

## THE USA AND PAKISTAN – A VOLATILE PARTNERSHIP

*Karl Fischer / Ulrike Schultz*

The alliance between the USA and Pakistan has been described by many analysts and commentators as a marriage of convenience or as a transactional relationship that is only being held together by mutual dependence. The Pakistani military, for instance, is largely dependent on American financial support so that it can present its arch-enemy, India, with a show of strength. The USA, for its part, is unlikely to achieve any lasting success in the fight against al-Qaida and the Taliban without the cooperation of the Pakistani military and intelligence services. But at the same time, both sides are deeply mistrustful of each other. Many Pakistanis believe the USA is anti-Islam and wants to control their nuclear arsenal, or even that they are colluding with India to destroy Pakistan.<sup>1</sup> For their part, the Americans accuse the Pakistani military and intelligence services of collaborating with militant extremists, in contravention of their alliance commitments as part of the war on terror. The dramatic CIA operation to apprehend and liquidate Osama bin Laden on the night of 1 to 2 May last year brought this sense of mistrust to the world's attention. Time and again, the Pakistani government had assured the USA that the al-Qaida leader was not in their country. For this reason, American Special Forces under the command of the CIA had started their own search for bin Laden and had not informed the Pakistanis of the intended raid. After that, the Pakistani-American "partnership" seemed to be heading for divorce.

1 | "Though the United States remains, by far, Pakistan's biggest financial benefactor, it is reviled among Pakistanis, many of whom genuinely believe that Americans are set on their country's destruction", "Pakistan and America. In a sulk", *The Economist*, 14 Jul 2011, <http://economist.com/node/18959707> (accessed 21 Mar 2012).



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## THE RAYMOND DAVIS AFFAIR

The relationship was already in dire straits at the beginning of 2011 after Raymond Davis, a private security operative working on behalf of the CIA, shot two Pakistani motorbike riders in the East Pakistan city of Lahore on 27 January. According to his statement, the two men were trying to rob him at gunpoint. Davis called two colleagues to come to his aid, but as they raced to join him they caused a road accident in which an innocent bystander was killed.

In the first hours after the incident, a Pakistani witness claimed in an oft-repeated TV report that both Pakistanis had pulled guns first and aimed them at Davis. However, later in the day, this sequence of events was dropped from TV reports, because it would have confirmed Davis' claim that he was acting in self-defence. Only reluctantly and after anti-American sentiment amongst the people had reached boiling point – in many cities thousands of angry demonstrators had been calling for the death sentence for Davis – did the police publicly admit that the two men who had been shot were known criminals, who always robbed their victims at gun-point.<sup>2</sup> Indeed, two unregistered pistols and several stolen mobile phones were found with the two dead men.

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The Pakistan government foiled attempts by the U.S. government to prevent Davis being the subject of a potential show trial by claiming that he was a diplomat and therefore immune from prosecution. The Pakistani administration was reluctant to let the matter drop after their citizens had reacted so angrily to the incident. It took weeks of bilateral negotiations before Davis was released from custody. The chairman and two members of the House Armed Services Committee, which makes the decisions in the House of Representatives on the allocation of defence budget funds, personally travelled to Islamabad for the discussions. They suggested to the Pakistani negotiators that, if an amicable solution were not reached, approval for two billion U.S.

2 | Khaled Ahmed, "Hatred dims wit and vision", *The Friday Times*, 11-17 Feb 2011.

dollars worth of aid for the Pakistani military and security services might not be forthcoming.<sup>3</sup> Pakistan did not want to take that risk and agreed to a deal that was sanctioned by the courts. In exchange for Davis being released and allowed to leave the country immediately, the USA was prepared, in accordance with Islamic Sharia law, to pay “blood money” to the families of the dead men in the amount of 100 million rupees (around 1.2 million U.S. dollars) and to issue U.S. entry visas for two people per family.<sup>4</sup>

For the Pakistani intelligence agency, the Inter-Services Intelligence (ISI), the Davis affair was an opportunity to thoroughly re-assess its cooperation with the CIA. Although there had always been a fair amount of mistrust between the two intelligence agencies, the ISI now felt that its distrust of the USA had been vindicated. Raymond Davis was clearly a member of an extensive network of agents that the CIA had built up in Pakistan on account of its growing doubts about Pakistani sincerity when it came to pursuing Taliban and al-Qaida leaders. The Pakistani English-language newspaper *The News* quoted an unnamed member of the intelligence agency as saying that “the ISI fears there are hundreds of CIA contracted spies operating in Pakistan without the knowledge of either the Pakistan government or the intelligence agency”.<sup>5</sup>

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The head of the ISI had even decided to completely abandon all cooperation with the CIA, according to a draft intelligence agency press release. While the press release was never actually officially published, it was deliberately leaked to an American news agency as a kind of warning shot.<sup>6</sup> The CIA got the message and, according to unconfirmed reports, made an effort to limit the damage by

3 | Baqir Sajjad Syed, “Continued detention of Davis may hurt defence ties, warns US”, *Dawn*, 5 Feb 2011, <http://dawn.com/2011/02/05/continued-detention-of-davis-may-hurt-defence-ties-warns-us> (accessed 21 Mar 2012).

4 | “Davis leaves Pakistan”, *Dawn*, 17 Mar 2011, <http://dawn.com/2011/03/16/court-frees-cia-contractor-accused-of-murder-rana-sanauallah> (accessed 21 Mar 2012).

5 | “Davis row creates rift between ISI, CIA”, *The News International*, 24 Feb 2011, <http://thenews.com.pk/NewsDetail.aspx?ID=11663> (accessed 21 Mar 2012).

