

**PAKISTAN AND INDIA: STEPS TOWARD
RAPPROCHEMENT**

HEARING
BEFORE THE
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
ONE HUNDRED EIGHTH CONGRESS
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JANUARY 28, 2004
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CONTENTS

	Page
Biden, Hon. Joseph R., Jr., U.S. Senator from Delaware, opening statement ...	23
Cohen, Stephen P., Ph.D., senior fellow, Foreign Policy Studies Program, The Brookings Institution, Washington, DC	11
Prepared statement	14
Feingold, Hon. Russell D., U.S. Senator from Wisconsin, statement submitted for the record	38
Krepon, Mr. Michael, founding president, the Henry L. Stimson Center, Washington, DC	17
Prepared statement	20
Lugar, Hon. Richard G., U.S. Senator from Indiana, opening statement	1
Wisner, Hon. Frank, vice chairman, External Affairs, American International Group, New York, NY	3
Prepared statement	7
Pakistan and India—Joint Press Statement, January 6, 2004	11

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WEDNESDAY, JANUARY 28, 2004

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

The committee met, pursuant to notice, at 10:25 a.m. in room SH-216, Hart Senate Office Building, Hon. Richard G. Lugar (chairman of the committee), presiding.

Present: Senators Lugar, Chafee, Biden, and Sarbanes.

OPENING STATEMENT OF HON. RICHARD G. LUGAR, CHAIRMAN

The CHAIRMAN. This meeting of the Senate Foreign Relations Committee is called to order. Let me indicate at the outset that we have been informed that the Senate will have two rollcall votes, apparently back to back, at 11:40. This constrains our hearing a bit. Nevertheless, this is a good reason for beginning promptly, even though my colleagues are still en route. We have had a briefing earlier this morning in a closed session with regard to India and Pakistan. The briefing was well attended by Senators, and I have no doubt they will be appearing shortly.

Nevertheless, I have an opening statement. I will deliver that. In the event that the ranking member, Senator Biden, is prepared with his statement, he will be recognized, and then I will recognize each of you as our witnesses for your testimony.

The committee is pleased to welcome back Ambassador Frank Wisner, executive vice president for External Relations of the AIG Insurance Group and our former Ambassador to India. Ambassador Wisner recently co-chaired the independent task force sponsored by the Council on Foreign Relations and the Asia Society which produced a comprehensive study entitled "New Priorities in South Asia: U.S. Policy Toward India, Pakistan, and Afghanistan." Ambassador, we look forward to learning more about this study and as always, your general thoughts about these two very important countries.

We also welcome Dr. Stephen Cohen, a senior fellow at the Brookings Institution, and Dr. Michael Krepon, founding president of the Henry L. Stimson Center and project director for the center's South Asia Program. Each has made substantial contributions to United States foreign policy and to our analysis of South Asia. The committee is delighted to draw on the expertise of these three distinguished witnesses as we consider prospects for rapprochement between India and Pakistan.

This hearing comes at a most hopeful time in India-Pakistan relations. Pakistan's President Musharraf and India's Prime Minister Vajpayee agreed earlier this month to open a dialog on all of the bilateral issues between their countries. At the recent South Asian Regional Cooperation Summit, they also moved forward, along with their neighbors, on an important regional free trade agreement. They signed a protocol on fighting terrorism.

Only Pakistan and India can finally resolve the issues between them. Yet it is more important than ever that the United States sustain active engagement in South Asia to encourage continuation of this very positive momentum. We have seen opportunities for peace squandered in South Asia in recent years. To ensure success, it is crucial that both parties prevent extremists from disrupting the process.

Stability in this troubled region is vital to United States security interests, both because an Indo-Pakistani conflict could escalate into nuclear war and because of the potential nexus between terrorism and weapons of mass destruction. Hostility between India and Pakistan boosts Islamic extremists in the region and provides them fertile ground for terrorist recruitment. Greater instability also means that nuclear weapons could fall into the wrong hands. A stable South Asia in which Pakistan and India engage each other will eventually weaken the extremists. It will allow both countries to focus more time and energy and resources on building better lives for their people.

United States diplomacy in South Asia has already paid off by helping to avert a possible nuclear war in 2002. India and Pakistan have taken positive steps since that time, including resumption of transport links, restoration of diplomatic ties, and implementation of a cease-fire along the Line of Control. They also have agreed to start technical level talks on re-launching bus service between the capitals of the two portions of Kashmir, which would allow families to reunite for the first time in decades.

Despite this promising atmosphere, normalization will take time and will require both sides to make difficult political decisions on matters of longstanding dispute. We have seen hopeful examples already. President Musharraf has said that Islamabad is willing to consider giving up its traditional demand for a plebiscite to resolve the status of Kashmir, as long as India is willing to show reciprocal flexibility. For his part, Prime Minister Vajpayee has conceded that India is willing to discuss all issues relating to Kashmir.

The two leaders deserve praise for these bold moves, but we must recognize that they also face the opposition of entrenched interests and hawks in their own countries, who may try to undermine or complicate these diplomatic openings. Twice in December, President Musharraf was the target of assassination attempts.

The United States can contribute to the easing of tensions and advance its own national security interests by exploring ways to assist both sides with nuclear security. As Ambassador Wisner's independent task force report recommends, we should seek new ways to bring India and Pakistan into the global nonproliferation system. We should encourage Indo-Pakistani nuclear discussions and confidence-building measures and the administration's recent expansion of our nonproliferation dialogs with each side. The United

States has considerable expertise in nuclear threat reduction. We should use this, consistent with our international obligations, to facilitate exchanges between Pakistani and Indian security experts and offer them assistance with tightening export controls and border security, as well as with the protection, control, and accounting of nuclear stockpiles and arsenals.

The United States must remain vigilant, especially in the light of recent reports that Pakistani scientists, with or without government approval, may have supplied Iran, Libya, and North Korea with nuclear technology and materials. Pakistan must demonstrate, through deeds and not just words, that it is serious about its commitment to preventing weapons proliferation and its ability to secure its nuclear weapons. As President Bush goes forward with discussions about the \$3 billion aid proposed to Pakistan, Congress should be fully cognizant of Pakistan's actions in this area.

India also must do its part. Indo-U.S. relations have made remarkable strides in the past 4 years, as shown this month by the United States' unprecedented offer on high-tech cooperation, including nuclear energy and missile defense. We should make clear to New Delhi that such progress can continue only if it works to ease tensions in Kashmir and to build confidence among the Muslims there.

India and Pakistan have often seemed far away, but problems that start on the subcontinent can have serious consequences for the United States. The stakes in South Asia have become too high to risk a return to military confrontation or creation of new sources of Islamic extremism.

We look forward to hearing our witnesses' recommendations for advancing United States national security interests in this very important region.

I call first of all upon Ambassador Wisner for his testimony. I am hopeful that each of you can use 10 or maybe 15 minutes at the outset for these initial statements. Your full statements will be placed in the record, and you need not ask for permission for that to occur. It will occur, and please proceed then at your own pace. Ambassador Wisner.

**STATEMENT OF HON. FRANK WISNER, VICE CHAIRMAN,
EXTERNAL AFFAIRS, AMERICAN INTERNATIONAL GROUP**

Mr. WISNER. Mr. Chairman, let me first of all thank you for the opportunity to appear before this committee. It is an honor to be invited again and to be asked to comment on the new and most welcome changes that are occurring in South Asia, in our relations with India and Pakistan, their relations with each other, and to think a bit with you about the prospects for American foreign policy in the region, as well as the role of the Congress.

I come today, as you noted, having spent a significant part of the last decade working with and in South Asia. I am very pleased that we have completed 2-year task force on United States policy, under the auspices of the Asia Society and the Council on Foreign Relations, and I would ask, with your permission, Mr. Chairman—you mentioned it in your remarks—that that study be admitted for the record.

The CHAIRMAN. It will be placed in the record.¹

Mr. WISNER. Thank you, sir.

My remarks, as you say, will be in the record. Today I would prefer to summarize the principal points that I believe should focus our consideration on the road ahead. The background to the situation is, as we all know, one of deep, deep difficulty, 56 years of conflict, failed or attempted negotiations to stabilize relations between the two countries, very tough issues, notably Kashmir.

We see today the prospect for negotiations and we have to think about how the United States should position itself. The first question I believe that is pertinent is to satisfy ourselves as to what has changed to make the new situation today as promising as it appears to be. I would advance several observations.

The first is it is my view that the two parties, particularly the leadership of the two countries, recognize that the past has not worked, and that is 56 years of conflict and failed negotiations have not advanced the cause of both countries, either with regard to their differences or with regard to their national interests, notably the development of their economic and social potential.

The second argument that I believe is pertinent is that, uniquely in the present context, we have two leaders, President Musharraf, Prime Minister Vajpayee, both of whom are at the height of their powers, both confident, reasonably secure in their positions despite threats to President Musharraf's life and the vagaries of elections in Prime Minister Vajpayee's regard. Looking back over the years, I have never seen the leadership working in such favorable political circumstances.

The third point that I believe is pertinent is the deep and personal involvement of both President Musharraf, who sees the present undertaking as a chance to rebuild Pakistan's national strength, and Prime Minister Vajpayee, who sees in this occasion a chance to settle an old issue that has torn the subcontinent apart, caused countless years of suffering, and constrained India's entry on the world stage and impeded Indian competitiveness.

The fourth reason that I would argue the situation today is different than the one we have known in the past is the very careful deployment of the diplomacy of the two nations—using back channels successfully, operating outside the glare of publicity, absence of gestures on one hand or the other to wrong-foot the opposite party—resulting in the remarkable January 6 joint statement announcing a composite dialog.

That document, which I regard as a model of diplomatic balance and of respect, Mr. Chairman, I would like to also suggest be added to the formal record. It is a pathbreaking document in the history of the region.

The CHAIRMAN. It will be entered.²

Mr. WISNER. I would argue furthermore that, less well seen to all of us, less observable in the newspapers, are the signals that both leaders have sent to their constituencies, to the national security structures, to the press, to members of elected assemblies, that

¹The study referred to can be accessed on the Council on Foreign Relations Web site at: http://www.cfr.org/pub6486/dennis_kux_frank_g_wisner_jr_mahnaz_ishpahani_marshall_bouton_nicholas_platt/new_priorities_in_south_asia.php

²The Joint Press Statement can be found on page 11.

now is the time to seek an opportunity to make peace with each other. These steps are critically important to going forward.

I would argue furthermore, Mr. Chairman, that the prospects at present are better than in the past because the two sides have consciously engaged in confidence-building measures in advancing, as you noted in your opening statement, communications, exchanges of leaders, cease-fire undertakings, trade agreements, which in themselves have created momentum, built confidence, and which must continue if the pace and direction of present events is to be carried forward.

The direction that the two governments have taken deserves our, America's in general, this committee and Congress's, wholehearted support, and this hearing, Mr. Chairman, is a terrific occasion for the committee to add its own voice of support, just as you did in your opening remarks.

I will not argue that the road ahead will be easy. Setbacks indeed are likely and even discouraging ones, for the threats are many: the very heavy record of history, the cross-border violence that has typified the situation in the region for better than a decade, assaults by radical Islamist groups in Pakistan, deeply, deeply held views in both countries about core issues, notably Kashmir, with Pakistan feeling that she was wronged and India believing that Kashmir's status is key to the stability of the Indian union.

There are three keys, Mr. Chairman, in my judgment to success in negotiations between India and Pakistan. One is a sustained recognition of the parties that force will not alter realities. It has not over the past decades, particularly over the past 10 years.

The second point is that neither side can advance its interests if the other side is humiliated. One must seek win-win solutions.

Finally, no settlement of the crisis in the region is possible if the Kashmir issue is not addressed and if the consent of Kashmiris is not obtained.

I hope as I look forward that South Asian leaders will draw on the depth of their skill to make the diplomatic road ahead a smooth one. It is important that both select negotiators who understand their national interests and are committed to peace. No negotiation will succeed if it is not closely supervised by the President of Pakistan and the Prime Minister of India. Nor will a negotiation succeed if there is a great deal of publicity, public comment with the details of the negotiation exposed for public attack and criticism.

I also believe that key to the success of the negotiations lies in sustaining the present pace of confidence-building measures. You mentioned a number, including talks about opening border road transportation between India's side of Kashmir and the side of Kashmir in Pakistan. But there are many other steps, each of which create momentum and confidence.

Finally, I believe the two parties can be successful if they are prepared to negotiate all the issues, addressing each one, with the same sense of urgency and purpose, but coming to agreements on the outstanding issues and allowing those agreements to take effect without holding any other agreement hostage. I say this particularly with regard to Kashmir, where the road ahead in negotiations will be long and complicated, given the existing divide between India and Pakistan. But bluntly, achieving an agreement over

Kashmir should not delay the implementation of agreements which settle boundary disputes, open trade, the movement of persons, and nuclear confidence building measures.

American diplomacy, Mr. Chairman, can play a critical role. There are a number of ways we can do it, but the starting point is a recognition that important American interests are at stake in the region. For the first time, American soldiers are in battlefields in Afghanistan, where the United States registered its greatest victory in the war on terror.

The need for stability in Pakistan is also a major American interest, and Pakistan's ability to address the troubled, very troubled and threatening situation along the Pakistani-Afghan border. Pakistan's control of weapons of mass destruction. And the United States I would argue has a vital interest in India's continued emergence as a power on the world stage.

