, but the idea that somehow you can have a central government in Afghanistan which is able to take on the responsibilities now I think just flies against what history has shown us.

Senator BIDEN. Well, your approach is guaranteed we are not going to have a united Afghanistan.

Dr. WEINBAUM. We will always have a united Afghanistan because the Afghans want it united. That is not the problem.

Senator BIDEN. Let me be more precise. There will be a place called Afghanistan with a border that will have territorial integrity on a map. That will be an Afghanistan. There will be five Afghanistans like there was before, and there will be very little ability for the United States of America to have any impact on whether or not it becomes a cesspool again for terror. And there will be, as a consequence of that, an awesome impact upon Pakistan, and that will be hell.

So when I say administrate from Kabul, I do not mean physically build the project. I mean when Ishmail Khan wants to build a road, he goes to Karzai to ask if he can. Karzai signs off on it and we release the money to Ishmail Khan. That is what I mean by administrate. It is not administrative in the sense that he had an appa-

ratus to be able to go out there and make the independent judgment. It is called patronage. It is called political power. It is called having power. And he has none. None. None. And it is a policy dilemma that is our responsibility and a serious mistake we have made.

As you can tell I do not feel strongly about this. Thank you.

The CHAIRMAN. Thank you very much, Senator Biden. I think Senator Biden has indicated, as you have, the relevance of Afghanistan to our topic today. It is very important.

It illustrates the complexity of our new foreign policy endeavors. Working so that Afghanistan would be a functioning democracy with a constitution, would have elections, quite apart from being economically viable, is a daunting task. Certainly as our committee has explored it, the resources our government is devoting to this probably are inadequate for the ambitions that we have, quite apart from the reluctance of our NATO allies to come forward, even though the new mission calls for more participation. So we are not unique among governments of the world, in terms of lack of commitment, including both persons and money.

Coming back to Pakistan, the problem is even more daunting. As you mentioned, Ambassador Schaffer, the public school dilemma, quite apart from rebuilding other institutions, is a long-term project. We understand that here today around the table. But we also have, as I tried in my first questions to indicate, a short-term problem that is very serious with regard to security of our country. And these two situations may have brought about a certain amount of conflict. As policymakers attempt to gain more efficacy from the relationship with the Pakistani military and General Musharraf, perhaps they have neglected or even compromised other issues.

So you could argue that, on the one hand, we will have to hope for the best on the terrorism and military front. In any event, we ought to be planning long-term for considerable expenditures, and hopefully organizing an international view of this. We point out that there are only 42 percent of children of elementary school ages now attending school at all. The alternatives, the madrassah schools, are extremely difficult, in terms of the future of Pakistan, and certainly our relationship. As you point out, the relationship of the political parties and General Musharraf is, to say the least, troubled. The evolution politically there does not appear to be encouraging, not moving along in a very healthy way.

For somebody attempting to draw up our foreign policy to Pakistan, there are so many moving parts in this situation that I suppose that in the past this has led not only administrations, plural, but Congress to simply either ignore it, or hope for the best, or allow experts to deal with it as best they could until a crisis such as 9/11 comes along, and then we refocus on Pakistan and what has been going on there.

You have indicated some places to begin, including the public schools and education. We could provide some manifestation to the people of the country that we care about them at the lower levels, as opposed to the elite. We do so regardless of whether, as the Pew Foundation or others who are polling Pakistanis indicate, they do not like us. Now, you could qualify that and say, well, they do not like American Government policy or they do not like the American

military, but down deep, if any of us were to come in the room, they would like us, perhaps.

But the fact is even as we try to talk to our public, the American people, about why they ought to invest money in Pakistan, many of my constituents ask, well, why indeed? Granted, it is an abysmal public school system. But we have got some problems with Leave No Child Behind in our own States right now. Full funding is not occurring.

What are the fundamental reasons why, if we were to do this right, either in Afghanistan or Pakistan, we propose to our administration that they enhance the appropriations very, very substantially, and change the priorities or make a much more comprehensive list; get a lot of people involved in diplomacy in that area, beyond what we have now, and beef up our own efforts? State for me, what is the case to be made, even after we explore Pakistan today? Why is it important, and why would this depth of commitment be required? Would you start with that, Ambassador Schaffer?

Ambassador SCHAFFER. Pakistan embodies, in concentrated form, the most severe dangers that face U.S. foreign policy in the region, and it certainly would be on the short list for that honor in the world.