6 | *Ibid.*

recalling some agents from Pakistan, as well as discontinuing certain "dubious" activities.<sup>7</sup>

### OPERATION GERONIMO

In the early hours of 2 May, a U.S. Special Forces commando unit stormed Osama bin Laden's residence and eliminated the al-Qaida leader. The attack had been planned by the Naval Special Warfare Development Group (DEVGRU) under the codename Operation Geronimo and was carried out in a joint operation with the Navy SEALs. President Barack Obama entrusted the then CIA Director and current Secretary of Defense, Leon Panetta, with leading the operation.<sup>8</sup>

Operation Geronimo was both an embarrassment and a humiliation for the Pakistani army and the ISI. The top generals were left with the choice of either admitting to professional incompetence or owning up to complicity with the terrorist leader. The latter appeared to be closest to the truth because, while Prime Minister Yusuf Raza Gilani was claiming in a speech to Parliament that "it was the ISI that passed key leads to the CIA"<sup>9</sup>, this very same

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ISI was hunting down anybody it suspected of having helped in tracking down bin Laden. The doctor Shakeel Afridi who had apparently gained access to bin Laden's house under the pretext of involvement in a vaccination program, and so had been able to give the CIA the crucial tip-off, is still sitting in a notorious ISI prison. At the beginning of this year, the Ministry of Information in Islamabad announced that Afridi would be officially charged with "conspiracy against the Pakistani state and high treason", something that, if proven, would carry the death penalty for the doctor.<sup>10</sup>

7 | Baqir Sajjad Syed, "ISI redefining terms of engagement with CIA", *Dawn*, 6 Mar 2011, <http://dawn.com/2011/03/06/isi-redefining-terms-of-engagement-with-cia> (accessed 21 Mar 2012).

8 | For a more detailed discussion of the political and operational issues surrounding this attack, see Nicholas Schmiedle, "Getting Bin Laden: What happened that night in Abbottabad", *The New Yorker*, 8 Aug 2011.

9 | "Pakistan prime minister's speech on bin Laden", *Reuters*, 9 May 2011, <http://in.reuters.com/article/2011/05/09/idINIndia-56878720110509> (accessed 9 Mar 2012).

10 | *CNN*, "Official: Pakistan yet to decide on charges against doctor in bin Laden raid", 30 Jan 2012, [http://articles.cnn.com/2012-01-30/asia/world\\_asia\\_pakistan-bin-laden-doctor](http://articles.cnn.com/2012-01-30/asia/world_asia_pakistan-bin-laden-doctor) (accessed 10 Apr 2012).

Further humiliation for the Pakistani generals was provided by a photo that was reproduced around the world showing how President Barack Obama, Secretary of State Hillary Clinton and CIA Director Leon Panetta, together with other members of the government, had followed the discovery and shooting of Osama bin Laden via a satellite link in the Situation Room of the White House. Pakistan found itself faced with three highly-embarrassing questions from the international community, which they have still failed to answer:

- How was it possible for two foreign helicopters to enter Pakistani airspace at night without being detected and to land not a hundred kilometres from the capital? And just how reliable, therefore, is the claim by the civilian and military leadership that their nuclear arsenal is safe from terrorist attacks? These concerns were brought into even sharper focus a few days later when a group of militants attacked the naval air base in Karachi, killing at least ten soldiers, destroying two planes and occupying the base for 16 hours.<sup>11</sup>

**How reliable is the claim by the civilian and military leadership that their nuclear arsenal is safe from terrorist attacks?**
- How was it possible that Osama bin Laden, the most wanted criminal in the world, was not found in some cave on the Afghan-Pakistan border, but had apparently been able to live with his wives, children and staff unchecked for years (his house was built in 2005) in Abbottabad, a garrison town swarming with military personnel and agents? Just how credible are the assurances by the civilian and military leadership in Pakistan that they want to play their part in the war on terror?
- What exactly did Pakistan's government know about where bin Laden was living? Who had been helping him? And how many other Taliban and al-Qaida leaders do the Pakistanis have hidden away in their country?

Particularly in the USA, the background to Operation Geronimo and its eventual outcome caused people in political circles and think tanks of all colours to question the wisdom

11 | Salman Masood and David A. Sanger, "Pakistan's Military Faces New Questions After Raid", *The New York Times*, 23 May 2011, <http://nytimes.com/2011/05/24/world/asia/24pakistan.html> (accessed 21 Mar 2012).

of a strategic alliance with Pakistan. Pakistan's neighbours also reacted angrily to the discovery of Osama bin Laden inside Pakistan. India has been a regular target of terrorist attacks that it has consistently laid at the door of its arch enemy – an accusation that the indignant Pakistanis have just as consistently denied. Now it was describing its unloved neighbours as a "safe haven for terrorists",<sup>12</sup> and Afghanistan's president, Hamid Karzai, was using the events in Abbottabad as an opportunity to suggest to the Americans that they should be fighting terrorism in the Indus region – so in Pakistan – rather than in the Hindu Kush.<sup>13</sup>

The day after the operation, Husain Haqqani, at that time Pakistan's ambassador to the United States, made strenuous efforts to mollify the furious Americans and to rescue his country's honour. He assured an American news broadcaster that his government would thoroughly investigate why the intelligence agency had not been able to discover earlier where bin Laden had been living. Haqqani

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admitted that there must have been some people in Pakistan who had provided Osama with protection and assistance. What was not clear, however, was whether they should be looking for people in the government, the military or amongst a sympathetic public. It was well known that there were some elements in society who were receptive to Osama bin Laden's ideology, but who did not really understand how important it was for Pakistan and the USA to fight against terrorism together. The ambassador also reminded the Americans that since 11 September 2001, no country had suffered more victims of terror attacks than Pakistan.<sup>14</sup>

### THE "MEMOGATE" SCANDAL

If Pakistan were a properly functioning democracy, President Asif Ali Zardari would have given a dishonourable discharge to all the senior army and intelligence agency

12 | Amir Zia, "After Bin Laden", *The News International*, 3 May 2011, <http://thenews.com.pk/Todays-News-9-44821-After-Bin-Laden> (accessed 21 Mar 2012).