With these interests in mind, the United States can approach the present situation, not as a mediator, where we neither have the standing nor the invitation, but as friends of the negotiation, as facilitators of the negotiation. We cannot, after all, as Americans replace either the imagination nor the will of the parties to achieve and live by those settlements.

Third, I would argue that our best way forward as Americans is to work through quiet diplomatic channels, resisting the temptation to take credit, but assuring ourselves at the same time that the core issues that divide the two parties are addressed and the top leadership encouraged and focused.

In this regard, I have the highest respect for the administration and the way it has played its cards in South Asia. Despite the many distractions in American foreign policy, the President and the Secretary of State have addressed South Asia and focused American attention on the region consistently since the crisis of December 2001 broke out and edged toward war, including war with the risk of a nuclear dimension.

Fifth, I would like to argue that we are going to need more of that attention, the same level of involvement, active, engaged involvement in support, including vital contributions by the U.S. Congress. In this regard, the administration's request for \$3 billion in aid to Pakistan is wise and timely and I hope will enjoy the support of this committee and of the U.S. Senate and Congress as a whole.

In our report, that is the Council on Foreign Relations and Asia Society report, we argued for a change in the allocation of that assistance so that two-thirds of the assistance would go toward economic and social purposes and one-third to security purposes, and that half of our aid at least be tied to jointly agreed Pakistani and American goals that address the critical issues in our relationship—the nuclear question, the Pak-Afghan border problems, the issue of terror in Pakistan itself. The other half would be provided “without strings attached” to give the U.S.-Pakistan relationship the stability it has not enjoyed.

I would also put before you the thought that Pakistan's textile exports deserve as well sympathetic consideration. We need, Mr. Chairman, a steady relationship with Pakistan, a relationship that addresses all issues, a relationship that is absent from the threat

of sanctions, which if the historical record over the years has anything else to prove have not worked.

The second broad point I would make is that our relationship with India needs the attention of the Congress. The administration's initiative, which you noted in high-tech exports, will eventually come back to your door. In addition, as you were thoughtful enough to point out, I believe the time is right for renewed attention to nonproliferation, to the global norms that will give stability in the field of weapons of mass destruction. I believe the United States needs to design new policies to strengthen global non-proliferation norms as much as I hope that India and Pakistan will themselves address nuclear confidence-building measures as their negotiations go forward.

Finally, in closing, Mr. Chairman, I would like to emphasize that it is not my purpose to speak on the entirety of the relationship of the United States with all the nations of South Asia, but I believe that if we do not create the right framework our diplomacy on the Indo-Pak issue our other objectives with the region will be undermined. If you are going to deal with the whole, you have to deal with it as the sum of the parts. We need a steady approach in our relationship both with India and Pakistan.

I believe as well that it is important to remain vigilant, attentive, that this committee remain fully apprised of developments as they go forward. Your attention will be felt by the parties themselves. I believe as well the United States should not budge one inch from the key markers it has laid down with regard to terror. Cross-border terror and violence in the region must end.

Finally, it is very important that we keep our eye on the issues to be settled. They are hard, they are complex; Kashmir is the most difficult.

Mr. Chairman, I look forward, in addition to my colleagues, to answering yours and the committee's questions.

[The prepared statement of Ambassador Wisner follows:]

PREPARED STATEMENT OF HON. FRANK WISNER, VICE CHAIRMAN, EXTERNAL AFFAIRS,
AMERICAN INTERNATIONAL GROUP

THE UNITED STATES AND SOUTH ASIA: NEW POSSIBILITIES

It is an honor to appear before the Senate Foreign Relations Committee again and a particular pleasure to be invited to comment on the new and most welcome changes in relations between India and Pakistan. In the course of my testimony, I will try to provide the background and identify the dynamics in the new situation. I will also assess their importance to the United States and offer thoughts about how the United States should position itself to assist the parties as they embark on very difficult negotiations, the outcome of which could profoundly effect South Asia's future and key American national interests. But that prognosis will not be easily achieved and the dangers on the way are many, especially given the history of the Indian and Pakistani relationship, marked as it is by deep seated animosity which resulted in three wars over the past 55 years, serious military clashes short of full scale warfare, typified by the Kargil Crisis of 1999, and almost two decades of cross border violence and terror. The path to the present is also marked by frequent attempts to negotiate differences, including meetings and agreements at the Chief of State and Prime Ministerial levels.

I bring to the table today my experience as Ambassador to India in the 1990s; time with my corporation, the American International Group, which is active in the Indian market; my work with the U.S.-India Business Council; and the contribution I made over the past two years to the Council on Foreign Relations and Asia Society Task Force which assembled leading experts on South Asia and resulted in a recent publication, "New Priorities in South Asia: U.S. Policy Toward India, Pakistan, and

Afghanistan.” My cochairman, the Asia Society’s President, former Ambassador Nicholas Platt, and I took the conclusions of our study to Afghanistan, Pakistan and India in early December 2003 to obtain reactions from governments, media, intellectual and business. We were joined by former Ambassador Dennis Kux, whose hard work made the study possible and Mahnaz Ispahani of the Council on Foreign Relations and a great scholar of South Asia. The conclusions of our study and the reactions we garnered will be included in my testimony today.

Background

First, a brief word of background to provide perspective to your deliberations. India and Pakistan began 2003 with daggers drawn. The terrorist attack on the Indian parliament in December 2001, followed by a mobilization of nearly a million men along the Indo-Pakistani border and the line of control in Kashmir brought tensions, borne of history, war, decades of insurgency and cross border violence and terror to a head. Armed as both nations are with nuclear weapons, the Indo-Pak rivalry shot into international prominence. We now know that incidents which followed the 2001 attack in New Delhi brought the two nations to the brink of open conflict.

India, in the wake of these events, set out her conditions—an end to Pakistani supported violence before talks between New Delhi and Islamabad could begin. Buried were attempts at détente and normalization begun with Prime Minister Vajpayee’s visit to Lahore and the Vajpayee-Musharraf summit in Agra.

In April, 2003, India modified her position, with Vajpayee proposing a fresh initiative, provided, of course, that Pakistan would make good on repeated pledges, given in public and through the United States, to end support for violence. In the wake of this initiative, India undertook a series of carefully calibrated steps to lessen tensions and build confidence. Pakistan, which had called for negotiations and a new look at Kashmir, reciprocated. Diplomatic representation in New Delhi and Islamabad was restored; air links between the capitals were reinstated, followed by an Indian proposal to open a road service between Srinagar in Jammu and Kashmir and Muzaffarabad in Azad Kashmir; a veritable stream of “people to people” contacts began and was accelerated with prominent citizens from the two sides visiting for the first time. Pakistan offered a ceasefire along the line of control, and extended it to the Siachin glacier which India accepted. Long awaited trade ties were advanced during the South Asian regional summit in late December.

More confidence building gestures of this nature are planned. Direct negotiations between the two governments overall outstanding issues, including Kashmir, are scheduled to begin in February and will add thereby an important diplomatic and political dimension to the confidence building measures which the two governments have undertaken.

Of great importance is the signal sent by both governments to their security establishments, political institutions and publics at large that the time is right to lessen tensions, seek settlements, and create a condition of peace between the two countries. The Indian and Pakistani bodies politic have responded positively, reminding us of the response Americans and the peoples of the Soviet Union evinced during the Cold War, when, despite the deep divide in positions and outlook, our governments found their way to summits and negotiated our differences.

India and Pakistan: the road ahead

The steps taken by President Musharraf and Prime Minister Vajpayee deserve the broadest possible commendation. This hearing provides the United States and our Congress another opportunity to speak out and signal our support for the course these two great nations have set. The route traveled thus far is impressive, carefully considered steps, an absence of grandstanding and publicity, and a willingness to steer clear of promises which cannot at this stage be predicted with confidence, given history and tough, present realities.

It is my impression that despite two attempts on Musharraf’s life and the presence in Pakistan of strong, deeply rooted, radical political groups dedicated to violence, the great majority of Pakistani’s accept the legitimacy of Musharraf’s efforts to pursue a new understanding with India. Like Indians, Pakistanis recognize the subcontinent’s rivalry has vitiated both nation’s strength and ability to address the pressing needs of their populations. Pakistan’s businessmen tell me they welcome the prospect of doing business directly with India. They believe they can compete and will be able to take advantage of larger markets and cheaper sourcing.

The world at large, notably the United States, see the great advantages in Indo-Pakistani détente and understanding. We need stability in Pakistan and progress in its dialogue which India can contribute to that objective. Less distracted by their

historic quarrel, India and Pakistan can play positive roles in their region and beyond. Lessened tensions also diminish the awful threat of a nuclear exchange.

This said, it would be foolish to argue that the road ahead is either safe or easy. It is decidedly not, and given history of past Indo-Pakistani negotiations, there will be setbacks, including dangerous ones. This venture will only succeed if there is an unmistakable and sustained abatement in cross border violence and terror. Fresh confidence building measures and even the prospect of successful negotiations will be negatively effected by cross border violence. I contend Americans understand and support India's insistence in the regard, but I argue equally that terror and the groups that propagate it are a threat to the Pakistani state and Pakistan's ability to restore national strength and international standing.

Success will also depend on a broad recognition among Pakistanis and Indians that force will not alter realities, including the status of Kashmir. Neither side can advance if the other is humiliated. National pride and honor are as compelling sentiments in South Asia as they are anywhere else in the world. Finally, as regards Kashmir, no settlement is possible without the contribution and consent of Kashmir's peoples. For this reason, it is important that New Delhi's dialogue with Kashmiris in opposition, or in dissidence, be pursued with vigor and that Kashmiri dissidents pick up a clear message from Islamabad that the time is right to restore peace and engage politically.

Successful, negotiations are possible if New Delhi and Islamabad seek "win-win" solutions. Those in authority in both countries have firsthand experience with the trauma of partition and the bitter conflicts which followed it. They have an opportunity to spare future generations the pain they have suffered, provided they seek understandings which are based on respect and are pursued quietly and confidently. For the first time in years, India's and Pakistan's political clocks are ticking on the same time; both have strong leaderships, backed by favorable public dispositions.

This is precisely the spirit inherent in the joint Indian-Pakistani statement of January 6, 2004. I suggest it be included in the Congressional record. It contains the views of both governments in a balanced, respectful fashion. The statement calls for negotiations in February. We must all wish the negotiators well.

When negotiations are joined, they must be pursued with all the skill India's and Pakistani's leaders can muster—skill with which South Asia's leaders are amply endowed. We will know progress is possible if the negotiators selected, include those committed to peace, and if their work is superintended closely by both country's highest authorities. The channels of exchange should also be carefully considered. Negotiations can progress if they are pursued outside the glare of publicity and in a manner where ideas can be tested and compromises achieved. The record of restraint and careful deliberation of recent months is instructive.

Above all, we need to hope and argue that India and Pakistan set the right objectives and negotiate in a manner that successes can be scored, momentum achieved and further gains registered. At heart the key objective is to reduce tensions and build confidence. Concrete negotiating results will be hard to achieve and slow in coming. If the threat of conflict between the two nations can be contained, the world and India and Pakistan will profit.

It has been my strongly held view over a number of years, the conclusions of those I have worked with in the Council on Foreign Relations and the Asia Society, the opinion of many thoughtful observers in India and Pakistan that the right way to proceed is to put all issues on the negotiating agenda, including Kashmir in its several dimensions; negotiate each with urgency and seriousness; but as a conclusion is reached, to permit it to take effect, while solutions to other differences are sought. In other words, agreement on many of the issues dividing India and Pakistan should not be held hostage to agreement on all questions, particularly Kashmir where the differences are greatest and at this stage offer no ready prospect of early compromise.

United States diplomacy, India and Pakistan

The United States has important national interests at play in South Asia. For the first time in our history we are directly involved in the region. Our soldiers are fighting in Afghanistan, where our most significant gain in the war on terror, the elimination of al-Qaeda's base, was registered. We need Pakistan's full cooperation in eliminating al-Qaeda's networks and leadership and we need Pakistan's unstinting cooperation if the extremely difficult situation along the Pakistan-Afghanistan border is to be brought under control. We require, moreover, Pakistan's commitment to control its nuclear and missile systems and technologies. Above all, we need a stable, progressive Pakistan.

India is finally emerging as a major force on the world's stage. Its economy is registering huge gains, especially in fields important to our future—information and bio

technologies. Our trade is robust and growing; Americans of Indian decent are a vital force at home. India's growing strength, rooted in democratic traditions, is key to Asia's peace and the balance of power.

While we have an important stake in peace between India and Pakistan, we are not mediators. Nor do we have solutions, including for Kashmir, which are not outcomes borne of Indian and Pakistani imagination and pursued with their political will. We have strong ties to both governments, most recently with India, but our image in the region, while on the whole positive, is open to contest, especially in Pakistan where its Islamist minority regards American influence with deep suspicion, verging on hostility.

We can facilitate a reduction of tensions in the region and the pursuit of negotiations, but we cannot make or even broker peace between India and Pakistan. To be successful as facilitators, it is incumbent upon the United States to build its influence in both countries. With regard to the present, promising developments in the region, our best interests are served by discretion, not claiming credit for gains registered, nor articulating outcomes the parties have not accepted. We work best through quiet, diplomatic channels with a vision of where we wish India and Pakistan to be, but eschewing the limelight. More now than at anytime in the recent past, discretion is important.