Terrorism. We all know that Afghanistan was a sanctuary for terrorists before 9/11. Part of that sanctuary has moved into parts of Pakistan where it may not have government support, but it has relatively little difficulty operating below the government's radar screen.

Nuclear war. I do not believe that Pakistan and India have any intention of going to war with one another, but it certainly is not beyond the realm of possibility that this could happen by accident or miscalculation. It came uncomfortably close a couple of years ago.

Nuclear transfers. We all know what happened last year when A.Q. Khan was using his Rolodex to transfer nuclear materials and know-how to some of the worst customers that one could possibly imagine.

And then, of course, the reconstruction of Afghanistan, something that I believe has been indirectly impacted by our decision to go into Iraq, but whether or not you accept that argument, it is beyond question that this has been a complicated enterprise and is in some trouble.

The way to deal with all of these dangers so far has run through Pakistan. Pakistan, as we have discussed this morning, is in difficult shape itself.

I did an exercise in the past couple of years of looking at different scenarios for what Pakistan might look like a few years from now. There is an uncomfortably large number of very unattractive scenarios, ranging from the succession to power of a more irredentist military leadership to a kind of an alliance, a more explicit alliance between the military and the extremists, to a breakdown of governance where governmental authority falls apart and the people with the guns, not all of whom are in the army, wind up on top.

One can also imagine good outcomes, but without exception, the good outcomes start with a rebuilding of Pakistan's civic and polit-

ical institutions. I would be a fool to tell you that that is a sure bet.

I still think that the other options are unattractive enough that it is worth making that the center of gravity of our policy. But I do think that somewhere in the recesses of the government and outside of it, we need to be thinking about what happens if that policy fails because that is not beyond the realm of possibility.

You mentioned earlier in the session the question of whether the United States should simply go after the high-value al-Qaeda targets itself. Dr. Weinbaum said—and I agree with this—that there would be a very high cost to be paid in terms of backlash in Pakistan from the undercutting of Pakistani sovereignty by the United States against the background of decades of Pakistani conviction that the U.S. is a fickle friend at best.

I would argue that for the United States to take on that task and to do it in such a way that it was obvious—I am having a little trouble figuring out a way that it would not be obvious—would, in effect, be making a decision that we may not be able to work with Pakistan anymore, so we want to take matters into our own hands. That means that you are headed toward a really messy outcome in South Asia, one in which you have to worry, in ways that we may not have to worry quite as intensely now, about the stewardship of Pakistan's nuclear weapons, about the future of its relations with India and with Afghanistan and a host of related problems. For that reason, I hope we are not too eager to make those matters into our own hands, not to speak of the fact that the intelligence support for this operation has got to be very difficult to achieve. We arguably had better access to intelligence information on the whereabouts of Saddam Hussein and we had over 100,000 troops on the ground, and it took us a while to pull that one off. But I cannot sit here and tell you that there is no way we would have to do that because one can imagine circumstances in which it is possible.

The hope had been, first when Musharraf came in and then when he held elections 2 years ago, that after a period of 10 years of essentially failed governments, that this would be an opportunity to rebuild the economy and the system of governance, and that the elections would be the first step down what everyone understood would be a long road to rebuilding the political institutions.

The political institutions have not made any progress since that time. In fact, I would argue that they have probably moved backward because they have not really been taken seriously by the holder of real power, namely President Musharraf. I appreciate that he has got one of the toughest jobs in the world and a very difficult country to govern in difficult times and that nothing in his training as a military officer really equips him to deal with the world of uncertainty that is the essence of democratic politics. But that is where we are today.

The CHAIRMAN. Well, I thank you for that assessment.

Let me just raise one more question during this time. With regard to President Musharraf himself, you have all described the problems that he has governing. At the same time, it has never been clear, I think, to most of us what the alternative may be. As we lean on General Musharraf to do this or that and so forth, and

perhaps inadvertently knock this equilibrium off so that in fact he loses authority for one reason or another, or more tragically he is assassinated by someone in Pakistan and is gone, at that point, what do we do? What are the courses of action?

Dr. WEINBAUM. Senator, under the constitution there is a process where he will be succeeded by the chairman of the senate and then elections will be held. However, realistically speaking, were Musharraf to leave the scene, his replacement will be another general or perhaps two or three generals, at least in the short term. So we should not anticipate structurally that there would be any change in the balance of power, civilian/military, with this. Depending on the circumstances, we could see, however, the introduction of martial law, depending on how he leaves the scene. So we might very well see a severe setback to the democratic or elected institutions.