13 | Ibid.

14 | "Haqqani promises Osama intelligence inquiry", *The News International*, 3 May 2011, <http://thenews.com.pk/NewsDetail.aspx?ID=15054> (accessed 21 Mar 2012).

personnel involved following this incident, as was his right under the constitution.<sup>15</sup> However, the government was instead afraid of being toppled by the military, as had so often happened in Pakistan's 65-year history.

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In order to prevent this from happening, President Zardari and Prime Minister Gilani apparently sent a secret memo in which they authorised Ambassador Haqqani to ask the USA for help in restructuring the army and ISI leadership.

The details of this move, referred to by the media as the "Memogate" scandal, first became public knowledge when an influential American businessman of Pakistani origin, Mansoor Ijaz<sup>16</sup>, described in an article in the *Financial Times* how he had passed on the memo to the then Chairman of the U.S. Joint Chiefs of Army Staff, Admiral Mike Mullen, on behalf of Ambassador Haqqani. President Zardari immediately denied all knowledge of such a memo, let alone having authorised it. Haqqani, who was particularly unpopular with the army generals following the publication of a book that was critical of the military,<sup>17</sup> also denied all accusations, but was eventually forced to resign from his position as ambassador following huge pressure from the military.

However, the military establishment and the parliamentary opposition were keen to see even more heads roll. Opposition leader Nawaz Sharif (Pakistan Muslim League-Nawaz) lodged an official complaint with the Supreme Court accusing President Zardari of being the political author of the memo and therefore guilty of high treason. However, as there was no evidence and Mansoor Ijaz was not available as a main witness because he was unwilling to travel to Pakistan due to fears for his personal safety, the whole case fizzled out at the end of last year. All parties involved

15 | Cf. Constitution of Pakistan, Part XII, chapter 2, <http://pakistan.org/pakistan/constitution/part12.ch2.html> (accessed 27 Mar 2012).

16 | Wajahat S. Khan, "Who is Mansoor Ijaz?", *The Friday Times*, 25 Nov-1 Dec 2001.

17 | Husain Haqqani was accused by the generals of having exposed their secret cooperation with mullahs in his book *Pakistan between Mosque and Military*, Washington D.C., 2005, as well as of debunking the military and puncturing the myth of its national leadership capabilities.

still managed to claim a victory of sorts.<sup>18</sup> President Zardari and the USA could carry on trying to urgently normalise relations between the two countries. The military establishment had been able to teach the highly detested Haqqani a lesson, while the Supreme Court was now held in higher esteem because it had demonstrated independence and objectivity in dealing with the case and had not caved in to political pressure.

There was no longer any talk of a planned military coup. Quite the opposite: both the Chief of Army Staff, Parvez Kayani, and the ISI Director General, Shuja Pasha, were concerned about losing their jobs following their ignominious roles in the Abbottabad debacle and the Memogate scandal. At the beginning of February they both sent an unusually humble petition to the Supreme Court asking it to prevent the government from sacking them.<sup>19</sup>

### ATTACK ON BORDER POSTS

**On 26 November 2011 two Pakistani border posts on the border with Afghanistan were apparently accidentally hit by NATO airstrikes.**

General interest in the legal ramifications of the Memogate affair quickly dwindled following an event that was potentially far more damaging to Pakistan-US relations. On 26 November 2011 two Pakistani border posts on the border with Afghanistan were apparently accidentally hit by NATO airstrikes.<sup>20</sup> 24 Pakistani soldiers were killed and 13 severely wounded. That same day, just as it had done a year earlier

18 | Najam Sethi, "Memogate closure", *The Friday Times*, 27 Jan-2 Feb 2012.

19 | Azam Khan, "SC admits petition on saving army", *The Express Tribune*, 8 Feb 2012, <http://tribune.com.pk/story/333290/sc-admits-petition-on-saving-army-isi-chiefs> (accessed 21 Mar 2012).

20 | According to the U.S. version given by Brigadier General Steven A. Clark, a team of coalition troops on the way to an Afghan village near the border had come under heavy machine gun fire and mortar attack. The commander of the team had called for support, and the two border posts, from where the attacks seemed to be coming, were fired upon by an F15 and a helicopter. Poor communication and insufficient coordination had been behind this unfortunate mistake. The Pakistanis did not accept this version of events and claimed that the NATO team had not followed the jointly-agreed communication guidelines and had deliberately initiated the attack. The Pakistanis also therefore declined to participate in a joint investigation into the incident. *CNN*, 11 Jan 2012.



when a NATO helicopter coming from Afghanistan had strayed into Pakistani airspace and shot two border guards, the government shut all the border crossings used by NATO and the U.S. forces to transport supplies from the port in Karachi to their troops in Afghanistan. This was a major blow to the Americans, especially as the closures did not just last a few days, as they had in 2010, but are still in force today.<sup>21</sup> The detour they now needed to take through Central Asia was not only more time-consuming, but raised the logistics costs involved in supplying their troops by a factor of 6, to 104 million U.S. dollars.<sup>22</sup>

But the situation also became precarious for Pakistan. Within a short space of time, a dangerous tailback of thousands of transport vehicles, including many tankers loaded with diesel, had built up in Karachi and on the transit routes to the Afghan border. On 1 January 2012 the Karachi port authority announced that there were 3,676 military vehicles and 1,732 containers stuck in Port Qasim.<sup>23</sup>

As a further retaliatory measure, Pakistan demanded that the USA leave the Shamsi air base in the Balochistan region within two weeks. The air base had been made available to the USA as a base for unmanned reconnaissance and attack drone missions. The USA complied without argument, in order not to inflame the situation any further. The government in Islamabad also announced that it would be expelling all American intelligence agency personnel and military instructors and would not be taking part in the Afghanistan Conference scheduled to take place in Bonn on 5 December.