Equally important is focus—keeping a close watch on the situation, engagement at highest levels, at carefully considered moments and pursuing relations with both New Delhi and Islamabad, but not linking the progress in our relationship with one party to the imperatives of our ties with the other.

With these considerations in mind, I have the highest regard for the Administration's record in South Asia. The President, the Secretary of State, his colleagues in cabinet and across government have worked steadily to build American influence in South Asia, giving substance and stability to our approach and intervening effectively, generally in the shadows, during the crisis that beset India and Pakistan in December, 2001. American diplomacy helped diffuse that crisis, not once, but on several occasions. The Administration has made clear its commitment to *détente* in the region and its support of negotiated settlements.

It has built bridges to Pakistan, drawing red lines when necessary, but acting with understanding and providing support. With India, the Administration has set out to broaden and deepen political, security and economic ties. At a time when the United States is heavily taxed on many fronts, the Administration has given India and Pakistan the attention and importance they deserve.

Our engagement in South Asia requires more of the same; it also needs the full support of the Congress. This hearing is a timely example of the Senate Foreign Relations Committee's attention to our policies in South Asia. As we move ahead, it is deeply important to provide Pakistan with the \$3 billion which the Administration has requested and to my view to commit the lion's share to areas which will contribute to Pakistan's stability, education being a major example. Textile imports from Pakistan call for sympathetic consideration. Pakistan poses one of the more difficult foreign policy challenges the United States faces. Dealing with terror and its supporters in Pakistan, containing nuclear and missile proliferation; and bringing order to the Pakistan-Afghanistan border area must also be treated simultaneously and at the same time we pursue ways to support a lessening of tensions and negotiations between India and Pakistan. Central to our approach to Pakistan is a willingness to be frank when key boundaries are crossed; our assistance can, in part, be linked as incentives to Pakistani accomplishment of objectives which we jointly agree are important. A successful policy with Pakistan requires stability and must be free of threats of sanctions and rhetorical attack.

The requirements of our engagement with India are of similar importance. The Administration's recent decision to deal with high technology trade impediments deserves Congressional support. The imperatives of non proliferation are important to us; they are also significant to India and Pakistan. We make a serious error if we leave a searching review of global non proliferation, especially nuclear, norms off our foreign policy agenda. The global, non proliferation system, which the United States supported over the past four decades, does not include space for India and Pakistan, which are now nuclear powers. It is in no ones interest that they remain outside a system of international controls and no such system presently exists. Equally, I hope that nuclear threat abatement measures will be part of the Indian-Pakistani dialogue.

Conclusion

It is not my purpose today to list the many requirements of our new engagement with India and Pakistan. Rather, I wish to underscore the importance of our approaching the needs of both relationships as a vital component of the influence we

need to exert during the current phase of India's and Pakistan's relationship. The particular cannot be pursued without equivalent attention to the whole.

Returning to the subject at hand, American policy and the prospects for dialogue between India and Pakistan, I contend we can take calm comfort from recent developments, but we must be vigilant and engaged, sharing perceptions, offering ideas through diplomatic channels and lending public support on special occasions. There is reason to argue for an approach which includes the strongest possible marker on terror and cross border violence, a negotiation which concentrates on the introduction of further confidence building gestures in trade, the movement of peoples and communications and at the same time addresses the issues which divide the two nations, especially Kashmir, where large concentrations of troops are deployed and where the interests of Kashmiris in peace and greater prosperity have long been neglected. The nuclear issue must not be far from our minds.

In closing, I wish to thank the Committee for the privilege of appearing before you today. I am prepared to answer questions.

JOINT PRESS STATEMENT

The President of Pakistan and the Prime Minister of India met during the SAARC Summit in Islamabad.

The Indian Prime Minister while expressing satisfaction over the successful conclusion of the SAARC Summit appreciated, the excellent arrangements made by the host country.

Both leaders welcomed the recent steps towards normalization of relations between the two countries and expressed the hope that the positive trends set by the CBMs would be consolidated.

Prime Minister Vajpayee said that in order to take forward and sustain the dialogue process, violence, hostility and terrorism must be prevented. President Musharraf reassured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. President Musharraf emphasized that a sustained and productive dialogue addressing all issues would lead to positive results.

To carry the process of normalisation forward the President of Pakistan and the Prime Minister of India agreed to commence the process of the composite dialogue in February 2004. The two leaders are confident: that the resumption of the composite dialogue will lead to peaceful settlement of all bilateral issues, including Jammu & Kashmir, to the satisfaction of both sides.

The two leaders agreed that constructive, dialogue would promote progress towards the common objective of peace, security and economic development for our peoples and for future generations.

Islamabad

January 6, 2004

The CHAIRMAN. Thank you very much, Ambassador Wisner, for that testimony.

Dr. Cohen, would you give your testimony.

**STATEMENT OF STEPHEN P. COHEN, PH.D., SENIOR FELLOW,
FOREIGN POLICY STUDIES PROGRAM, THE BROOKINGS IN-
STITUTION**

Dr. COHEN. Thank you. Senator Lugar and members of the committee: I am honored to be invited to meet with you today, and will summarize my testimony.

You have asked me to address the internal dynamics in each country that might be driving the current thaw and to suggest how U.S. policy might further encourage positive trends. I am pessimistic on balance that this new effort will lead anywhere. This is, as Ambassador Wisner has said, the most remarkable opportunity we have seen in South Asia for many years, and in some ways many of the forces for peace are in alignment, but clearly there are

many forces in both countries as well as outside which could derail this effort.

I will speak briefly about the Indian side, the Pakistani side, and then turn to American policy.

I certainly subscribe to the Council's report and was one of the signatories. It was the second such report that we have generated. My hope again is that there not be a third one, that the region has settled down and stabilized itself. But hope is not a policy.

On the Indian side, there is no doubt that Prime Minister Vajpayee is a leading proponent of normalization with Pakistan. This traces back to his term as Foreign Minister of India in the 1970s. He is not a dove, but he recognizes that India cannot emerge as a truly great Asian state if it is dragged down by the Kashmir dispute and if Pakistan remains openly hostile to it.

Vajpayee's views are shared by the centrist elements of his party, the Bharatiya Janata Party, including the distinguished Foreign and Finance Ministers, Yashwant Sinha and Jaswant Singh. Vajpayee's standing is such that even in his party hardliners will not challenge him on foreign policy issues, although there are fringe groups that would attempt to end the Pakistani threat once and for all, by war if necessary.

My assessment is that Vajpayee's initiative, which led to the Islamabad summit of last month, is serious, but that it was also convenient—burnishing his image as a statesman just before he leads the party into an important national election which is likely to take place within a few months.

On the Pakistani side, it is harder to figure out the nature and the style of Prime Minister Vajpayee's dialog partner, General Musharraf. He is an improbable peacenik. General Musharraf lacks strategic vision, he is a bad listener, and he believes that ruling Pakistan is like running an army division—give the orders and the troops will obey.

However, after 4 years he may have learned that this approach does not quite work. One suspects that President Musharraf is tired of water issues, sectarian rivalries, and diplomatic doubletalk. Even the strategy of using militants to force the Indians to the negotiating table has failed. Now that militants are more interested in his death than victory in Kashmir, he may have second thoughts.

Such doubts are not peculiar to General Musharraf. He represents a large civil-military oligarchy, dubbed the "establishment" by Pakistani writers, that I would estimate is 800 to 1,000 people strong. This includes the senior army commanders, bureaucrats, media leaders, politicians, and even some Islamists. They know that Pakistan is failing, that an economic and military race with an expanding India is a losing proposition, and that Pakistan's friends, including America, are unreliable. They believe that once Afghanistan is stabilized and al-Qaeda is mopped up the Americans will disappear, leaving Pakistan without a major external ally except for China. Of course, China has second thoughts about Pakistan and it has begun to normalize its border conflict with India.

In 6 months we will know whether the forces in both India and Pakistan opposed to a South Asian peace initiative are able to sabotage it. By then it will be feasible for militants to infiltrate into

Indian-administered Kashmir from the Pakistani side of the Line of Control and the Indian elections will have been concluded, probably with a fresh mandate for Vajpayee.

Let me speak briefly about American foreign policy. I associate myself with Ambassador Wisner's remarks, perhaps with a somewhat different emphasis. First, we should not be overly concerned about the stability of the Pakistani regime. I think this is an argument that the Pakistanis have used for many years: *Après moi, le déluge*. Each Pakistani regime, whether civil or military, has always claimed, especially to Americans, that if we do not support them what follows will be much worse.

I do not see Pakistan as that unstable a country in the short run, that is 4 or 5 years. I am just concluding a book on the future of Pakistan and clearly I think Pakistan has 4 to 6 years in which the present system will remain in place. After that, stability is a major question mark.

Pakistan's policies are rooted in the interests of the establishment, especially the corps commanders who form an inner circle of power within Pakistan. Again, even the Indian estimates are among the senior Pakistan army generals there are hardly any radical Islamists among them. So I think we are dealing with many Musharrafs in the Pakistan military.

But I think we should look to the long-term in Pakistan. I am concerned, as are many Pakistanis, about the basic structural integrity of the state. The economy is not doing well. The educational system collapsed a long time ago. The bureaucracy has failed in many respects. Ethnic and sectarian violence is increasing in Pakistan. I think much of our attention to Pakistan should focus, not on the short term prospect of keeping Pakistan in the war on terrorism, but on the long-term prospect of a collapse of Pakistani society.

Many Indians are concerned about this also. They do not want to see a Pakistan that fails completely because it might pump out terrorists, nuclear material, and perhaps masses of Pakistanis escaping to India from a collapsing Pakistan.

So I think the United States should not be overly concerned about the stability of the present Pakistani regime. I think if Musharraf should die, perhaps by assassination, he will be replaced by an equally centrist group of leaders.

The United States can enrich and influence the internal Pakistani debate on Kashmir's future, but only if it has a presence on the ground. I have recently been to Pakistan several times, and what is astonishing is that there are no voices in Pakistan which present an American view on many important issues. Pakistan is probably the most anti-American country in the world right now, this ranges from the radical Islamists on the one side to the liberals and Westernized elites on the other side.

I do think that we need to rebuild and restore an information presence in Pakistan, and if we cannot do that we should work out ways of establishing contact and dialog with Pakistanis outside of the country. This could be done in the region by various regional groups, including SAARC, or the Regional Center for Strategic Studies in Colombo. There are also other ways in which American contacts with Pakistanis can be enriched.

Washington should strengthen the fledgling peace process by increasing its funding for regional dialogs that now take place in various SAARC institutions and other arenas. I just came back from a conference in Doha sponsored by Brookings and the Government of Qatar. I think we had as good, if not better, a dialog there on these critical issues as I have seen in South Asia. But the U.S. Government played no role in that conference and in fact there was no high level American representation there.

Washington should also consult closely with its most important allies. Besides providing technical expertise on border monitoring and other confidence-building measures, America and its close allies should use their aid programs to reward India, Pakistan, and various Kashmiri groups for progress in negotiations. They should also encourage Western and Japanese firms to invest in plants and companies that do business in both countries, further strengthening regional economic ties.

Finally, the United States should not take a position on the shape of a final settlement of the Kashmir dispute. What is going on now in South Asia is a peace process. The structure of a peace process is that as people engage in it over a long period of time their views and their attitudes change. That is, they modify long-held positions until they come closer, where some kind of agreement can be reached.

We have seen this in Northern Ireland. We have seen this in the Balkans. We have seen this to some degree in the Middle East. I think with luck this could be the beginning of a peace process in South Asia, a process that will take years, not months.

We should emphasize, in terms of our view of the Kashmir issue in particular, that it is a human rights issue, not a matter of law or territory or U.N. resolutions. This is a position that maximizes the interest of all parties concerned and would make a final settlement easier. Pakistanis can claim in the end that their struggle resulted in a more humane treatment of the Kashmiri people, even if Kashmir is not joined to Pakistan. Indians will remove a blot on their democracy and the Kashmiris of course will recover a semblance of normal life.

Thank you very much.

[The prepared statement of Dr. Cohen follows:]

PREPARED STATEMENT OF STEPHEN P. COHEN, PH.D., SENIOR FELLOW, FOREIGN POLICY STUDIES PROGRAM, THE BROOKINGS INSTITUTION

It is an honor to be invited to share my views on the prospects for rapprochement between India and Pakistan, and the steps that America might take to strengthen the fledgling peace process now underway. The United States can and should do more—it has mostly been a bystander—but in the final analysis it will be up to the Indians and Pakistanis to determine whether their debilitating rivalry will continue for another fifty years. This rivalry is costly to them, but it also places important American interests at risk.

Senator Lugar, you have asked me to address the internal dynamics in each country that may be driving the current thaw, and to suggest how U.S. policy might further encourage positive trends.

I am pleased to do so, but by way of background the following should be kept in mind.

THE HISTORICAL FRAMEWORK

On the face of it, the present thaw will not last. India-Pakistan relations have moved from crisis to détente and back again for many decades.

The most recent cycle began in 1987 with provocative Indian military exercises designed, in part, to pre-emptively attack Pakistan's fledgling nuclear program. Another crisis occurred in 1990, and a mini-war was fought in 1999 in the Kargil region of Kashmir. Two years ago, India again threatened a larger war, this time in response to terrorist attacks in Kashmir and on the Indian Parliament.