I think the problem here with our policy is that we do not have a plan B. We have not seriously thought through in our government how we would proceed without General Musharraf. We put so much of our faith in him. He has got an investment in us; we have got an investment in him. And it is understandable because he has been there when we wanted him, although as I suggested in my remarks, he has a way of backing off when he feels it necessary.

So I think right now, as we look at this question that you raise here about what if, we have got a very uncertain situation in Pakistan. The best estimate would be that other generals would come up. Now, they, I think initially, would try to maintain a certain degree of continuity, but ultimately my concern is that they would have to make even greater compromises with some of those elements with which Musharraf has already thrown in his lot. Therefore, the long-term possibilities that we would proceed along this road to greater institutionalization would be at least derailed for a short time.

Senator BIDEN. Can I ask for a clarification on this?

Dr. WEINBAUM. Yes.

Senator BIDEN. God forbid Musharraf is assassinated. The attempts that have occurred so far are coming from, as I understand it, fundamentalist elements of the Pakistani society and the radicals who are empathetic, sympathetic, or cooperative with the very elements that have now moved into the northwest province of Pakistan, including al-Qaeda.

Do I understand you to be saying that if that was the source of the assassination, that element—and I agree with you that it most assuredly would be another general or series of generals—that that would incline those generals to be more cooperative with those elements or to take them on more directly? What would be the inclination in your view?

Dr. WEINBAUM. Were he to be removed by a political mistake in which then the jihadi groups, the religious establishment, and others went into the street to demonstrate, and the generals would then come to him and say we think it is time for you to take a vacation, which is a conceivable scenario, I think under those circumstances I would worry more about their compromising with those elements. Initially I suspect that the generals will get as

tough as they can get with those jihadi elements. My concern here is, in doing so, they may have to unleash their own security forces in a way, which is simply going to set back whatever progress we have seen toward democratic governance.

Senator BIDEN. Is it a possibility to have progress toward democratic governance as long as the northeast province is in fact ungovernable and in the hands of what appears to be the jihadists?

Dr. NASR. If I may answer. Actually these are sort of straw men that the general himself puts up in the sense that there is no alternative to the current setup. That is not true. I believe that in fact ideal for Pakistan would be that if the military went back to the barracks and got down to the business of dealing with the extremists and left the politics to civilian politicians, the military being out of power has no bearing on their effectiveness of dealing with extremists. In fact, I think they would be far more effective because right now General Musharraf is making compromises with Islamists in order to get consent to rule.

Also, regarding the issue you mentioned, namely, if he were to be assassinated, one of the key issues for the Pakistan military, which is also at play right now in their dealing with Islamists is that the Pakistan military does not want to end up losing its popular base of support. It is always viewed much like the Israeli military is in Israel as the last defense of the religious homeland. It is a popular military, and it is gradually getting into that sort of gray area where it is losing that.

If General Musharraf was to be toppled or to be assassinated, the military will try to restore its social-political position, which means that it will pursue the actual murderers, the actual assassins, but more than likely will very quickly try to get back to the high ground that they have enjoyed before 2001.

I believe actually before beginning with the nuts and bolts policies of addressing varieties of issues of how do we get there, one of the key issues is that we are sort of trusting 450,000 men and one general to figure it out, and I do not have confidence in that. I believe that actually the political imperatives that are driving President Musharraf are making Pakistan a more dangerous place. We really need to think, as we are talking about the Arab world, what kind of a government do we believe Pakistan ought to have, and we should not really trust it to the generals to decide what is the best way to manage the extremism issue.

The CHAIRMAN. Let me just inquire. Let us say we came to a government of new generals, or of the current general. Do any of these people have an interest in the public school system? In our democracy, why, parents would say we want public schools. We want money spent for public schools. We want all of our children to succeed. Now, what you have described is a society in Pakistan which a certain elite might receive education and the emphasis on expenditure is only for the highest levels. This is a practical solution as only so many dollars or local currency are available, and therefore the government would spend it on only a few people who might offer leadership. But is there an ethos here?

It is probably beyond our Nation's ability in terms of our diplomacy, to bring about a constituency in which the people are all heard and in which money is spent for public schools, and in which

something other than the madrassah is available as an alternative. But just how does this get done at any level of the Pakistani Government?

Ambassador SCHAFFER. First of all, I think there is lots of evidence that there is grassroots support for functioning schools.

