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Summary

Congress has taken keen interest in U.S. relations with Pakistan, especially as related to counterterrorism and U.S. foreign assistance. The terrorist attacks of September 2001 transformed U.S.-Pakistan relations virtually overnight. After more than a decade under broad U.S. sanctions for its nuclear proliferation activities, and later for a military coup, Pakistan became a key ally in U.S.-led efforts to combat Islamist militancy and extremism. Pakistan has been a leading recipient of U.S. assistance for nearly 15 years, having received more than $20 billion in economic, security, and humanitarian aid, and military reimbursements. The Administrations of President George W. Bush and President Barack Obama have sought close engagement with Pakistani leaders. Vital U.S. interests are seen to be at stake in this engagement related to

- regional and global terrorism;
- efforts to stabilize Afghanistan and the broader region;
- nuclear weapons proliferation;
- links between Pakistan and indigenous American terrorism;
- Pakistan-India tensions and conflict;
- democratization and human rights protection; and
- economic development.

Pakistan is a haven for numerous Islamist extremist and terrorist groups, and successive Pakistani governments are widely believed to have tolerated and even supported some of these as proxies in Islamabad's historical tensions and conflicts with neighbors. The May 2011 revelation that Al Qaeda founder Osama bin Laden had enjoyed years-long and relatively comfortable refuge inside Pakistan led to intensive U.S. government scrutiny of the bilateral relationship, and sparked much congressional questioning of the wisdom of providing significant U.S. foreign aid to a nation that may not have the intention and/or capacity to be an effective U.S. partner. Pakistan's security services are seen by many independent analysts to be too willing to make distinctions between what they consider to be "good" and "bad" Islamist extremist groups, maintaining supportive relations with Afghan insurgent and anti-India militant groups operating from Pakistani territory.

Although the U.S.-Pakistan relationship has partially recovered from the 2011 nadir, Congress has since imposed both broader and more rigorous conditions on the release of foreign assistance to Pakistan. Such conditionality now applies to all non-humanitarian transfers, including military reimbursements. For the past four years, the Administration has exercised authority granted by Congress to waive those conditions in the interests of national security.

In January 2015, Secretary of State John Kerry led a U.S. delegation for the 5th session of the bilateral U.S.-Pakistan Strategic Dialogue to review progress in the existing five Working Group areas (economic and finance; defense; law enforcement and counterterrorism; security, strategic stability, and nonproliferation; and energy). In April, the State Department approved the possible $952 million sale to Pakistan of U.S.-built attack helicopters and missiles, suggesting that the Administration intends to continue bolstering Pakistan's capacity to combat militants in its rugged and semi-autonomous western regions. See also CRS Report R43717, *Pakistan Political Unrest: In Brief*, by (name redacted) and (name redacted), and CRS Report RL34248,*Pakistan's Nuclear Weapons: Proliferation and Security Issues*, by (name redacted) and (name redacted).

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Overview

The stated policy of the United States is to assist the creation of a more stable, democratic, and prosperous Pakistan that is actively combating religious militancy. This has been among the most important U.S. foreign policy efforts in the post-9/11 period. Senior U.S. officials commonly emphasize that the United States has vital interests at stake in U.S. engagement with Pakistan.[1] These are related to regional and global terrorism; efforts to stabilize neighboring Afghanistan; nuclear weapons proliferation; Pakistan-India tensions and conflict; democratization and human rights protection; and economic development. As a haven for numerous Islamist extremist and terrorist groups, and with the world's fastest growing arsenal of nuclear weapons, Pakistan is at the top of many governments' international security agendas. The U.S. government has sought to help develop Pakistan's economy and boost the effectiveness of its security forces. Islamabad has been among the leading recipients of U.S. foreign assistance in the 21st century, receiving more than $20 billion in overt transfers since 2001. While such assistance has contributed to some successes, Pakistan remains racked by militancy and terrorism, and is suffering through an extended period of domestic insecurity and weak economic growth.[2]