These crises have alternated with periods of normalization and even cordiality, marked by several summit meetings. After 1987 President Zia ul-Haq flew to India in a gesture of reconciliation; after 1990 Benazir Bhutto and Rajiv Gandhi crafted some confidence-building measures (a few of which were implemented); and both before and after the 1999 Kargil war India's Prime Minister Atal Behari Vajpayee held summit meetings with Pakistani leaders (Nawaz Sharif in Lahore, Musharraf in Agra). Finally, Vajpayee and Musharraf met in Islamabad last month in connection with a South Asian Association for Regional Cooperation (SAARC) summit.

LESSONS LEARNED

What are we to make of this pattern? I would suggest six lessons:

- India and Pakistan can reach agreement on ancillary issues, including confidence-building measures, but not on Kashmir's final status;
- The introduction of nuclear weapons has been accompanied by a learning process in both states, and several of the crises were exacerbated by the nuclear factor;
- Negotiations take place at a moment when the two countries are in political and strategic balance; they find themselves momentarily agreeing that talks are worthwhile, but sooner or later one or the other side concludes that the risks of moving ahead are greater than the costs of breaking off discussions;
- In both countries there are powerful forces that oppose serious negotiations;
- Outside powers have played little, if any, role in advancing the dialogue;
- The United States has intervened several times in times of crisis, but never developed a strategy that might promote and sustain a real peace process.

DOMESTIC DYNAMICS: INDIA

India has only two realistic choices in its relations with Pakistan. The first is a dialogue that might lead to a settlement over Kashmir and other issues (especially trade) without changing core Indian policies; the second is a long-term strategy of containment, which would attempt to promote change within Pakistan while resisting Pakistani military adventures. Two other strategies are now debated in India, but both seem unattractive: one is to completely ignore Pakistan, the other is to openly challenge Pakistan, forcing change and perhaps (as in 1971), its breakup.

There are senior Indian officers who advocate a "limited war" to teach Pakistan a lesson. The 2002 crisis was a turning point: Indian generals could not promise that a limited war against Pakistan would not "go nuclear," and the political leadership concluded that the risks of such a war were too great.

There is no doubt that Prime Minister Vajpayee is the leading Indian proponent of normalization with Pakistan, first demonstrating this when he was Foreign Minister in the Janata Dal government in the 1970s. No dove, Vajpayee recognizes that India cannot emerge as a truly great Asian state if it is dragged down by the Kashmir conflict, and if Pakistan remains openly hostile to it. Vajpayee's views are shared by the centrist elements of the BJP, including the distinguished Foreign and Finance ministers, Yashwant Sinha and Jaswant Singh. Vajpayee's standing is such that even his party hardliners will not challenge him on foreign policy issues, although there are fringe groups that would attempt to end the Pakistan threat once and for all, by war if necessary. (Want to say something about a potential successor to Vajpayee?)

My assessment is that Vajpayee's initiative, which led to the Islamabad Summit, is serious, but that it is also convenient—burnishing his image as a statesman just before he leads his party into an important national election later this year.

DOMESTIC DYNAMICS: PAKISTAN

Since 1947 Pakistan has sought to change Kashmir's status quo or to bring India to the negotiating table by appealing to international opinion, and through resolutions in the UN, a formidable legal effort, and the use of force—usually through proxies. The Kashmir issue is embedded in the very idea of Pakistan, but it also has a strategic dimension: Pakistani generals are concerned that if India were not pressed in Kashmir, its conventional military superiority over Pakistan would be overwhelming.

Vajpayee's improbable dialogue partner, Gen. Musharraf is something of a puzzle. Musharraf lacks strategic vision, he is a bad listener and he believes that ruling Pakistan is like running an army division: give the orders and they will be obeyed.

However, after four years he may have learned that this approach does not quite work. One suspects he is tired of water issues, sectarian rivalries and diplomatic double-talk. Even the strategy of using militants to force the Indians to the negotiating table has failed. Now that the militants are more interested in his death than victory in Kashmir, he may have second thoughts.

Such doubts are not peculiar to Gen. Musharraf. He represents a large civil-military oligarchy, dubbed the "Establishment" by Pakistanis. This 800-1,000 strong group includes senior army commanders, bureaucrats, media leaders, politicians and even some Islamists. They know Pakistan is failing, that an economic and military race with an expanding India is a losing proposition and that Pakistan's friends are unreliable. They believe that once Afghanistan is stabilized and al-Qaeda mopped up, the Americans will disappear, leaving Pakistan without a major ally. The once-reliable China, alarmed at Pakistan's support for Islamic radicals, is moving towards an understanding with India over their border dispute even as India-China trade soars.

PROSPECTS FOR DETENTE

Will Prime Minister Vajpayee's "third and last chance" succeed? This time, concessions by both sides (more in language than in deed) have started a new peace process. What will it take to bring it to the point where it is easier for the two sides to move forward rather than backward? In six months, we will know whether the forces in both India and Pakistan opposed to a South Asian peace initiative are able to sabotage the process. By then it will be feasible for militants to infiltrate into Indian-administered Kashmir from the Pakistani side of the Line of Control, and the Indian election (scheduled for later this year) will have been concluded, probably with a fresh mandate for Vajpayee. If the forthcoming talks between government officials do not show sign of progress then we may see a new crisis some time later this year.

Will India be able to provide Pakistan with the one thing its army desperately needs, a reason to accept a border drawn through Kashmir? In the words of one Pakistani officer, the army understands it cannot wrest Kashmir from India, but it cannot turn its back on a 55-year struggle. At stake is its pride, and it literally calls the shots. Indians understand this, but many still observe "Chicago rules": the best time to kick a man is when he is down. But that only postpones the problem. India cannot afford a radical Pakistan as a neighbor and Gen. Musharraf, for all his shortcomings and bravado, represents the Pakistani establishment.

AMERICAN POLICY

While Secretary Powell has claimed credit for the present dialogue, the American role has been officially downplayed by India's Ministry of External Affairs. If there was an important U.S. role, it should not have been the subject of a public boast so soon after the Islamabad Summit. However, a somewhat more active role is welcome, and long overdue. While American officials have, since 1990, tried to play a role in bringing regional crises to a peaceful conclusion, there is no evidence that they have moved beyond this to a more pro-active role. As the recent Council on Foreign Relations Task Force advocates, the United States should have a more "forward leaning" posture on the Kashmir conflict.

There are other ways in which Washington can be of help. In summary form, these are the six things that the United States can do:

- We should not be over-concerned about the stability of the Pakistani regime. Musharrafs death would not bring chaos in Pakistan; Pakistan's overall policies are not likely to change, they are rooted in the interests of the Establishment, especially the corps commanders who form an inner circle of power in the government.
- The United States can enrich and influence the internal Pakistani debate on Kashmir's future, but only if it has a presence on the ground. We have abandoned the field to the radical Islamists and those who purport to see a "Christian-Jewish-Hindu" axis directed against Pakistan and the Muslim world. We need to dramatically increase our information activities in Pakistan, and our exchange programs with key Pakistan institutions, especially the universities and colleges where anti-Americanism is deeply rooted.
- India itself needs to be encouraged to continue its policies of normalization with Pakistan, and with its Kashmiri citizens. India's greatest asset is its own rich

and vibrant society. The United States should urge India to *unilaterally* expand access for Pakistan scholars, politicians, and media persons.

- Washington should strengthen the fledgling peace process by increasing its funding for regional dialogues that now take place in various SAARC institutions and the Regional Centre for Strategic Studies in Colombo.
- Washington should also consult closely with its most important allies. Besides providing technical expertise in border monitoring and other confidence-building mechanisms, America and its allies should use their aid programs to reward India, Pakistan, and various Kashmiri groups for progress in negotiations; they should also encourage Western and Japanese firms to invest in plants and companies that do business in both countries, further strengthening regional economic ties.
- Finally, the United States should *not* take a position on the shape of a final settlement of the Kashmir dispute, but let such a settlement emerge after dialogue among the parties, including Kashmiris on both sides of the LOC. However, it should support the view that Kashmir is a human rights issue, not merely one of territory or international law. This position maximizes the interests of all parties and would make a final settlement easier: Pakistanis can claim their struggle resulted in more humane treatment of the Kashmiri people, even if they do not join Pakistan or become independent; Indians will remove a blot on their democracy and the Kashmiris, of course, will recover a semblance of normal life.

The CHAIRMAN. Thank you very much, Dr. Cohen.
I would like to recognize now Mr. Krepon.

**STATEMENT OF MICHAEL KREPON, FOUNDING PRESIDENT,
THE HENRY L. STIMSON CENTER**

Mr. KREPON. Thank you very much, Mr. Chairman. I am grateful that you are spending time on this subject and that you and your colleagues have invited me to talk to you about it. I am going to focus, as you have requested, on the nuclear issue.

When we think back about the first 15 years of the U.S. nuclear confrontation with the Soviet Union, those were tough times. We went through some pretty harrowing crises in Berlin and in Cuba. After the Cuban missile crisis, both our leadership and the Soviet leadership said, we have to turn the page and try and get some handle on this nuclear danger, and we negotiated a hot line agreement, as you well know, and we negotiated a ban on atmospheric testing.

The first 15 years of the India-Pakistan nuclear relationship have been very, very rocky. They have had crises. They have had a limited, high altitude war. They spent most of 2002 in the field ready to fight. So the key question is whether their leaders, like President Kennedy and Premier Khrushchev, can now say, we have had enough of this, we have got to turn the page. How can we help?

I am going to suggest four areas for your consideration and I am going to suggest some very specific measures that I think will resonate, given your extraordinary record on cooperative threat reduction. The first area of nuclear danger is Kashmir. Escalation control and nuclear risk reduction begin at this dividing line, the Kashmir divide. There are a lot of Indian and Pakistani troops in the field along this divide.

In the past, there has been a lot of violence: artillery exchanges, overrunning border posts, lots of military engagement along this Kashmir divide. The Government of Pakistan in the past has relied heavily on militant groups to keep the pressure on India and to try

and leverage a more favorable outcome in Kashmir. So there is a lot of danger in this equation.

Escalation control has depended on two very, very risky assumptions: No. 1, that these jihadi groups that were being supported militarily and with intelligence and logistical support by Pakistan would not go over the edge, they would not go so far as to trigger a war-provoking incident. That is the first assumption. The second assumption has been that the Government of India would not cross into Pakistani territory for lesser offenses. So that has not been a very good basis for nuclear risk reduction.

Right now I think, with respect to Kashmir, it is essential that four things happen. No. 1, it is essential for the Government of Pakistan, as Ambassador Wisner has said, to continue the current cease-fire and to continue to refrain from providing military, intelligence, and logistical support to jihadi groups that are ready to cross.

No. 2, it is essential in my view for the Government of India to continue to engage disaffected Kashmiris, which they have begun to do, and to continue to take steps to address the honor and the dignity of Kashmiris, who have been very long-suffering.

No. 3, it is essential for the Government of Pakistan to stop holding nuclear risk reduction measures hostage to a satisfactory outcome on Kashmir.

No. 4, it is essential for the Government of India to demonstrate responsible nuclear stewardship by engaging Pakistan in a serious and substantive way on Kashmir. That is not just good for Kashmir; it demonstrates responsible nuclear stewardship.

What can the United States do to help this process? I would ask you to consider three things. We can provide more and more expedient help to the Governments of India and Pakistan to help secure their borders. No. 2, we can provide financial assistance, if both governments so desire, for initiatives that improve the humanitarian, developmental or other assistance to those in Kashmir who have greatly suffered. No. 3, we can help the Governments of India and Pakistan, if they so desire, to monitor agreements they may reach regarding the pullback of conventional forces along this Kashmir divide, regarding the thinning out of troops and the closing down of training facilities on both parts of Kashmir. If they ask us, we ought to be prepared to help.

The second area of nuclear risk reduction relates to nuclear terrorism. The risk of nuclear war has now been substantially reduced in South Asia, but the risk of nuclear terrorism remains very, very high. As you are so well aware, the first act of nuclear terrorism is going to be a momentarily bad event, and it may well happen in South Asia.

There are a lot of sources of nuclear material, not just material for weapons programs, but material for cancer therapies, for the irradiation of spices. There are dirty bomb-making materials all over these two countries, and they are poorly guarded. They are very susceptible to insider threats. There have been instances of thefts of this material, most recently, a significant instance in India last August.

What can we do to help? I think we can work together with India and Pakistan, because we all have this common problem of nuclear

terrorism. We can work with them to help them safeguard materials at their hospitals, at their civilian research laboratories, and wherever else they ask for assistance. We ought to be talking to them, getting their ideas about improved security and offering them our ideas of best practices, of lessons learned, of design approaches to specific facilities.

This ought to be a collaborative venture. Nuclear terrorism is something that all of us are worried about, and it is easier to talk about nuclear terrorism and civilian facilities than it is to talk about military facilities. But I think if they are prepared to go there we ought to go there as well.

The third area that I would ask you to consider for nuclear risk reduction involves measures that India and Pakistan can take once official dialog resumes. Security analysts, government officials in India and Pakistan have thought a lot about this and they have good ideas. They have thought about creating nuclear risk reduction centers. They have thought about specific measures that relate to the movement and flight testing of ballistic missiles to reduce dangers associated with this practice, especially in periods of crisis.