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Pakistan also brusquely rejected the American offer of a joint investigation into the incident. Later, both Pakistan and the USA refused to accept the results of the other side's investigations, in which Pakistan accused NATO of hostile intent, while the USA blamed the attack on a fatal communications problem between the two countries.

21 | As at copy deadline, 10 Apr 2012.

22 | "Pakistan closure of supply routes costs U.S. 6 times more for new route", *The Washington Post*, 20 Jan 2012.

23 | "NATO wants relations with Pakistan back on track", *The Express Tribune*, 2 Jan 2012.

In light of the somewhat unexpected ferocity of Pakistan's reaction, the USA voluntarily took a one-month break from drone attacks on alleged Taliban and al-Qaida camps in the Afghanistan-Pakistan border regions. These attacks, which had been started back in 2004 following permission from then president General Pervez Musharraf,<sup>24</sup> had been

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a constant source of tension between the two countries on account of the many civilian casualties. Despite the fact that a request by the USA at the beginning of January to restart these unmanned attacks had been refused by Pakistan, drones did fire on a target in the tribal area of North Waziristan, killing four suspected terrorists. The Pakistanis were simply informed about the attack. There was no protest, however,<sup>25</sup> which suggests that Pakistan was also keen to avoid further escalation of the dispute.

The Pakistan-U.S. misalliance seemed to have reached a point where there was no chance of things returning to normal. However, Senator John Kerry, who was the first U.S. politician to travel to Islamabad to try to smooth things over with Army Chief Kayani and President Zardari following the CIA operation in Abbottabad, explained to the press that a split with Pakistan would be clearly against U.S. interests in the region: "Divorce is not an option", he said.<sup>26</sup>

Having said that, the parliaments of both countries independently set in motion radical reviews of their relationship and began drawing up a set of terms and conditions for future cooperation. On 5 December 2011 the Republican senators John McCain and Lindsey Graham suggested that "the decade-long strategic partnership, which has been severely shaken this year, should be fully reviewed".<sup>27</sup> The

24 | "Out of the blue. A growing controversy over the use of unmanned aerial strikes", *The Economist*, 30 Jul 2011, <http://economist.com/node/21524916> (accessed 28 Mar 2012).

25 | *CNN*, n. 20.

26 | Howard LaFranchi, "Behind Kerry's mission: In US-Pakistan relations, 'divorce' is not an option", *The Christian Science Monitor*, 16 May 2011.

27 | AFP, "Key US Senators urge review of Pakistan funding", *The Express Tribune*, 6 Dec 2011.

USA should consider the possibility of a substantial reduction in military and economic aid to Pakistan, for example, as well as the establishment of stricter performance standards.<sup>28</sup>

On 19 January, a spokesman for the Pakistan's Foreign Ministry announced that Pakistan wanted to maintain stable relations with the USA. He said that the Parliamentary Committee on National Security had concluded its review of the relationship between Pakistan and the USA and would make 35 recommendations to a joint sitting of both parliamentary chambers on the creation of a sustainable relationship. He expected the recommendations to be accepted without any problems, as all factions had been represented on the committee.

### **A PARTNERSHIP OF EXPEDIENCY**

In some aspects, Pakistan's current situation is closely tied in with the peculiarities of its relationship with the USA.

When the Pakistan Movement brought about

the painful split of Pakistan from India in 1947, the country was in a poor state compared to India in almost every respect, especially economically, financially and militarily. So it needed a strong, rich partner, and the coun-

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try's founder, Muhammad Ali Jinnah, saw the USA as being that potential partner from the very beginning. In an interview with the American journalist Margaret Bourke-White for *Time Magazine* he portrayed Pakistan as being an essential bulwark against the Soviet Union: "America needs Pakistan more than Pakistan needs America."<sup>29</sup> Pakistan is "the pivot of the world, as we are placed [... on] the frontier on which the future position of the world revolves".<sup>30</sup> But in the end, Pakistan's civilian and military elite needed money and modern military equipment to achieve its national

28 | Ibid., "The United States has been incredibly patient with Pakistan. And we have been so despite certain undeniable and deeply disturbing facts".

29 | Margaret Bourke-White, *Halfway to Freedom*, 92, quoted from Haqqani, n. 17, 30.

30 | Ibid.

interests,<sup>31</sup> which included strengthening its economy, building a strong army to oppose India and presenting Pakistan as the world's leading Islamic state.

But because, above all, the USA viewed its partnership with Pakistan in the context of its own regional and global strategies, there were bound to be turbulences in the relationship along the way. Pakistan was prepared to play its part in the politics of containing Communism in the 1950s, in fighting against the Soviet occupation of Afghanistan in a rare show of cooperation with the USA in the 1980s, and in the war on terror after 9/11, despite the objections of a large section of its own population. The Pakistani government always demanded a high price for its cooperation, however, especially in the form of additional economic and military aid.<sup>32</sup> From the very beginning, the army generals benefited from the fact that the USA was primarily driven by military considerations and that the establishment of a democratic society in Pakistan – something that did not concern the generals – was of lesser importance for Washington.

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The relationship between the USA and Pakistan was principally a relationship to the military establishment.<sup>33</sup> Both countries used the alliance in pursuit of their own security interests. This led to irreconcilable differences when it came to such issues as the non-proliferation of nuclear weapons and the war on terror, despite the fact that the USA occasionally turned a blind eye to Pakistan's double-dealing for purely pragmatic reasons.