In 2009, the 111th Congress formally endorsed a policy approach to Pakistan that would demonstrate a U.S. commitment to "strategic" ties with that country backed by ample, condition-free economic aid meant to benefit all strata of Pakistani society. This tack was intended to transcend what had until then been perceived as engagement almost wholly based on security and military-to-military ties. However, 2011 was marked by a series of crises in the relationship, leading to serious rancor in both capitals and open talk of a "divorce" by year's end. Congress subsequently made existing conditions on aid both more rigorous and expanded them to include all forms, economic and military, alike.[3] Today, some Members urge an outright cutoff of aid, while others seek a new and more punitive approach, given a perception that Islamabad has "failed to combat terrorists."[4]

[1] Most recently, in January 2015, Secretary of State John Kerry was in Islamabad for a 5th bilateral Strategic Dialogue session, at which he "conveyed that a strong, prosperous and democratic Pakistan is an essential partner for the United States in advancing the shared goal of a stable and peaceful region" and where "Both sides reiterated their commitment to an enduring partnership ... which is vital for regional security and stability" (see the January 13, 2015, document at http://www.state.gov/r/pa/prs/ps/2015/01/235881.htm).

[2] *Foreign Policy* magazine's 2014 index of "fragile states" ranked Pakistan 10th of 178, citing group grievances (discrimination, sectarianism, etc.), militancy, and the intervention of external actors as especially acute problems. These same issues have kept Pakistan near the top of the index for six consecutive years (see http://ffp.statesindex.org/2014-pakistan).

[3] Certification requirements are related mainly to counterterrorism, WMD proliferation, and democratization, and have always provided the President authority to waive these in the interests of national security. A blanket certification was issued in early 2011—only weeks before the bin Laden raid—and the Administration has waived certification requirements ever since.

[4] In February 2015, the chairman and ranking Member of the House Foreign Relations Committee sent a letter to Secretary of State Kerry to encourage a "different approach" to Pakistan that could include travel restrictions, aid cuts, and the sanctioning of Pakistani officials that maintain links to designated terrorist groups (see the February 12, 2015, letter at http://foreignaffairs.house.gov/press-release/chairman-royce-ranking-member-engel-press-secretary-kerry-pakistan-s-failure-combat).

Status of U.S.-Pakistan Relations

The May 2011 revelation that Al Qaeda founder Osama bin Laden had enjoyed apparently years-long and undisturbed refuge inside Pakistan led to intensive U.S. government scrutiny of the bilateral relationship, and sparked much congressional questioning of the wisdom of providing significant U.S. foreign assistance to a government and nation that may not have the intention and/or capacity to be an effective U.S. partner. Long-held doubts about Islamabad's commitment to core U.S. interests deepened over the course of 2011, with U.S officials more often describing Pakistan's military and intelligence services as too willing to distinguish among Islamist extremist groups, maintaining links to Afghan insurgent and anti-India militant organizations operating from Pakistani territory as a means of promoting what Pakistan perceives to be its security interests. Several most-wanted enemies of the United States still are widely believed to reside in Pakistan, among them Al Qaeda chief Ayman al-Zawahiri, Afghan Taliban chief Mullah Omar, and Afghan insurgent Haqqani Network leader Sirajuddin Haqqani.

In June 2014, after years of U.S. government prodding, the Pakistani military launched major offensive operations against Islamist militant groups sheltered in the country's remote Federally Administered Tribal Areas (FATA) abutting Afghanistan. The action has buoyed U.S. officials' confidence in Pakistan's cooperation with international efforts to stabilize Afghanistan. The November 2014 visit to Washington, DC, of Pakistan's powerful Chief of Army Staff—the first such visit in four years—thus came in a somewhat improved atmosphere. Weeks later, the 23rd round of the bilateral Defense Consultative Group met in Washington, DC, where the two delegations reviewed ongoing Pakistani military operations, as well as the security transition in Afghanistan.[5]

For January 2015's Strategic Dialogue session in Islamabad, Secretary of State John Kerry met with Pakistani Adviser to the Prime Minister on National Security and Foreign Affairs Sartaj Aziz to review progress in the existing five Working Group areas (economic and finance; defense; law enforcement and counterterrorism; security, strategic stability, and nonproliferation; and energy), and welcomed the creation of a sixth group—on education, science, and technology—set to meet later in 2015.[6] A notable outcome of the engagement was Pakistan's agreement, after reported prodding from Secretary Kerry, to formally ban the Haqqani Network of Afghan insurgents that operates from its territory.