There are lots of other areas where they are ready to go if Pakistan relaxes its linkage to Kashmir and if the Government of India talks seriously to Pakistan about Kashmir. With Ambassador Wisner, I agree it makes sense for us to encourage both parties to work on this agenda to demonstrate responsible nuclear stewardship.

Last, a fourth general area relates to steps that might be taken to strengthen domestic controls over proliferation. I have noticed that the Bush administration has laid out a glide path with the Government of India about working with them on technology transfers in certain areas. But we have also said that the Government of India needs to work harder on its domestic legislation on export controls and technology transfers.

The situation in Pakistan, of course, is of a lot greater concern. What are we to make of these reports? Iran, Libya, North Korea; there may be other reports to follow. These transactions appear to have been initiated at different times and under different circumstances and perhaps even for different reasons.

The nuclear program in Pakistan is a very expensive undertaking. The political leader who initiated it said that Pakistanis would be prepared to "eat grass" in order to finance this program, it was that important to Pakistan's national security. Perhaps in order to pay for this program economic assistance might have been welcomed, and it might have come with strings attached. We do not know, but I suspect we will find out.

Another possible rationale for these transactions: Pakistan may have experienced bottlenecks in their production of certain items and they might well have engaged in barter arrangements to override those bottlenecks, and this may well be the primary rationale for transactions with North Korea.

The most puzzling case is Iran because when you interview very senior Pakistani military officers, including those who are responsible for the nuclear program, they would tell you, I suspect, that helping Iran with a nuclear program would be nuts because it would present Pakistan with a two-front nuclear threat, it would require changes in their basing, changes in their force require-

ments. It would require them to take another look at their doctrine. It would be severely prejudicial to Pakistan's national security to help Iran.

But the situation might have looked different around 1990 when, as you will recall, the United States stopped supporting the Pakistan military, when Pakistan was facing another severe crisis with India over Kashmir, and when Pakistan had an army chief who believed that Iran could become a strategic ally.

So there are different rationales at different times, but the same basic problem. And President Musharraf has given us another rationale and that is that some very senior officials in the research labs might have been out for financial gain.

In my view, a public accounting of Pakistan's misdeeds is less important than private decisions and private oversight to make sure that this has stopped and it has stopped totally, a recognition that these types of proliferation have caused grievous harm to Pakistan and should not be repeated. Flat denials are not the way to get out of this mess, and it appears that the Government of Pakistan now acknowledges this.

I do not think we help Pakistan by offering simple remedies, by issuing threats, or by making dire predictions of failure, state failure. Pakistan has shown remarkable resiliency, despite a series of really bad decisions by their national security establishment, and I believe that Pakistan is quite capable of rebounding in response to good decisions by their national leadership.

Pakistan is a troubled state, but with good decisions and with our help it is capable of getting out of trouble.

Thank you, sir.

[The prepared statement of Mr. Krepon follows:]

PREPARED STATEMENT OF MICHAEL KREPON, FOUNDING PRESIDENT, THE HENRY L. STIMSON CENTER

Mr. Chairman and Members of the Committee:

Thank you for holding this hearing on South Asia, and on ways to reinforce positive developments in the region generated by Prime Minister Vajpayee and President Musharraf.

In the fifteen years since acquiring nuclear weapons, India and Pakistan have experienced heavy weather. The last five years of this stretch have been the worst. After testing nuclear weapons in 1998, India and Pakistan fought a limited, high-altitude war, and in 2002, their armies spent most of the year ready for battle.

Before we pass judgment on their brinkmanship, we might recall that the first fifteen years of the nuclear standoff between the United States and the Soviet Union were also very harrowing. We looked directly into the nuclear abyss during crises over Berlin and Cuba. After this extremely dangerous passage, Washington and Moscow were finally ready to take steps to reduce nuclear dangers. After the Cuban missile crisis, we agreed to establish a "hotline" for secure communication in crisis, and we negotiated an end to nuclear testing in the atmosphere. The nuclear rivalry between the United States and the Soviet Union was eventually tamed by a long and difficult process of negotiating confidence-building measures, arms control, intrusive verification, and finally, deep cuts in nuclear forces.

President Musharraf and Prime Minister Vajpayee now have an historic opportunity to engineer a momentous shift from recurring crises to nuclear safety. My testimony will give you a sense of how this transition might take shape, and what the United States can do to help.

Nuclear dangers in South Asia have been linked to Kashmir in several ways. To begin with, there is a significant concentration of Indian and Pakistani forces stationed near the Kashmir divide, where they have regularly engaged in artillery exchanges and minor skirmishes. In addition, Pakistan's Kashmir policy has relied heavily on militant groups to punish India and to leverage a favorable outcome. Consequently, escalation control on the subcontinent has depended heavily on two

risky assumptions: first, that jihadi groups would refrain from such horrendous acts of violence as to spark a war; and second, that the Indian government would refrain from attacking Pakistan in response to lesser grievances.

Nuclear safety cannot possibly rest on these two assumptions. Since escalation control and nuclear risk reduction begin along the Kashmir divide, this is a key area for Pakistan and India to focus their efforts. Prospects for nuclear safety are now brighter because there is a ceasefire along the Kashmir divide and because the level of infiltration across this divide by jihadi groups based in Pakistan is way down.

To take advantage of the current opportunity to reduce nuclear dangers on the subcontinent, the following steps appear essential:

- 1) For the government of Pakistan, to sustain the current ceasefire and to continue to refrain from providing military and intelligence support to infiltration.
- 2) For the government of India, to continue to engage disaffected Kashmiris and to take specific measures demonstrating respect for their honor and dignity.
- 3) For the government of Pakistan, to change its past practice of holding nuclear risk-reduction measures hostage to a satisfactory resolution of the Kashmir issue. Instead, it is crucial to demonstrate responsible nuclear stewardship by negotiating and properly implementing measures to promote nuclear safety.
- 4) For the government of India, to demonstrate responsible nuclear stewardship by engaging in substantive and sustained dialogue with Pakistan over the Kashmir issue.

What can the United States do to help in this regard? There are several steps we can take to facilitate an honorable outcome to this tragic, longstanding impasse.

- 1) We can provide more, and more expedient, help to the governments of India and Pakistan to secure their borders.
- 2) We can provide financial assistance, if both governments so desire, for initiatives that provide humanitarian, developmental, and other assistance to those who have greatly suffered over the past fifteen years of violence.
- 3) We can help the governments of India and Pakistan, if they so desire, to monitor agreements they might choose to conclude regarding the pullback of conventional military equipment, forces, and training facilities away from the Kashmir divide.

As I mentioned, nuclear risk reduction begins, but certainly does not end, in Kashmir. Mr. Chairman, you and other Members of this Committee understand that the first act of nuclear terrorism will be a momentarily bad event. Even though an act of nuclear terrorism might produce relatively few casualties, it could generate significant psychological and economic impacts. The crossing of this nuclear threshold is also likely to trigger copycatting. Intense regions like South Asia, the detonation of a "dirty bomb" could scuttle a peace process and generate severe pressures for escalation.

Material that can be used to make dirty bombs resides in many poorly guarded hospitals and civilian research labs in India and Pakistan. These facilities are very susceptible to "insider" threats, such as a security guard or a hospital worker who is sympathetic to an extremist group and who aids in the theft of this material.

Like the United States, India and Pakistan are very vulnerable to threats of nuclear terrorism. It is vital that we help each other to prevent such acts.

How can the United States help in this regard?

- 1) By expanding the scope of U.S. Cooperative Threat Reduction Programs to encompass efforts to safeguard dangerous materials that could be used for nuclear terrorism. Much can be gained by engaging India and Pakistan in efforts to design security measures and to discuss best practices and lessons learned for the prevention of nuclear terrorism.
- 2) By providing Pakistan and India with devices to improve security at facilities such as hospitals and research labs, if they so desire.
- 3) By exchanging ideas on personnel reliability programs to help safeguard dangerous materials at these facilities.
- 4) If they so desire, to offer wide-ranging technical assistance to India and Pakistan to guard against the entry of radiological materials at border crossings and ports of entry.

Aside from Kashmir and nuclear terrorism, what else could be done to reduce nuclear dangers on the subcontinent and to reinforce positive momentum in India-Pakistan talks?

Experts in both countries have thought a great deal about nuclear risk-reduction measures that could be negotiated and implemented quickly, once political conditions permit. My sense is that much could be accomplished in this regard if, as I hope, Pakistan stops holding these measures hostage to a Kashmir settlement, and if India engages Pakistan and dissident elements in Kashmir on a serious and sustained basis.

More specifically, government officials and nongovernmental analysts in South Asia have indicated that they can demonstrate responsible nuclear stewardship by negotiating and establishing nuclear risk reduction centers. There is also a pressing need to negotiate and properly implement measures to reduce risks associated with ballistic missile flight tests, particularly during periods of crisis.

Many other items could be added to this minimal list. While the United States can surely encourage both countries to follow through with measures that reinforce responsible nuclear stewardship, taking these steps is obviously their job, not ours. Looking further ahead, there are many important subjects that could benefit from dialogue, including discussions of nuclear doctrine and ways to reinforce stable deterrence on the subcontinent.

A fourth general area to promote nuclear safety relates to steps that Pakistan and India could take to strengthen domestic controls against proliferation. While neither country is a party to the nuclear nonproliferation treaty, both have pledged not to initiate the resumption of nuclear testing. If, however, another nation goes first, one or both countries are likely to join in a chain reaction of underground testing. I hope that Members of Congress will consider this when contemplating the possible resumption of U.S. nuclear testing and the merits of the Comprehensive Test Ban treaty.

Controls against proliferation would also be advanced if India and Pakistan stopped producing fissile material for their weapons. A global, verifiable ban designed to do so, called the "cutoff" treaty, will be difficult to negotiate as long as India and Pakistan feel the need to increase the size of their nuclear arsenals. A process of normalization on the subcontinent can help remove this impediment to a cutoff treaty. Another impediment is the reluctance of the Bush administration to consent to a resumption of these negotiations in Geneva.

Even though they are outliers to the nonproliferation treaty, India and Pakistan have pledged not to help others acquire the bomb. Domestic legislation in this regard appears to be inadequate in both countries. The Bush administration has made strengthening measures in India a condition for upward movement on the glide path for increased cooperation on technology transfers.

Pakistan's proliferation practices are of great concern. We will know more about the extent of help provided to Libya and Iran through a process of international verification that is now underway. Public reports indicate far more extensive nuclear commerce with North Korea. We cannot exclude the possibility that other transactions will come to light.

What are we to make of these reports? First, these transactions appear to have been initiated at different times and for different reasons. Pakistan's nuclear program was an expensive undertaking. The political leader who initiated the program, Zulfikar ali Bhutto, said that his people would "eat grass," if necessary, in order to pay for it. Economic assistance for Pakistan's nuclear program, perhaps from Libya, might have been welcomed—and might have come with strings attached.

Another possible rationale for nuclear commerce might have been bottlenecks in producing a viable nuclear deterrent against the prospect of an advancing Indian program. This might well be the primary rationale for barter transactions with North Korea.

The most puzzling case is Iran, because the Sunni-Shia fault line within Islam is situated on Pakistan's border with Iran. Moreover, a nuclear-armed Iran would present Islamabad with a two front nuclear threat, requiring unwelcome adjustments to Pakistan's force requirements, basing, and doctrine.

Helping Iran to go nuclear would be severely prejudicial to Pakistan's national security. But the situation might have looked somewhat different around 1990, when Washington had cut military ties to Pakistan, when Pakistan was facing a war scare with India over Kashmir, and when Pakistan's army chief believed that Iran could become a strategic ally.

While the strategic rationales that I have postulated for each of these cases vary, they all suggest some degree of top-down authorization. But authorization might not have been coordinated among the country's top three positions—the army chief, the president, and the prime minister. In addition, oversight of sensitive nuclear commerce might have been slack in some instances. President Musharraf has publicly intimated that some nuclear scientists acted improperly for their financial gain.

The full dimension of these transactions and the decision-making behind them are likely to remain murky. In my view, a public accounting of Pakistan's misdeeds is less important than private decisions and oversight mechanisms to stop practices that have resulted in grievous nuclear proliferation—including transactions that have injured Pakistan's national security. Flat denials are not the way out of this mess, which the government of Pakistan now appears to acknowledge.

We do not help Pakistan by offering simple remedies, by issuing threats, or by making dire predictions of a failed state. Pakistan has shown remarkable resiliency despite bad leadership decisions. Pakistan is also quite capable of rebounding in response to wise leadership decisions. Pakistan is a troubled state, but with good decisions and with our help, it is capable of getting out of trouble.

Much therefore depends on the ability of Pakistan's national security establishment to recognize dangerous policies that have mortgaged the country's future. Part of the problem lies in the closed nature of this establishment. Part of the solution therefore lies in strengthening political parties in Pakistan and creating more balance in civil-military relations.

President Bush has proposed a long-term assistance package for Pakistan. I support this initiative. If you decide to change the 50-50 balance between military and nonmilitary assistance proposed by the President, I recommend that you do so by addition and not by subtraction, with added funds going to the non-military side of the ledger. I understand, however, that adding to the President's request—or even maintaining it—would be difficult for the Congress, unless there is concrete evidence that Pakistan's leaders have chartered a new, and far better future for their country.

The CHAIRMAN. Thank you very much, sir.