The USA had recognised Pakistan's leaning towards Islamic policies soon after the country was founded. A statement from the U.S. Department of State on 1 July 1951 suggested that "apart from Communism, the other main threat to American interests in Pakistan was from 'reactionary groups

31 | Shahid Javed Burki, *Pakistan – A Nation in the Making*, London, 1986, 187. The well-known Pakistani economist, who represented Pakistan at the World Bank for many years from 1974, describes how "Pakistan carefully went about building a relationship with the United States, in which the responsibilities of both partners were clearly established".

32 | Haqqani, n. 17, 325.

33 | *Ibid.*, 322.

of landowners and uneducated religious leaders' who were apposed to the 'present Westernminded government' and 'favour a return to primitive Islamic principles'".<sup>34</sup> The U.S. Secretary of State at the time, David Bruce, described the situation even more succinctly in a report dated 19 August 1952, in which he pointed to a "noticeable increase in the activities of mullahs" and warned that "where this trend to continue the present government of enlightened western-oriented leaders might well be threatened, and members of a successor government would probably be far less cooperative with the West than the present incumbents."<sup>35</sup>

However, just under thirty years later, following the Soviet invasion of Afghanistan, the U.S. was happy to take advantage of just this trend. Working together with the military dictator Zia-ul Haq, it not only supplied the Mujahideen with weapons and money via Pakistani channels, but also financed the building of madrassas to equip holy warriors with the necessary fighting spirit in the form of religious fervour.

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#### **U.S. ECONOMIC AND MILITARY AID**

As early as 1947, Pakistan had asked the USA for 81 million U.S. dollars a year for five years<sup>36</sup> in order to be able to build up its armed forces. It was highly disappointed when this request was turned down. Prime Minister Liaquat Ali Khan, who asked for 500 million U.S. dollars in military aid during a visit of Washington in 1950, also came away empty-handed. While U.S. President Harry S. Truman was happy to grant diplomatic recognition to the new state of Pakistan, he was only prepared to offer the much lower figure of 600,000 U.S. dollars in financial aid.<sup>37</sup>

Such reticence on the part of the USA finally came to an end under President Dwight D. Eisenhower, who could see the potential benefits of military relations with Pakistan following a visit by Secretary of State John Foster Dulles to

34 | Ibid., 322.

35 | Shuja Nawaz, *Crossed Swords – Pakistan, its Army, and the Wars Within*, Oxford, 2008, 98.

36 | Pervaiz Iqbal Cheema, *The Armed Forces of Pakistan*, Oxford, 2002, 2<sup>nd</sup> edition, 2006, 93 et seq.

37 | Bruce Riedel, *Deadly Embrace – Pakistan, America and the Future of the Global Jihad*, Washington, D.C., 2011, 12.

**In December 1953, Vice President Richard A. Nixon paid a visit to Pakistan and paved the way for the first economic aid treaty which was duly signed on 28 December 1953.**

Pakistan in 1953, and who encouraged cooperation between the two countries.<sup>38</sup> A breakthrough in the relationship came with the appearance of the Commander-in-Chief of the armed forces, General Mohammad Ayub Khan, in Washington that same year. This time, his comprehensive wish-list for military aid was looked upon more favourably. In December 1953, Vice President Richard A. Nixon paid a visit to Pakistan and paved the way for the first economic aid treaty which was duly signed on 28 December 1953. Under this treaty, the USA guaranteed aid to Pakistan to the tune of 22 million U.S. dollars over the following six months.<sup>39</sup> Further agreements were signed in 1954.

The signing of the Mutual Defence Assistance Treaty on 19 May 1954<sup>40</sup> in Karachi also laid the foundations for future military cooperation. During preparatory discussions for this treaty, General Ayub Khan made it quite clear that Pakistan's willingness to cooperate in the "fight against the spread of Communism" and against potential Russian aggression should not be taken for granted. Pakistan would need to be given enough aid to be able to defend itself. After all, the country was suffering from the fact that 75 per cent of its budget had to go into defence. For this reason, the USA must be prepared to provide Pakistan with what it needed to achieve its long-term goals.<sup>41</sup> Similar rhetoric was used to inform the U.S. mission responsible for assessing Pakistan's military equipment needs under Brigadier General Harry F. Meyers that the military aid the United States was considering giving was totally inadequate. Prime Minister Bogra took this opportunity to emphasize the fact that "Pakistan's decision to accept military aid was in the interest of both the U.S. and Pakistan.

38 | Cheema, n. 36, 59 et seq.; Shuja Nawaz refers to a U.S. government report from 2 Oct 1952, which clearly shows the USA's military interest in "the large number of excellent airfields and air base sites (notably in West Pakistan) within medium and heavy bomber range of major industrial and governmental centres in Soviet Central Asia and the interior of communist China and the presence of major ports and other facilities that would support communications between Western Europe and the Far East", n. 35, 98.

39 | Javed Iqbal Ghauri (ed.), *Pakistan Chronology 1947 - 1997*, Islamabad, 1998, 76.

40 | Nawaz, n. 35, 118; Cheema, n. 36, 60.

41 | Nawaz, n. 35, 112.

In fact It would not be wrong to say that the USA should more to gain from this agreement than Pakistan."<sup>42</sup> When faced with this almost insolent attitude on the part of the Pakistanis and their excessive demands, Meyers said "What good would there be if America gave Pakistan military equipment enough for for 15 divisions, if Pakistan did not have those 15 divisions?"<sup>43</sup> This kind of hubris on the part of Pakistan, solely on the basis of its geopolitical location, has been characteristic of its negotiating stance towards the USA right up to the present day. Previously it was due to the country's proximity to the Soviet Union and to pro-Soviet India, while today it is about its proximity to Afghanistan.