Second, as far as the army's attitude is concerned, the army insists on what is called "matric" which is essentially 10 years of school, plus an exit exam, for recruitment even to the enlisted ranks. In a society with literacy levels are as low as the ones you have cited, Mr. Chairman, this is an extraordinary high standard, and they are able to meet it. The military educate all of their kids. They basically have their own school system. They allow others to enroll in their school system, but the others have to pay slightly higher fees, and if there are enough army brats to fill the school, then the others are on the waiting list.

On the face of it, this would appear to create a situation where the military could become backers of the public school system, but not because of their own immediate needs because their own immediate needs are taken care of. So I think they could be part, if they wanted to, of the kind of transformed mind set that Dr. Weinbaum spoke about. I do not think so far they have really seen this as a cause that they had to throw themselves into, although you do have a certain number of retired military officers who have.

Dr. WEINBAUM. Mr. Chairman, I think it is important that we see Pakistan as a kind of company town. The military has seized the country as its subsidiary. What the great hope here is that because this is a military which owns most of the assets of the country, makes most of the important decisions, has claims on the budget, that there would be enough enlightenment to say, if this country fails, we are going to fail too. This has been the hope, and there are some people in the military—as Ambassador Schaffer said, we find them typically when we talk to retired officers—who recognize that it is more than simply winning a battle. It is more than Kashmir. They have got the responsibility of Pakistan. I think we have been waiting for a long time for them to step up to that.

However, at the moment the problem is that this is a welfare state for the military. The military is a disciplined, professional military with very good reason. If they play ball, if they stay with the system, there is something for them for the rest of their lives. They get taken care of, whether it is education at one end for their children or housing and allowances at the other end. They have every reason to simply stay with the system. Somehow one has to hope that this is going to change. Unless we change the military and the military's mind set, I am afraid we do not have solutions for Pakistan.

The CHAIRMAN. Yes, Ambassador.

Ambassador SCHAFFER. One statistic may be of interest to you. Spending on education in the last year came to about 1.8 percent of gross domestic product. In 1995, the civilian government, which had a lot of discredits on its dossier, spent 2.8 percent of GDP on education. This is from Government of Pakistan statistics. So they have got a big way even to go to get back to where they were.

The CHAIRMAN. Finally, this is my last question. Is it possible that if the military government does succeed in identifying itself

with the rest of the country, and tries to build these institutions, among the institutions it may try to build are the political parties or some civilian system, so that at some point it might cede control, step back, and allow others to have a go at it?

What is the prospect of that occurring in the short term or even in the intermediate term, even if we would all agree it might be healthy to have development of political parties again?

Dr. NASR. Well, actually initially President Musharraf tried to play that card of creating his own political party, but with the sacking of the Prime Minister and his indication that he would like a technocrat with no political base, independent of President Musharraf—that is, the current Finance Minister to become Prime Minister—essentially he is moving in the direction of apolitical politics, politics run by technocrats with no basis of support. And the danger of that is that even the minimum amount of political support he was getting from some landlords and parties that he was able to lure to support him, he is going to lose that, and his political base will become even more narrow.

Dr. WEINBAUM. What is so tragic here is that he had the power, coming in in October 1999, to change the political framework in the country. Democrats were with him, obviously the military, and most recognized the failures of the 1990s and that kind of democracy. He could have changed the framework. He has chosen instead, especially as we have seen in the last 2 years, to play by the old rules, so that what he has done is to manipulate the political scene just as they did in the 1990s except it is being done now through the military and through the ISI. And I think that is the great sadness here, that had he wanted to reexamine this and to say, OK, the political class has let us down, how can we change the rules, how can the military operate not as rulers here, but as guaranteers of a system which brings us to more genuine democracy. He chose however, to play the same old manipulative game. That ultimately will discredit him, just as it has previous politicians.

The CHAIRMAN. Well, thank you.

Senator BIDEN. Can I ask a question?

The CHAIRMAN. Yes, Senator Biden. Why do you not continue with your questions?

Senator BIDEN. If I may.

What leverage does this or any administration have with the Pakistan military?

Dr. NASR. I would say there are two parts to this. One is what leverage we have with the military. Second is what leverage we have with President Musharraf personally. I think there is more leverage with President Musharraf than there is with the military partly because to some extent his power base in Pakistan is dependent on his relationship with Washington, and part of his utility and power among the other generals comes from the fact that he has been able to secure a very lucrative tactical relationship with Washington, which had not existed since the time of General Zia. So there is substantially more leverage on him personally than there is on other generals. And to some extent, our window of opportunity in influencing Pakistan is while he is in power and before

he faces too many political crises to nudge him in the right directions.