Let me just indicate to members that we have a vote in about 25 minutes. I wish this was not so, but nevertheless it is. So I would suggest that we have a 6-minute limit. There are four of us on the questions, and I will yield a minute or two more to my distinguished ranking member in case he may need that for his initial opening comments in addition to the questions. I ask my questions last, so in case there is any overlap, why, we work it out that way.

But I call now on the ranking member, Senator Biden, for his comments and questions.

Senator BIDEN. Thank you, Mr. Chairman. I apologize, I was not here at the outset. I think Senator Sarbanes and I are the only two fellows that commute from our home States, him from Baltimore, me from Wilmington. The Amtrak trains north were shut down, so I drove, and obviously I was a little late.

Senator SARBANES. I think the highways as you came through Maryland were perfectly clear.

Senator BIDEN. They were, until I got to the D.C. line, until I got to the D.C. line, which is literally true. There was a backup.

But at any rate, I would ask unanimous consent that my opening statement be placed in the record.

The CHAIRMAN. It will be placed in in full.

[The prepared statement of Senator Biden follows:]

OPENING STATEMENT OF SENATOR JOSEPH R. BIDEN, JR.

Mr. Chairman, I applaud you for calling this hearing on a vitally important topic. In the past, I have sometimes referred to South Asia as the most potentially dangerous place on the entire planet.

Over the past few weeks, the past few months, and the past year, I am happy to say that this region has witnessed the beginnings of what I hope will be a lasting peace.

What a difference a year makes. In January of 2003, the two nations had nearly a million soldiers braced for war.

In January 2002—when I was in Kabul, and harsh weather prevented me from traveling to Islamabad and Delhi for meetings with the leaders of both countries—things looked even worse.

A few weeks earlier, on December 13, 2001, terrorists had launched a brutal assault on the very heart of the Indian government—on Parliament House in New Delhi. Had the attack succeeded in killing India's top leaders, the ensuing battle could have been cataclysmic.

But over the past ten months, a spirit of reconciliation has seemed to be growing. Indian Prime Minister Vajpayee pledged a final effort—the last of his career, he says—for peace.

Pakistani President Musharraf has shown great bravery breaking the rhetorical logjam on Kashmir, and renewing his pledge to crackdown on cross-border terrorist groups taking shelter in Pakistani territory.

The two sides agreed to a ceasefire along the Line of Control—and, by all accounts, they have been honoring it.

And then, on January 6, in the Pakistani capital of Islamabad, the leaders met for the first time in more than two years. The joint declaration they announced was deliberately low-key, and appropriately so:

If a lasting peace does arrive this time, it will not come in by leaps and bounds, but by a series of careful, measured steps. Steps that are no less courageous for all their care and measure.

A lasting peace must be a peace with honor, one in which all sides are winners. The people of India and Pakistan—and Kashmiris on both sides of the Line of Control—must feel as if their aspirations and their security considerations are fully recognized.

A lasting peace can be facilitated by the United States and other nations, but it cannot be imposed by any outside power. The only peace that will survive will be one forged and negotiated by the parties themselves.

And we in the United States must indeed be prepared to facilitate such a peace. It is in our own national interest, and the interest of the world community. Even if the specter of nuclear weapons were not part of the equation, the threat of war in South Asia would be a prospect too dangerous to be ignored.

What can we do to help? That depends what the parties themselves request. India and Pakistan have pledged to reopen bus service between the two main cities in divided Kashmir—and there are suggestions that this will be merely the first step towards more entry points and softer borders. Perhaps we can help with technical assistance, and the expertise we've gained from managing thousand-mile borders to our north and our south.

President Bush has pledged a \$3 billion aid package to Pakistan, to be spread over the coming five years. We in Congress will have to consider this proposal very carefully. Questions we'll have to consider include:

- Is this the right figure?
- Should any conditions be attached?
- Is the mix of aid proposed by the President—half for military aid, half for non-military—the right ratio?

This last question is, perhaps, the most important. A Task Force of the Council on Foreign Relations has proposed shifting the ratio from 1:1 to 1:2—that is, keeping the overall aid figure stable, but doubling the percentage of that goes for such things as schools and hospitals.

This may well be a very constructive proposal. When President Musharraf was here in Washington in June, he highlighted secular education as Pakistan's number one domestic requirement. All of our witnesses today served on the Council Task Force, so this is one topic on which we can have a very fruitful discussion.

Our witnesses are all experts in their fields:

Ambassador Frank Wisner, former U.S. Ambassador to India, is now a major figure in the blossoming business relationship between our two countries.

Dr. Stephen Cohen, of the Brookings Institution, knows more about the Pakistani and Indian militaries than just about anybody who doesn't have epaulettes on his shoulders.

Michael Krepon, founding president of the Henry L. Stimson Center, has an unrivalled knowledge of nuclear confidence-building measures, as well as of such cutting-edge topics as space-based weaponry and missile defense.

I welcome all of our witnesses, and I look forward to an informative and interesting hearing.

Senator BIDEN. The essence of my opening statement talks about what can we do to help, and all of you have spoken to that in one form or another.

Let me begin and work my way back, with you first, Michael. The questions that you raised, I think the way you phrased it, the way you organized your statement, is extremely helpful. But there are a few specifics I would like to ask you if I may. The first is, when you talked about the three kinds of things we could do in terms of dealing with reducing the tension between India and Pakistan and dealing with the proliferation issue, the first I would like to ask you—you said help secure their borders, possibly humanitarian assistance and financial aid for Kashmiris, and to monitor an agreement if one is reached relative to Kashmir.

My first question is, how—what form would helping them secure their borders take? Are you considering the use of our intelligence assets, our satellites? Are you talking about American troops?

Mr. KREPON. I am not talking about American troops, sir. We have—and you know this better than most—we have helped monitor disposition of forces and military equipment in the Middle East for some time, using overhead assets.

Senator BIDEN. That is what I thought you meant. I want to make it clear for those who may be listening that, based on my knowledge of you, what was not being proposed was the disposition of American forces along the Indian-Pakistani border or the line in Kashmir, at this point at any rate.

The second question I have is, I could not agree with you more about the need to deal with radioactive material that comes out of hospitals and many other sources in India and Pakistan, and I am a little concerned about—I am very concerned about that, the so-called dirty bomb—and I will make a distinction here. You and I know what we are talking about, but again for the record, we are not talking about a thermonuclear reaction, chain reaction causing a nuclear or thermonuclear explosion. We are talking about the spread of radiation and its consequences, that would primarily be economic and panic whole populations when we talk about the dirty bomb.

But the very things that you propose that we can be helpful in dealing with helping the Indians and the Pakistanis if they sought our help are the very things we should be doing here in the United States, and we have not done them yet. We had extensive hearings on this in this committee, and I am perplexed as to why the Homeland Security Department, our new Cabinet position, has not focused on this very well at all.

But do you have any reason to believe that the Indians or Pakistanis would seek or welcome suggestions as to how we could help them gain more control over radioactive materials, that range from everything from a discard from x-ray machines to a whole range of other things, a whole lot of things. Do you have any sense that they would welcome that or seek that help?

Mr. KREPON. Senator, it is the easiest way in. It is the easiest way in to deal with collaborative efforts to reduce nuclear danger. The sensitivity to the dirty bomb problem is growing markedly in India and Pakistan over the past 6 months. There was initially a casual disregard for it. It is changing. I think this is the door that is most ajar.

Senator BIDEN. The reason I raise it in the way I raised it was I think we have to be extremely proactive privately in offering this.

I cannot imagine if we do not come essentially with a prescription and say, we are ready to help and let me tell you what the prescription is and the kinds of things we think could be done, et cetera.

You very wisely leavened every one of your statements by, with some version of the following phrase: if they ask us. My concern is no one is going to ask us any of the things that should be asked. At least I have not seen any evidence yet that they are likely to ask us, unless someone has—Dr. Cohen, you were about to demur from that statement? Are they asking?

Dr. COHEN. I think this is a task which is important, should be done, can be done. But I think that the United States is probably the wrong country to do it because it will be seen as the camel's nose in the tent by those in the nuclear establishment. I would say the Japanese, for example, would be a far better country to approach South Asia in regard to this.

Senator BIDEN. How do you respond to that, Michael?

Mr. KREPON. I disagree. Our Department of Energy has been prodded to look into this. We have the capabilities. We have the sensors. We have design information. We are working this problem and we are ready to go. If we are proactive and sensitive to the problem that Steve Cohen has raised, I think we can make headway.

Senator BIDEN. I see my time is up. Let me just say, Frank, I think the report was first-rate that you guys wrote, and I absolutely agree with you, and if we have a second round, which we probably will not, I am going to come back to the proposal as to changing the mix of the \$3 billion. I could not agree with you more, and I think that the education piece is a slam-dunk, it is an easy way to go, and it is the single most significant thing we could do that is not likely to raise all the red flags about us controlling the process.

But my time is up. I thank you for that. I may, Frank, with your permission—I do not want to make additional work for you, but if we do not have time—submit to you in writing three to four, actually each of you, three or four, probably not even that many, questions that I would like you to expound on—expand on, I should say, beyond what is in your statements, if I could.

Mr. WISNER. I would be pleased to answer them.

Senator BIDEN. Thank you. It was a first-rate report.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Biden.

We would ask that the witnesses respond to any additional questions.

Mr. WISNER. It will be our pleasure.

The CHAIRMAN. Senator Chafee.

Senator CHAFEE. Thank you, Mr. Chairman.

I thank the gentlemen for their testimony also. It seems as though so much depends in the rapprochement between Pakistan and India on the settlement of the Kashmiri dispute and, per the joint statement, the commencement of discussions are supposed to be in February and that is in a few days. What exactly is transpiring? February is almost here. What is happening? We will start with Dr. Cohen perhaps.

Dr. COHEN. Yes. They have agreed to talks at the Foreign Minister level and then those talks will probably move to a lower level. My guess is that, unless Vajpayee and Musharraf—who is a politician now—keep on top of this, it will essentially evolve into talks that will go on forever. That is why I am a little pessimistic. Unless the senior leadership believes that they must move quickly and can keep pressure on the diplomats, on the bureaucrats, the natural tendency for government officials in both countries is to do nothing.

So I think that the senior leadership has to see that this is something important and they must impose deadlines on their own people. But it also requires a sort of reciprocal process of concession-making on both sides. Here is where Indian diplomacy and Pakistani diplomacy have to give something and get something back.

So far the history has been that one side has given something, the other side has not responded, and that is the end. There have been five or six major detentes between the two countries which have led nowhere. So I would not bet my job on this reaching a successful conclusion. But again, this is, as Ambassador Wisner said, the best opportunity we have had in many years for a dialog.

Senator CHAFEE. Any of the other witnesses want to say what we can do? It seems so critical that this opportunity not slip between all of our collective fingers.

Mr. WISNER. Senator Chafee, I would underscore what Steve just said: Be wary, but this is an absolutely extraordinary opportunity. I believe India and Pakistan would not be where they are today had the two leaderships not made a decision that it was in their national interest to begin and pursue negotiations of all their differences.

The negotiations will start on the 16th of February and last for 2 days. But I also believe that nothing will happen between lower levels that is not very closely followed by Vajpayee and Musharraf and and they had not committed their authority. It would be out of keeping with this round of negotiations, as opposed to previous rounds, if other elements of the governments captured and frustrated the negotiations.

So I have my fingers crossed. But where the issue becomes extremely complicated is how to avoid the possibility of the settlement of Kashmir which is difficult to obtain blocking understandings on a variety of border issues, trade issues, even potentially the Siachen Glacier. Here it is my view that the parties also need find—could find a way forward if they look at ways of disaggregating the Kashmiri problem, of talking about it in terms of opening communications and trade between the two parts of Kashmir, if they talk about thinning troops, if they talk about and if India addresses human rights problems, the disappearance of large numbers of Kashmiris.

In other words, the parties should not try initially to resolve for final status—a decision on sovereignty. Which flag flies over Kashmir. You leave that for a later date.

I believe, as my two colleagues have made the point earlier that we should not be seen to be on the stage. We are not going to find the solutions. But we certainly can help the two governments think about them. That is the art of diplomacy. And being active, as Senator Biden said, on the nuclear question does not mean being pub-

lic. It means being busy, active, engaged, taking the same determined approach that has been demonstrated since the December crisis in 2001. I think we can help clarify issues and bring forward some useful conclusions.

Senator CHAFEE. Thank you, Ambassador.

Mr. KREPON. Senator Chafee, I root for the Boston Red Sox and I am an optimist by nature. I think that—

Senator BIDEN. You sure the hell are.

Mr. KREPON. This is the year.

Senator BIDEN. That is exactly what Senator Chafee said under his breath: This is the year. I admire you all.

Mr. KREPON. I think that the current geometry is better for progress in South Asia than any time since I have been paying attention. Kashmir is a very, very tough problem. My sense is that people naturally go immediately to the territorial aspect of the solution, which is the hardest part. If you think instead in terms of a series of overlays above whatever the territorial arrangement might be at the end of the day, overlays that help Kashmiris lead normal lives, what can India and Pakistan do to relieve the burdens that are now placed upon them, I think then we get to that end state.

There is a lot both countries can do to relieve the pressure and I think that is a good place to start for them.

The CHAIRMAN. Thank you very much, Senator Chafee.

Senator Sarbanes.

Senator SARBANES. Well, thank you very much, Mr. Chairman.