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From 1954 to 2002, Pakistan received 12.6 billion U.S. dollars worth of financial and material aid from the USA. 9.19 billion U.S. dollars of this was given during the time military regimes ruled the country. During the 19 years of civilian government, aid amounted to only 3.4 billion U.S. dollars. The military regimes therefore received 382.9 million U.S. dollars a year on average, while democratically-elected governments received only 178.9 million U.S. dollars a year.<sup>44</sup> Of 3.2 billion U.S. dollars in aid from the Economic Assistance and Military Sales Package, which ran from 1982 to 1986, 1.55 billion U.S. dollars alone was earmarked for military equipment which was of course manufactured in the USA. In the subsequent 1987 package, which was agreed for six years, 1.74 billion of a total of 4.2 billion U.S. dollars was for military equipment.<sup>45</sup> With this kind of funding, Pakistan was able to expand its armed forces from 140,000 service personnel in 1947<sup>46</sup> to a total strength of 600,000 today. In addition, there are 247,000 paramilitary personnel.<sup>47</sup> During the 1980s, the navy almost doubled its number of warships<sup>48</sup> and the air force had over 410 combat aircraft available by the turn of the century.<sup>49</sup>

42 | Ibid., 114.

43 | Ibid., 116.

44 | Haqqani n. 17, 324.

45 | Cheema, n. 36, 96 et seq.

46 | Nawaz, n. 35, 20.

47 | Cheema, n. 36, 47.

48 | Ibid., 96.

49 | Ibid., 105.

**The military dictator General Zia-ul Haq granted the USA the exclusive rights to supply the Mujahideen with weapons, ammunition and money.**

During the Afghan war against the Soviet occupiers, Pakistan received six billion U.S. dollars in direct military aid.<sup>50</sup> The military dictator General Zia-ul Haq also wrested the exclusive rights from the USA to supply the Mujahideen with weapons, ammunition and money. He assigned this job to the ISI, which was also supposed to keep the CIA "at bay".<sup>51</sup> Although the ISI and the CIA had already been working closely together for several decades, they were both deeply mistrustful of each other.<sup>52</sup> We can only speculate how much of the U.S. aid intended for Afghanistan ended up in Pakistani pockets.<sup>53</sup> But from the number of smart new villas that were springing up in Islamabad and the neighbouring garrison city of Rawalpindi alone, it was obvious that a fair number of generals and senior officers had become enormously rich during those years.

After 11 September 2001, U.S. president George W. Bush gave the Pakistani President Pervez Musharraf, who had come to power following a coup in 1999, a clear and unmistakable warning that he had no choice but to enter into a Pakistan-US alliance against terrorism. In order for Musharraf to make the total abandonment of the previous policy of support for the Afghan Taliban regime palatable to both the military and civilian population, Bush promised him extensive financial aid. Pakistan has in fact received 20.7 billion U.S. dollars over the last 10 years, of which more than two-thirds has gone to the military.<sup>54</sup>

In 2009, there was a major outcry because of a draft bill presented by two U.S. senators (John Kerry and Richard Lugar) and a congressman (Howard Berman) for a further aid package of 1.5 billion U.S. dollars per year until 2014. The bill, known as the "Enhanced Partnership with Pakistan Act of 2009", was seen by Pakistan as massive interference by the USA in its internal affairs, because of the conditions

50 | Najam Sethi, "Naysayers of Kerry Lugar Bill", *The Friday Times*, 9-15 Oct 2009.

51 | Steve Coll, *Ghost Wars*, New York, 2004, 62 et sqq.

52 | *Ibid.*, 63.

53 | Afzal Mirza, "The money that raised a thousand bin Ladens", *The News*, 20 Jun 2004.

54 | Ben Arnoldy and Issam Ahmed, "US aid in Pakistan: Where's the money going?", *The Christian Science Monitor*, 18 May 2011.



that were attached to the aid. The type of projects to be covered, the provisions to be put in place for monitoring the progress of these projects and the necessary billing procedures, along with other conditions of a more political nature, were all much more clearly defined than in previous agreements. Interestingly, the biggest and loudest complaints about such a “violation of national dignity and sovereignty” came from the military leadership. The military, which was used to being able to spend Washington’s money as it saw fit, was being denied access to these funds. More level-headed analysts, on the other hand, reminded their angry compatriots that the USA had always attached conditions to the use of aid, but that Pakistan had rarely respected them, and the USA had regularly lifted these restrictions and continued sending the aid in the “national interest”.<sup>55</sup>

### UNTRUSTWORTHY FRIENDS

Over the history of its relationship, Pakistan has often accused the USA of breaches of trust that, from its viewpoint, inflicted damage on the Pakistani economy, undermined its military strength compared to that of India (with serious consequences) and endangered the country’s very existence. It all started when the USA supplied arms to Pakistan’s arch-enemy, India, when that country was involved in border conflicts with China during the 1950s. Pakistan complained that the USA failed to consult with them beforehand.<sup>56</sup>

**The American arms embargo during the Indo-Pakistani war of 1965 on both sides hurt Pakistan more than India, which got most of its arms from the Soviet Union.**

During the Indo-Pakistani war of 1965, Pakistan expected to receive American backing, but instead the USA imposed an arms embargo on both sides.<sup>57</sup> This hurt Pakistan more than India, which got most of its arms from the Soviet Union. Even more disappointing was the way the USA held back during the Indo-Pakistani war of 1971, when Pakistan had pinned its hopes on American intervention. Instead,

55 | Najam Sethi looks at the issue from a historical viewpoint and asks why military and religious conservative circles found such political conditions acceptable during the rule of military dictators Zia-ul Haq and Musharraf, but accused the civilian government of “national betrayal” when it accepted these conditions. Najam Sethi, “Naysayers of Kerry Lugar Bill”, *The Friday Times*, 9-15 Oct 2009.