Ambassador SCHAFFER. There are two major things the military wants from the United States. One is military supply, including the famous F–16s. The other is diplomatic support against India. And I am phrasing it the way they would probably phrase it in their heart of hearts, but they realize that that is not the way U.S. policy is currently structured. By withholding those things, according to the normal way these things are calculated, we ought to have leverage with them.

The problem is this. First of all, some of the supply items that the military is most interested in, including in my judgment the F–16s, may not be a good idea from the U.S. point of view because I think there are limits to the traditional argument that by beefing up Pakistan's conventional defenses, you raise the nuclear threshold. I think you may do that, but in the process you also tend to increase their willingness to engage in risky policies like the incursion in Kargil. So I think that we should stay away from that kind of military supply.

But more fundamentally the things that we want from the Pakistan military and from Pakistan more generally tend to be very important in their scheme of things. We want them to close down support for the insurgency in Kashmir and keep it closed because we see a war risk there. This is, as Dr. Nasr said a few minutes ago, like giving up a weapons system, something they are very reluctant to do. The military particularly are attached to the dream of getting Kashmir, and therefore even more reluctant than they normally would be to give up what they see as practically the only tool that they can use for that purpose.

That is where the diplomatic support comes in. I do not think that what we ought to be doing is anything that could be described as diplomatic support against either Pakistan or India. But I do think that a serious diplomatic effort aimed at shoring up Pakistan's and India's peace process, smoothing out some of the inevitable rough spots, and trying to help them turn these initial steps into a serious move toward completely rebuilding their relationship and, in the process, settling Kashmir would be the greatest contribution we could make both to U.S. foreign policy goals and to the peace of the region, from which Pakistan will benefit almost more than anybody else.

Dr. WEINBAUM. We have got some ground to make up here. We had some 12 years in which our relationship with the Pakistani military was nil. This was because when we instituted sanctions in 1990. One of the things we cutoff was the very intimate relationship between our two militaries. This had served us very well. One has only to talk to middle-level Pakistani military now to recognize that necessarily we are alienated. As has been suggested here, they still see us in their corporate interests as serving a purpose, and they are not prepared to alienate us. And that is one of the reasons why they support Musharraf because they see Musharraf as their ticket to the United States.

The degree of good feeling that we once had between our two militaries has, I am afraid, severely eroded. That together with the greater Islamization of the military and as part of the greater

Islamization of Pakistani society, has been driving us apart. To be very honest, it is something that is going to take a while for us to reconstitute.

Senator BIDEN. Well, the only way you reconstitute it is to be more forthcoming with their desires. Right? That is what they want.

I am not sure I got an answer. I got an answer, but there are two ways traditionally leverage is viewed. It is carrots and sticks. Ambassador, you indicated that—and I do not disagree with your overall premise that the best thing we could do for our interest, their interest, is to use our good offices to accommodate, as best we can, a continued movement toward rapprochement between the Indians and the Pakistanis, ultimately hopefully ending where you suggested. But in the meantime, there are specific requests being made by the military and not just fighter aircraft.

You have, for example, the Council on Foreign Relations recommending shifting the balance of U.S. aid from a 1 to 1 ratio to a 1 to 2 ratio. When I raise that with the administration, they make a very fervent plea that it will have the very impact, doctor, you suggested, that it will just exacerbate an already strained relationship with lack of trust with the military. Therefore, we cannot do that. Listening to you, Madam Ambassador, it sounds to me like that would be something that might make some sense from your perspective.

Let us just be very specific. Good policy, bad policy for the U.S. Congress to insist that we shift the ratio, $2 non-military for every military dollar, keeping the amount the same. What is the impact of that?

Ambassador SCHAFFER. Senator, when you have a chance to take a look at my statement, I have actually recommended that in my statement. I agree with the Council on Foreign Relations' recommendation. I have also argued that the economic aid ought to be given essentially without foreign policy conditions, but that military supply ought to reflect our judgment of whether Pakistan's foreign and security policies are compatible with ours.

There also, however, are a whole lot of ways that we can rebuild relations with the military that do not necessarily involve weapons systems.

Senator BIDEN. Let me be very specific. What impact do you believe such a change in policy would have upon the military today? The policy gets passed today by the Congress. The President supports it or his veto is overridden. It is now policy. The aid is now 1 to 2. What is the impact in your view immediately as it relates to our ability to influence? What impact does that have on the military and on Musharraf?

Ambassador SCHAFFER. I think that if you couple this with a serious diplomatic effort, the military gets over its disappointment. I think what they are going to be watching more than the appropriations even, although they will be watching that very carefully, is what gets delivered.