I first of all want to thank the panel for their very helpful testimony. Let me ask you this question, in an organizational sense: Would it help if the U.S. Government had a—I do not know whether you want to call them a special envoy or a designated coordinator, someone whose responsibility was to work on the India-Pakistani relationship? I know our Ambassadors are out there in each country and we have Assistant Secretaries of State and the various desks. But is that just a further bureaucratic complication or would it serve a purpose if we were to do that?

Mr. WISNER. Senator Sarbanes, I have thought about this many times over the years and I have come down clearly in my own mind that naming a special envoy or a special coordinator would not be wise. I believe such a designation would put the United States in the limelight and distract the parties from reaching the decisions they must find. The special negotiator would be pushed to state American views and positions. We want India and Pakistan positions.

A special negotiator would be especially unwelcome to India. Who would see it as an act of interference and potentially of bias.

Rather, I think there is another way to proceed. We touched on it in the report, and that is for the U.S. Government to bring together the several components of our foreign policy bureaucracy and have them meet regularly and keep their eye on every development, putting forward to their own chains of command notions the solutions initiatives which take advantage of promising circumstances.

What I have in mind, under the chairmanship either of State Department or the NSC, a regular meeting of your intelligence com-

munity, the agencies with a direct stake in South Asia, particularly Defense, the State Department's own policy, non-proliferation and intelligence assets, to review regularly what is happening in the region, define how can we position ourselves, how to use U.S. influence, operating through our Ambassadors and if necessary use the Secretary, the Deputy Secretary, and the President.

I know from first-hand discussions with leaders in New Delhi that this kind of quiet, purposeful American nudging is appreciated. That is what they are looking for and they can manage that politically.

Senator SARBANES. Would the others like to comment on this matter?

Mr. KREPON. I would agree with that. I think that the South Asia Bureau is just overwhelmed with the events in Afghanistan and there is no other place in the government that really has the ability to bring these groups together within the U.S. Government. So I think we need a facilitator whose job it is full-time to think, how can we advance the process, peace process in South Asia, while others are obsessed with the day to day.

Senator SARBANES. But that is different from what Ambassador Wisner just said. He is opposed to that, if I understand him correctly.

Mr. WISNER. I am opposed to the thought of a designated special negotiator cum envoy. If there was a person inside the bureaucracy who coordinated activities—

Senator SARBANES. Are you opposed to that or in favor of that?

Mr. WISNER. I would be in favor of that.

Senator SARBANES. But you are worried that that would evolve into what you are afraid of?

Mr. WISNER. We are all capable of drawing lines. I recommend the job be done at the director or deputy assistant secretary level.

Mr. KREPON. Let us say that the notion of providing technical assistance to India and Pakistan on nuclear terrorism is a good idea, you agree it is a good idea. How do we get the executive branch in its disparate parts to really push this idea quietly? How can we help India and Pakistan?

Senator SARBANES. In addition to Chairman Lugar scheduling hearings like this in order to move it along.

Mr. KREPON. Right. I am not sure that a mechanism is now in place in the executive branch to push good ideas that cross agency lines forward. I agree with Ambassador Wisner that a high profile individual with a big title may not be the right way to go. But we have got to have something as an alternative to move ideas forward. I do not see it.

Senator SARBANES. Mr. Chairman, if I have any time left I yield it to the chairman. I know we have this vote coming up. I think it is always advisable for members of the committee to yield time to the chairman.

Senator BIDEN. I think it is a great idea.

The CHAIRMAN. Thank you very much, Mr. Sarbanes.

Senator SARBANES. I know the ranking member will take me to task for that.

Senator BIDEN. No, I think that is a very good idea.

Senator SARBANES. Gentlemen, thank you very much.

The CHAIRMAN. Let me sort of take up where Senator Sarbanes left off, because I think that his questions brought forward a very important set of responses from the witnesses. I just would observe, as you already have, that after September 2001 our government underwent a radical change with regard to our interest in the two countries, quite apart from our diplomacy.

I remember, as other members can, Secretary Powell approaching us in the secret spaces of the Capitol within days and saying: You ladies and gentlemen must lift all sanctions with regard to India and Pakistan, however they came about, however justified—military coup, nuclear tests, human rights violations, whatever it might have been. And some members demurred a bit and said: All of them, and permanently? He said: Yes, all of them and permanently; it is a new situation.

That is a very radical departure in American diplomacy, to wipe the slate of almost all the decisions, the discussions we have had, and the strictures and so forth. Now, having got to that point, then the question is what is the substitute? How then, having gotten rid of the sanctions, do you move ahead with some new relations?

In fairness to everybody, a lot of good work has been done, which you have acknowledged, and we now come, in part because of our diplomacy, but in large part, as you have said, because of the leadership of Mr. Vajpayee and President Musharraf, who are essential to this. My understanding is that, as you have stated, without their constant attention to the whole thing, why, it is likely to fall off the tracks. Dr. Cohen has cautioned this, that that would be the normal situation anyway, even given extraordinary leadership.

In the meanwhile, they have an election in India at some point this year in which the leader, even despite thought about legacy, may be sorely tested in terms of the constancy of this sort of thing. President Musharraf may or may not escape assassination attempts. There are assurances if he is assassinated that the vice chief of staff takes hold and there is still stability. But whether stability and movement on this diplomacy—they are two different things.

The question that Senator Sarbanes has brought forward is, what do we do? What you are suggesting, it seems to me, is that somehow our government on the administration level organize a committee, an appropriate one in which we vet weekly, I think as you said, Ambassador Wisner, the best ideas on nuclear security, on commerce, humanitarian aid, what about Kashmir, human rights, the whole business, and then through our Ambassadors to India and Pakistan, through these normal channels, keep insinuating the best ideas, so that they might also, as they enter conversations, hopefully fairly vigorously, and hands-on diplomacy, attempt to keep an agenda going, as well as to show encouragement of the two leaders that we care and that we are not obtrusive and we are not mediating, but on the other hand we are very interested in all of this.

Now, simultaneously with this we have a responsibility at the congressional level to try to do the same thing. We have attempted to fulfill that responsibility with this hearing in a way and an earlier hearing this morning, at which we heard from our intelligence people a number of views, so that in a comprehensive way perhaps

in our public statements and our attitudes we are helpful in this respect.

We have also had a good visit with the Foreign Minister of India in the last 10 days, an extraordinary visit, unlike anything we have had before; two visits with President Musharraf in our coffees in S-116, in which members were very candid and so was the President in his responses.

In other words, the volume of this activity, quite apart from the quality of the dialog, has picked up a good bit. My impression is that there are favorable responses to this. People are delighted that we are paying attention.

Having said all of that, our advice had better be pretty good, because at the end of the day let us say they take some of it. We really need to be very hopeful we are on key, and this is going to require a depth of scholarship and understanding of both of those countries, where they are coming from, the dynamics of this sort of thing, even the degree of control the leaders have over all parts of their country, all parts of their governments.

But you have given us, it seems to me, a pretty good indication today of how we might get organized, executive and legislative, as well as a good number of ideas that might come into this.

I really do not have questions of you because I think you have been comprehensive in your testimony, and likewise out of curiosity we could ask for certain political estimates of this or that, but that may or may not be helpful, in the same spirit that you are suggesting these behind-the-scenes efforts.

Let me finally say at the end of the day, the nuclear problem it seems to me is very important, for the same reasons you have talked about—at least some safeguards so that inadvertently, accidentally, people do not stumble into attacks and great loss of life that could have been avoided. Second, a building of trust over the course of time. It is my observation that on the Pakistani side they would still be very reticent, feeling that we were making intelligence intrusions or somehow or other on something that is extremely important to them as they see it in a defensive way.

But leaving aside how they feel about it, over the course of time we might be able to demonstrate that there is real value in United States cooperation in helping secure materials, both the weapons types and, as Senator Biden has stressed, in the laboratories and elsewhere, as we are finding in our own homeland security, and we might modestly share with them the fact that we are still struggling with these problems, that we understand some of the consequences of our own inadequacies, rather than being a lecturer to them on theirs.

But these are observations of appreciation to you for your testimony, likewise for a partial road map of how we might organize for this. And in the generous spirit that Senator Sarbanes started, I yield my remaining time to my colleague Senator Biden for any concluding comment he may have.

Senator BIDEN. I have one brief question to Dr. Cohen. I found it reassuring and I want to believe his assessment about the stability in Pakistan as he explained it. But you used the phrase at one point “at least for the next 5 or 6 years.” What happens in 5 or 6 years?

Dr. COHEN. You will have to buy my book. I really project—
Senator BIDEN. I do not have any further questions.

Dr. COHEN. I project a range of scenarios for the future and try and give estimates of their probability. These scenarios range from bad to worse.

Senator BIDEN. But why 5—is it 5 or 6 years because of the leadership that exists in the upper ranks of the military now?

Dr. COHEN. I think that the present regime is trying to do its best. If it fails, then it could be followed, after one or two failures, by a more radical approach, maybe even a totalitarian general or an Islamic radical general, or a populist leader.

Senator BIDEN. Got you.

Dr. COHEN. Or alternatively, Pakistan could begin to fray even further economically, culturally, and socially. So it could go in a number of directions, almost all of which are bad. There is no question that perhaps a generation down the road, Pakistan could be in an awful condition.

On the other hand, I agree with Michael Krepon that if they make the right decisions, if they have help from their friends, if the Indians are cooperative, and India has an interest in a stable Pakistan in the long run, then you could see Pakistan emerge as it once was thought to be, a middle income, thriving, moderate Islamist country.

Senator BIDEN. Thank you.

The CHAIRMAN. Let me just say a word of apology to the committee as well as to the witnesses. I have just been advised that for some reason a quorum call is taking place on the Senate floor and as a result the vote is not going to occur exactly at 11:45. In fact, it is not really clear when the vote is going to occur. Such is the nature of our affairs, trying to cooperate with the leadership on the floor.

But if there are additional questions of my colleagues or comments or if you have additional comments, why, please feel free to do that and we will take a few more minutes. Yes?

Dr. COHEN. I have one more point that I would like to make with regard to the legislation concerning the aid packages, especially to Pakistan. When President Musharraf met President Bush at Camp David, President Bush announced that the aid would be conditional in three categories: nonproliferation, the war against terrorism, and democratization.

I thought this was a remarkable departure from past policy in the sense that there would be presumably criteria established and the aid would be proportionate or relevant to Pakistan's performance. I have not heard or seen much of that since then. In fact, I am not sure if there is such a conditionality.

But I would favor very much a tough-love strategy toward Pakistan, especially in the area of education, economic reform, social order, rebuilding Pakistan's civil institutions, and the redemocratization of Pakistan. These are in Pakistan's own interests and I think members of the establishment agree with me. If they do not perform in these areas, then we really must reconsider, our overall relationship with Pakistan once the war on terrorism ends and the dregs of al-Qaeda and the Taliban are wound up.

So I favor the idea of conditionality in these different cones. Good performance in one cone should produce aid, perhaps increased aid, while lack of performance in another cone should lead to a reduction of aid. We should treat these issues separately in our aid relationship with Pakistan.

Senator BIDEN. But you set one interesting condition. You said at least until al-Qaeda and the war on terror—but that at least is—I mean, you are mildly pessimistic about the prospects of Indian and Pakistani rapprochement. You seem wildly optimistic about being able to in the near term deal with al-Qaeda and this war on terror.

Dr. COHEN. Well, I think as far as the Pakistan dimension is concerned it is not that serious a problem. Obviously, there are gangs of al-Qaeda wandering around and some of the leadership is there. But I do not see this as the kind of massive threat that it was before we went into Afghanistan. And the Pakistanis themselves have claimed that they have picked up 500 to 600 al-Qaeda members. There were not that many to begin with, so I think that in a sense that aspect of the war on terrorism—

Senator BIDEN. Including their alleged continued, or at least the ISI's continued, involvement with the Taliban?

Dr. COHEN. Well, from the Pakistani perspective that is a separate issue. They regard the Taliban as a natural Afghan-Pakistan force. Al-Qaeda is—

Senator BIDEN. But from our perspective it is not a separate issue.

Dr. COHEN. But from our perspective Taliban cannot do the kind of damage to us that al-Qaeda has.

Senator BIDEN. Well, from our perspective Taliban, if in fact—I mean, you have General Jones testifying yesterday and in meetings I had with him in Europe that there is a need for an increased NATO presence to deal with the resurgence of the Taliban to maintain the stability of the new government that has finally arrived at a constitution. The implication is that, failing to meet that concern, the longevity of this newly inaugurated government and constitution is very much in jeopardy. And if Afghanistan fails, I do not know what that—it seems to me that would be an overwhelming undercutting of the commitment made by Musharraf on attempting to help us relative to terror. I do not know how you separate those two.

Dr. COHEN. I certainly agree with that point. I did not mean to imply that Afghanistan was not critical to American policy.

Senator BIDEN. What you are saying, and I will end it, is that the real dilemma—let me put it another way. If there is no al-Qaeda, if there is stability in Afghanistan and the Taliban was not an issue, its resurgence, then it would be pretty easy, it seems to me, to figure out how to correlate our aid in the cones that you are talking about, basically say to Musharraf: Look, we are going to give you x amount of dollars in educational aid; if in fact you do not use it and you are continuing to coddle the madrassas and let the Saudis and others come in and build more and you are not going to deal with it, then we are going to cutoff aid.