56 | Cheema, n. 36, 31.

57 | Ibid.

the USA allowed India to take as prisoners 90,000 soldiers from East and West Pakistan, allowing East Pakistan to metamorphose into the independent state of Bangladesh.

Pakistan once again suffered disillusionment when the USA lost interest in Pakistan after the Soviet army withdrew from Afghanistan and the subsequent collapse of the Soviet Union, despite the fact that in 1990 the USA still had outstanding aid promises amounting to 564 million U.S. dollars.<sup>58</sup> The USA cancelled its aid because the CIA had discovered how close Pakistan was to making its first atomic bomb, and the USA invoked the Pressler Amendment, which placed an embargo on any country that broke the nuclear non-proliferation agreement.<sup>59</sup>

**The USA cancelled its aid because the CIA had discovered how close Pakistan was to making its first atomic bomb.**

In this way, Pakistan found itself suffering a whole series of sanctions as a consequence of the nuclear tests carried out on 28 and 30 May 1998; the coup by General Musharraf on 12 October 1999; and the purchase of missile technology from China in 2000. It even had to return nine warships it had leased from the USA, and although Pakistan had already paid for a delivery of F-16 fighter jets, the order was cancelled.<sup>60</sup> This icy phase in Pakistan-US relations only began to thaw in 2001, with a pragmatic relationship being re-established when the USA called on Pakistan to join the "war on terror". The USA needed Pakistan's support for its campaign against al-Qaida and the Taliban in Afghanistan, and Pakistan urgently needed American money. However, the Pakistani regime was not prepared to completely fulfil its part of the bargain. For example, it failed to provide a centrally-located military airfield for the exclusive use of U.S. forces, instead simply allowing them to use an air force base near Peshawar for their spy planes. Pakistan also refused to allow the USA to monitor the way its military aid was being used. In fact it was breaking the agreement between the two countries by using it to build up its military forces against India, including giving increasing support to the armed insurgency in the Indian part of Kashmir. The Americans were also able to exercise very little influence over Pakistan's intelligence services.

58 | Coll, n. 51, 220.

59 | Ibid.; Cheema, n. 36, 31 et seq.

60 | Cheema, n. 36, 97, 112.

Bruce Riedel, a former CIA operative and high-level adviser to several U.S. presidents shows a certain understanding of Pakistani behaviour when he describes this particular chapter in Pakistani-US relations as follows: "America has been a fickle friend, sometimes acting as Pakistan's closest ally and sharing important secret programs, while at other times moving to isolate and impose sanctions against it. For good reasons and bad, successive U.S. presidents from both parties have pursued narrow short-term interests in Pakistan that have contributed to its instability and radicalization, and thereby created fertile ground for global jihad."<sup>61</sup>

### A NEW TONE FROM WASHINGTON

With the inauguration of President Barack Obama in 2008, the conversation between the USA and Pakistan changed its tone. Obama wanted to end the war in Afghanistan – a campaign that was costing the U.S. taxpayer almost eight billion U.S. dollars a month<sup>62</sup> – as soon as possible, while still being able to declare it a success. This would only be possible if Pakistan discharged its responsibilities in the war on terror, as agreed when it accepted military aid amounting to some two billion U.S. dollars a year.

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In contrast to his predecessors, who had almost exclusively negotiated with the army chiefs, even when civilian governments were in power, in November 2009 Obama sent a personal letter to President Zardari containing a tough message: "We have to find new and better ways of working together in order to foil their planned attacks" (referring to the terrorist organisations in Pakistan). In his letter, Obama also made it clear that the USA knew about the ISI's secret collaboration with extremist groups and was no longer prepared to tolerate it.<sup>63</sup>

In this respect, Obama also set stricter conditions for development assistance for Pakistan, as set out in the afore-

61 | Bruce Riedel, *Deadly Embrace – Pakistan, America and the Future of the Global Jihad*, Washington, D.C., 2011, X.

62 | Toni Capaccio, "Pentagon Says Afghanistan War Costs Dip as Surge Troops Leave", *Bloomberg*, 3 Feb 2012.

63 | Bob Woodward, *Obama's Wars*, Simon Schuster UK Ltd., 2010, 284 et seq.

mentioned "Enhanced Partnership with Pakistan Act". In its decades-long partnership with the USA, Pakistan had gotten used to funding its development through borrowing and always being able to rely on the USA to rescue it from financial distress. So it could quite happily ignore the demands of the World Bank and other international investors that it should generate its own funds by setting up a comprehensive tax system that would, for example, also tax profits made from farming and property dealing. In the U.S. Congress, many representatives became increasingly frustrated by the double dealing of the Pakistani military in the war on terror and refused to keep funding Pakistan for nothing in return.

At the annual U.S. Global Leadership Coalition Conference in Washington, D. C. in September 2010, Secretary of State Hillary Clinton joined together with Secretary of Defense, Robert Gates, and Treasury Secretary, Timothy Geithner, to urge the Pakistani government to tax its wealthier citizens if it wanted to continue receiving U.S. financial aid. To thunderous applause, she said: "Pakistan can't raise taxes of just nine per cent of its gross national product [...] and then expect the USA to run to its aid every time there is a problem."<sup>64</sup>

### OBAMA'S AFPAK STRATEGY

**It is the goal of Obama's so-called Af-Pak Strategy, to "disrupt and dismantle" al-Qaida and all other terrorist organizations.**

These restrictions on U.S. financial aid are directly related to Obama's so-called AfPak Strategy, announced to the press by National Security Advisor, General James Jones, on 27 March 2009, just a few months after Obama took office. In a nutshell, its goal is to "disrupt and dismantle" al-Qaida and all other terrorist organisations. This involves preventing these groups from operating in "safe havens". General Jones stated: "Our strategy focuses more intensively on Pakistan than in the past [...] and this calls for more significant increases in U.S. and international support, both economic and military, linked to performance against terror."<sup>65</sup>

64 | Anwar Iqbal, "US urges Pakistan to tax the wealthy", *Dawn*, 30 Sep 2010, <http://archives.dawn.com/archives/33102> (accessed 21 Mar 2012).