They also prize very much the professional relationships that they have with the U.S. military. One of the unfortunate things that happened when we imposed sanctions in 1990—and I was in government at the time—was that the broad sweep of the Pressler

amendment required us to cutoff international military education and training, to make them pay for anybody they might wish to send to West Point. There was a whole range of professional contacts that got cutoff as a result, which I believed at the time and still believe was very short-sighted.

Obviously, changing the ratio of our aid is not going to make them happy, but I think if you put it in a policy context, where we are in fact trying to facilitate forward movement on the peace process, which is something Pakistan professes to have wanted for 50 years, that they would get over their disappointment and ultimately there will still be enough military supply there to be interesting to them.

Senator BIDEN. Do you agree, Dr. Weinbaum?

Dr. WEINBAUM. Yes, I do. I think that is indeed the only course we have. It would be wonderful if we could say let us have more money for the social sector, as well as satisfy the military, but your assumption here was we are dealing with the same——

Senator BIDEN. No, no. Let us understand. As I understand the reason for the ratio, it is not so much dealing with the limited funds. It is to make a political point.

So, doctor, let me ask it this way. Let us assume we double the amount of money and we keep the ratio 1 to 2 instead of 1 to 1. Madam Ambassador, is it your view that this relates to the amount or the allocation of the formula?

Ambassador SCHAFFER. I would say that amount is probably more important.

Senator BIDEN. So if in fact we were to be able to——

Ambassador SCHAFFER. Let me make sure I express myself properly, Senator. I think that for the Pakistan army, looking at what they get from the United States, getting more is better and getting more is more important than getting a higher percentage.

Dr. NASR. Senator, at this particular time, the Pakistan military is the Pakistan Government. The kind of distinction we might have in another part of the world where giving to the military is different from giving to the civilian government, they control large parts of the public sector, private sector, and even the aid that we would give to Pakistan will still strengthen the military position in politics.

Senator BIDEN. So it does not matter then.

Dr. NASR. I think they would cry wolf or they may try to use——

Senator BIDEN. If you are correct, which I do not doubt that you are, then what difference does it make? Why do we go through this effort? Why would I spend the time here to try to go through a battle to change the ratio when in fact what you are saying is it does not matter?

Dr. NASR. Well, politically it does not matter.

Senator BIDEN. Why does it politically not matter?

Dr. NASR. Because it strengthens the military either way. But in terms of at least if you were to give the money for public schools—the program will be run by the military. A general will be put in charge of it—at least you know that the money is not going to hardware that has no economic or social impact on Pakistan. But either way, the military is going to get strengthened through this process.

Dr. WEINBAUM. And this is one of the problems that we have. So many people in Pakistan at this point, unfortunately, view our support for Musharraf as support for the military, and by virtue of that, that it means support for the military rather than for civilian government and democracy. That is something I do not know how we get through right now because they are one and the same. Indeed, what happens in Pakistan repeatedly now is when Musharraf takes decisions, which have a non-democratic coloration to them, too many people in Pakistan say, well, that is the way the United States wanted it, that this is something we are signing on with, even though, of course, we may actually have objections. Unfortunately, we do not raise those objections, or if we do, we raise them in such a low voice and so privately that the Pakistani people do not hear them.

Ambassador SCHAFFER. Senator, there is one other dimension of this question of the balance between economic and military assistance, and that is the conditionality. Part of my argument is that on military supply in particular we should apply a filter looking at what Pakistan's policies are and what they are likely to become before making decisions. I am not focused so much on the amount, but on the types of equipment that we finance.

Senator BIDEN. Give me an example, please.

Ambassador SCHAFFER. The best example is the F–16s. Before deciding to go ahead with a new F–16 deal, I would want to be very confident that the Pakistanis really had closed down their support for insurgency in Kashmir and that the peace process had gone enough more rounds that it looked much more robustly on track than it is now.

You could apply the same logic to the possibility of other unattractive discoveries in nuclear transfers. Those are the two issues that I am most concerned about in Pakistan's foreign and security policy.

Senator BIDEN. Thank you, Mr. Chairman.

The CHAIRMAN. Well, thank you very much, Senator Biden. We thank each of you as witnesses for the preparation of your papers, and likewise for your very forthcoming responses to our questions. I think we have had a good hearing, and we appreciate your contribution and that of all members.

The hearing is adjourned.

[Whereupon, at 11:48 a.m., the committee adjourned, to reconvene subject to the call of the Chair.]

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