But it seems to me the sine qua non here is the point that my colleague made: This administration has made a very clear deci-

sion, that whatever it takes to—at least it did initially. Whatever it takes to get Pakistan to cooperate in the war against terror, including the Taliban, we will do, including resisting, doing away with previous sanctions and significantly increasing aid.

Dr. COHEN. The danger of that is that it does not address the problem of the al-Qaeda-ization of Pakistan itself.

Senator BIDEN. I do not disagree with you. I am not disagreeing. My point is there is this fault line here, that everything that seems to be—all of our relationship for the moment is predicated on the continued assistance on the war on terror. We can acknowledge that that does not long-term, may not be the wisest policy. But short-term it sure seems to be the modus operandi as to how we are proceeding.

Mr. WISNER. Senator Biden, there may be another way of looking at the answer that Dr. Cohen is giving you and you are pursuing. I agree with you completely that, with regard to Pakistan, the situation along the Pak-Afghan border is one of our top priorities. It has got to be pursued, and we need full Pakistani cooperation in doing all that is possible, admittedly inside a very complicated situation, to bring order to that border region.

My own view, and having just returned from Afghanistan, is that you cannot be effective solely by pointing fingers and accusing one side perfidy. We need to use our influence with Islamabad and find cooperative ways to approach the tribal situation along the border, the movement of refugees, the activities of Taliban leaders, and come up really with joint strategies, which then leads me to—

Senator BIDEN. Well, we are trying that.

Mr. WISNER. We are, and we are on the right track, but the effort of conciliation must be a political decision pursued at high levels. It must be approached comprehensively. You have got drugs, you have got refugees, you have got population movements; you have disaffected ISI elements.

Senator BIDEN. You have got elections that are brought in.

Mr. WISNER. But coming specifically to the question of conditionality in aid, I may see this just a bit differently than Dr. Cohen does. If I look back in the past, the history of the U.S.-Pakistan relationship, I am troubled by the volatility. We provided a lot of aid to Pakistan during the cold war but when that issue began to abate, we pulled back. We were deeply involved at the time of the Soviet invasion of Afghanistan; after the Soviets departed, we retreated from Pakistan.

The up and down in my judgment has not served our interests well. We have not been able to sustain American influence with the Pakistani Government and in fact, because of the up and down course of our ties with Pakistan, we have become in the minds of many Pakistanis, as Dr. Cohen wisely pointed out, the problem as opposed to the solution.

We need a steady relationship, of which aid is a component. A portion of that aid—50 percent—ought to be provided on the merit of the case and allocated principally by educational and social priorities. The balance of the assistance I would like to see my government set jointly goals with Pakistan—goals that reflect precisely the priorities we have discussed: terror, Afghanistan, drug movement, Indo-Pak security, end of cross-border terror, social goals.

Senator BIDEN. But that is—you are being, as you always are, insightful and very diplomatic. That means that what we are doing is removing from conditionality to promises of help in the future, in other words carrots instead of sticks, because, consistent with what you have indicated—and I read your full report—consistent with the report, what you are really saying is that to have something steady—conditionality does not lend itself to having a steady relationship unless you parse it the way you are doing it. You are parsing it so that certain things remain consistent—the economic assistance, the humanitarian assistance, the educational assistance.

But if you want more assistance, it is not conditioned, but you are saying, if we agree, if you do A we will do B. It is not conditioned in the sense that we are going to stop doing A if you do B. It is conditioned on if you do this then we will be inclined to do that. So that when it stops, when they do not do—when they continue to support the Taliban, you say, we are not stopping aid, we are just not continuing or we are not going on.

Is that not basically what you are saying?

Mr. WISNER. That is right.

Senator BIDEN. It is an undiplomatic way of saying it.

Mr. WISNER. But the first part, the first part of your statement, is that you sustain half the aid, to maintain your influence. For the second half, you set jointly goals that serve as incentives for the Pakistanis, goals they have participated in defining and avoid the appearance of imposition—

Senator BIDEN. Got you.

Mr. WISNER [continuing]. As conditions, but they jointly develop them.

The CHAIRMAN. Let me interject another question. Testimony has been that in Pakistan there is a very negative feeling of a large part of the population toward the United States. It has sort of been left there; maybe it improves, maybe it does not. One of you suggested that a very strong public information policy—public diplomacy, however one wants to describe that—needs to occur, and probably to continue for a long while.

We did not discuss how the United States stands, whether it is the Pew Foundation conducting a poll in India, or whoever else, in India. What, from your expert experience in this thing, are the elements of public diplomacy that have some hope here? We held hearings in this committee, some more satisfying than others, about why our public diplomacy is not doing very well, and we acknowledge a good number of rationalizations as to how tough a job it is.

Here, in these two specific countries, let us say that we adopted the diplomatic strategies that are being suggested in this forum today. What do we do with regard to the whole population while this is going on with the leadership group? Clearly this is a tough problem for President Musharraf, or whoever is in the leadership of Pakistan, if his constituents have a very negative view of our country. It makes it very difficult for us to operate successfully.

Dr. COHEN. When I first went to Pakistan in 1977 there were I think seven American, U.S. information centers. When the cold war ended most of them were closed down. What strikes me as aston-

ishing is that as we face a resurgence of Islamic radicalism around the world—I think it is inchoate; I do not think there is a central direction, but it is there—we do not regard this as a serious issue.

This is a war of ideas. I worked for Secretary Schultz toward the end of the cold war. Clearly, the Reagan administration thought we were in a war of ideas, not simply a war of guns and military power. I do not think the administration quite gets that yet, and the Derijian report makes that point also.

In Pakistan, which is a critical ally, we have no information program whatsoever. There is some private effort in terms of bringing Pakistani scholars over, but by and large there is no American voice, there is no American perspective heard anywhere in Pakistan. In fact, if you are a Pakistani, if you express support for America in some way, you are criticized by your colleagues and peers. That is true even in the army. The army is very much anti-American in the sense that they are bitter at what they regard as our failure to support them time and time again. That flows in part from our cutting off of the military training programs here.

So I think that we have a massive problem in terms of communicating with Pakistanis at the level of ideas and values. The round-up of Pakistanis and other Muslims in this country did not help it, but I think we are beyond that now and there is still a residual serious problem in Pakistan.

Mr. WISNER. Senator, could I add just a word from an Indian perspective and make several points on public diplomacy. The beginning point is the posture you adopt. India today is looking, after some years of suspicion, at the United States as a potential friend and ally. We can reinforce that by the respect we evidence, the visits from top leaders. All of these catch the attention of the man in the street, just as it does the elite.

But even more important is to address the issues that matter to Indians. They include political issues, the ones we have talked about this morning. But there are other issues that are of terrific importance, issues of trade, issues of the pandemic of AIDS, security cooperation, high-tech exchanges, and outsourcing. The United States is constructively involved on the questions people face.

Third, I would argue, as Steve Cohen just did, that we are very wrong-headed to close our outreach centers, our old USIA centers—we are about to do it in Delhi—retreat behind the embassy walls. No one is going to have access we wish to the libraries and facilities, the conference centers. It seems to me there are ways congruent with security in which one can maintain such centers. I think it would be a grave error.

But I believe that there are two additional points that would be telling in the Indian case. Indians dream of education. There are 80,000 Indian students in American universities and they do a terrific job here. Even if the U.S. Government supports a small number of scholars coming to this country, it catches the public imagination. It plays very well. Visitors from public opinion centers around India to come to this country within the tradition of our flows of visitors, all activities that were subject to greatly reduced funding and are very, very important.

Finally, I think our own government can take leadership, our Secretaries of Education, Health, Agriculture, in bringing to India

representatives of our universities, representatives of our research institutions, to create linkages with Indian bodies and to begin to thicken out the relationship so that the dialog between the United States and India is not just restricted to the President and the Secretary of State talking to the top of the Indian Government, but that Indian institutions all the way through have the kinds of linkages worthy of great nations.

Senator BIDEN. A lot of that is taking place in the business community in the export of a considerably large number of American white collar jobs.

Mr. WISNER. An important point and one, if you wish, we can return to.

Mr. KREPON. Let me try and address Senator Biden's question, too. There are two things that we might consider to improve America's standing in Pakistan, which is very low. I do not think I agree with Steve in saying it is the worst in the world. It is not very good.

One thing that might be useful would be to improve our standing by means of provision of services that are not well provided now in Pakistan. So mobile health clinics, sending over doctors, maybe Pakistani-American doctors, maybe joint teams of Pakistani, American, and Indian doctors, to open up an eye clinic in a village and spend 3 days there and move elsewhere, have the Department of Health and Human Services get involved. So at a very basic level, people to people, a different image of America comes across.

The second suggestion is that there is now in Pakistan a welcome development of a private TV channel. GeoTV is the name of it. I know that our government makes a real effort to present spokespersons to Al-Jazeera. I wonder if a similar effort is being made for GeoTV.

Setting up remote centers to open up Pakistan to America is now not an easy thing to do, just as a matter of personal safety. But these are two ideas that you might consider.

I want to go back to Afghanistan because I want to try and give you a very different overlay on this than the one we typically use. Pakistan's geographical birthright is to be able to connect with both central Asia and the subcontinent. That is how it can get well. If it has good relations with the subcontinent and central Asia, it can become a transmission belt for trade, a receptor to direct foreign investment, so an economic overlay.

When you talk and you interview Pakistanis about Afghanistan, they will say to you, as I suspect they already have: We need a stable Afghanistan; otherwise we cannot get to central Asia. Well, they have messed up Afghanistan and if they use the same instincts to try and get a stable Afghanistan they are going to continue to mess it up.

Right now the annual trade between Pakistan and central Asia, five nations in central Asia, \$27 million. The annual trade between India and Pakistan, direct trade, not through the gulf, one-fifth of the world's humanity, is about the same size as our trade to Barbados. Direct foreign investment, U.S. into Bermuda is 20 times more than direct U.S. foreign investment in Pakistan.

If Pakistan's future is going to rise and fall on economics, can we overlay an economic vision for Pakistan that has them connecting

to central Asia, where they belong, and connecting to the subcontinent, having normal relations with both these regions, which they cannot now enjoy because of their connectivity to Islamic radicalism?

So that is the overlay I would present to them. That is where their future is.

The CHAIRMAN. A very important suggestion and we appreciate it.

The long-awaited vote has started and, with the permission of my colleagues, we will bring the hearing to an end, but with an expression of appreciation to each of you for your testimony, and for your forthcoming answers to our questions.

Senator CHAFEE. May I make one comment before we adjourn?

The CHAIRMAN. Yes, Senator Chafee.

Senator CHAFEE. In listening to some of the testimony, I go back to Dr. Cohen and what he said in his prepared statement. That is, that the Pakistanis believe that once Afghanistan is stabilized and al-Qaeda mopped up the Americans will disappear, leaving Pakistan without a major ally. I think that is probably one of our major challenges, is to disavow the Pakistanis of this fear that once al-Qaeda is mopped up, the problem solved, so to speak, back come the sanctions that Chairman Lugar talked about and we disappear and they are left, as you say, without a major ally. So a sustained commitment of friendship and alliance.

The CHAIRMAN. Thank you very much, Senator.

Thank you, gentlemen.

The hearing is adjourned.

[Whereupon, at 12:07 p.m., the committee adjourned, to reconvene subject to the call of the Chair.]

ADDITIONAL STATEMENT SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF SENATOR RUSSELL D. FEINGOLD

I would like to thank the chairman and ranking member for convening this important hearing on "Pakistan and India: Steps, Toward Rapprochement. Developments in Pakistan and India have profound implications on U.S. national security interests. Events within and between Pakistan and India will contribute to the success or failure of the U.S. fight on terrorism, our efforts to rebuild Afghanistan and our objective of curtailing nuclear proliferation around the globe. I believe we need a thorough review of U.S. policy toward these two countries to ensure that we embark on the most appropriate diplomatic path. The stakes have never been higher.

Terrorism is our highest national security priority at this time, and it is crucial that we refocus on the region that harbored the terrorists of September 11th. Pakistan, as a key front-line ally in the U.S.-led antiterrorism coalition has been essential in cracking down on terrorist networks, specifically al-Qaeda. However, our war on terrorism is far from won, and news reports indicate that Taliban and Islamic militants linked to al-Qaeda continue to find sanctuary in certain areas of Pakistan. Not only do members of this group continue to attack coalition forces in Afghanistan, but many believe they are planning more attacks on U.S. soil. In addition, many experts argue that a nexus exists between international terrorist networks and domestic Pakistani groups. Thus, not only do international terrorists continue to threaten the United States, but domestic forces within Pakistan, such as some extremist madrassas, may be breeding more terrorists.

These facts on the ground require a sensible response by the U.S. Government. In addition to providing assistance to help the Pakistani Government crack down on their terrorist networks, the United States must do a better job at encouraging the Pakistani Government to pursue a moderate agenda and educational system. We must increase our public diplomacy efforts in Pakistan and support more profes-

sional, educational and cultural exchanges between our two countries to combat these forces of hatred.

United States policymakers must also not forget the threat of nuclear proliferation as we wage the war on terror—as the two threats could one day go hand in hand. President Musharraf conceded on January 23, 2004, that “it appears” that some Pakistani scientists were involved for personal financial gain in providing nuclear technology and knowledge to other countries, such as North Korea, Libya, and Iran. The implications of these statements cannot be underestimated, and I hope the committee will continue to address these important issues.