65 | U.S. Department of State, 27 Mar 2009, <http://fpc.state.gov/120965.htm> (accessed 9 Mar 2012).

At first, Pakistan welcomed this new strategy as an attempt at a regional policy approach, while at the same time criticising it heavily for demeaning Pakistan, for not being truly comprehensive and for not paying sufficient attention to Pakistan's threat perception. Pakistan claimed that the Kashmir question, which is critical to Pakistan's relations with India, was unjustifiably afforded lesser importance in the USA's strategic considerations. Various members of the country's elites were particularly furious about the way U.S. support was linked to its performance against terror, something that had never before been stated quite so baldly. This seems to show the widespread belief in Pakistan that there is no need to fulfil its side of the agreement. The heads of the Pakistani government and military were also very upset by the fact that they were not consulted by their allies, the USA, before Washington announced such a major change in strategy. Additionally, the paradigm shift in U.S. policy from Europe to the Pacific region instilled what was almost a sense of panic, that India could grow in importance while Pakistan's significance declined.

### **A ROCKY ROAD AHEAD**

The fragile relationship between the USA and Pakistan results from the dilemma that each side seeks to maintain its independence while at the same time it seems unlikely that there will be any increase in common interests. The currently deep rift between the two countries is fuelling an increasingly virulent anti-Americanism at all levels of Pakistani society. At the end of last year, this atmosphere led to around 40 fundamentalist religious parties and Jihadist organisations – many of whom had been banned for years for being terrorist associations – coming together to form the "Difa-i-Pakistan Council" (Defence of Pakistan Council). They organised huge rallies in Lahore and Karachi, attracting up to 80,000 demonstrators and a great deal of domestic media attention. The leader of the movement, Maulana Sami-ul Haq, set out the objectives of this reactionary movement, saying: "We will not let this government negotiate with India and the

**The latest serious wrangles between the USA and Pakistan are fuelling the expression of an increasingly virulent anti-Americanism at all levels of Pakistani society.**

U.S. who are the greatest enemies of Pakistan.”<sup>66</sup> The U.S. administration has reacted to this development with great concern, particularly as Pakistani security forces seem to be simply standing back and letting it happen. On 16 February, the U.S. State Department officially asked the Pakistani government to stop the activities of these Islamist groups, to freeze the assets of terrorist organisations and to prohibit arms sales to them.

But at the same time, the USA is showing an extreme lack of sensibility in such a delicate situation. Three members of Congress chose this precise moment to table a Bill in the U.S. House of Representatives, recognising the right to self-determination of the Pakistani province of Balochistan. Predictably, Pakistan promptly denounced this blatant meddling in Pakistan’s affairs. The U.S. government has done its best to distance itself from this motion, but for many Pakistanis it has once again stirred up fears that India and the U.S. are conspiring to break up Pakistan. Whether or not these fears can be allayed is largely dependent on what happens in Afghanistan during and after the imminent troop withdrawal. Another critical factor will be to what extent Pakistan’s interests are taken into account in the creation of a new Afghanistan, and what role the Americans will allow India to play in this.

**Another critical factor will be to what extent Pakistan’s interests are taken into account in the creation of a new Afghanistan, and what role the Americans will allow India to play in this.**

The explosiveness of the relationship is underscored by the striking disparity between the way the U.S. and Pakistan each view their future relations. On 15 February, Islamabad’s new ambassador to Washington, the seasoned politician and former information minister, Sherry Rehman, gave a speech warning against burdening Islamabad with too many expectations. She said that Pakistan – by which she was mainly alluding to the civilian government – needed time to develop the capacity necessary to deal with the complicated challenges of strategic change in the region.<sup>67</sup> Rehman believes the good news is that many people on

66 | Owais Jafri, “Difa-e-Pakistan convention: Religious parties threaten to besiege parliament”, *The Express Tribune*, 30 Jan 2012.

67 | Richard Solash, “Pakistan’s US Envoy Says Relationship ‘Burdened’ By Too Many Expectations”, *Radio Free Europe/Radio Liberty*, 15 Feb 2012.

both sides think it is now time “that this relationship matured into a more consistent, stable and transparent equation with weight given to more respect”.<sup>68</sup>

Of course, the U.S. knows that Pakistan is hardly a success story in political, economic or military terms. Indeed, they are very aware of how the “marriage” with Pakistan is both difficult and yet unavoidable: “The United States must, for its own security, keep watch over Pakistan’s nuclear program – and that’s more easily done if it remains engaged with the Pakistani government. The U.S. must also be able to receive information from the ISI about al-Qaida, even if such information is provided sporadically. And Washington will simply not find a way out of Afghanistan if Pakistan becomes an open enemy.”<sup>69</sup>

68 | Ibid.

69 | Jeffrey Goldberg and Marc Ambinder, “The Pentagon’s Secret Plans to Secure Pakistan’s Nuclear Arsenal”, *National Journal*, 7 Nov 2011, <http://nti.org/gsn/article/the-pentagons-secret-plans-to-secure-pakistans-nuclear-arsenal> (accessed 9 Mar 2012).