Pakistan has a leading role in South Asia's security interactions. Any (further) stiffening of the official Pakistani perspective on the peace process with neighboring rival India—perhaps to include intransigence on the major issue of Kashmir and/or restrictions on commercial relations—could be harmful to the already hamstrung development of South Asian regionalism, as well as hamper a U.S. policy that seeks to better link India with Central Asia. Geopolitically, it could boost New Delhi's motivation to develop Iran's Chabbahar port, bypassing Pakistan for access to Central Asia. This could risk U.S. opprobrium by engaging in mutually beneficial ties with a U.S. adversary, as well as reinforce the rivalry between India and China, Pakistan's main international benefactor.

[5] See the resulting December 10, 2014, Joint Statement at http://www.embassyofpakistanusa.org/news699_12102014_US.php.

[6] See the State Department's January 13, 2015, fact sheet at http://www.state.gov/r/pa/prs/ps/2015/01/235883.htm.

Key Issues in U.S.- Pakistan Relations

Indigenous Islamist Extremism

Islamist extremism and militancy have menaced Pakistani society throughout the post-2001 period, becoming especially prevalent since 2007.[7] Pakistan is the site of numerous armed insurgencies of various scales. The myriad and sometimes disparate Islamist terrorist groups there, many of which displayed mutual animosity in the past, became more intermingled and mutually supportive after 2009.[8] Some analysts warn that the Islamic State—operating in Iraq and Syria—may seek a presence in Pakistan. The Taliban Shura of Mullah Omar is believed to be in Quetta, as well as in Karachi (see **Figure 1**). The Haqqani Network of Afghan insurgents is based in the North Waziristan and Kurram agencies of the FATA. An alarming development in recent years is the increased incidence of militants making direct attacks on Pakistani security institutions. The Pakistani government claims to have lost more than 50,000 civilians and security personnel in the "war on terror" since 2001, and suffered a financial cost of more than $78 billion (roughly one-third of the nation's current GDP).[9]

A devastating December 2014 terrorist attack on a military-run school in the city of Peshawar left 148 people dead, 132 of them children. Security forces killed the seven Tehreek-e-Taliban Pakistan (TTP) attackers, who, according to a TTP statement, undertook the assault in revenge for Pakistani military operations against their FATA bases. The human toll was the highest for any such incident in the country's history; the incident fueled widespread outrage in Pakistan and internationally, and was called "Pakistan's 9/11" by some. President Barack Obama condemned the act of "depravity" and reiterated the U.S. commitment to support Pakistan in its counterterrorism efforts. U.S. officials anticipated a new crackdown on TTP militants, a development which has, to some extent, been seen.[10] Yet many analysts are skeptical that any qualitative transformation of state policies will be seen, given the Pakistani military's long history of distinguishing between "bad militants" (those that attack Pakistanis and the state apparatus) and "good militants" (those that the government has used as proxy forces against India and in Afghanistan).[11]

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[7] In addition to Islamist violence, Pakistan also suffers from a serious, decades-old separatist insurgency in its southwestern Baluchistan province, as well as rampant politically motivated violence in the megacity and business capital of Karachi.

[8] Among the notable militant groups operating in or from Pakistan are the Tehreek-e-Taliban Pakistan (TTP) or "Pakistani Taliban," with a presence in all seven FATA agencies; Lashkar-e-Taiba (LeT, aka Jamaat-ud-Dawa), a U.S.-designated terrorist group with long-standing ties to Pakistan's main Inter-Services Intelligence (ISI) service; the "Punjabi Taliban," a collective term for the many non-Pashtun, often anti-Shia militant groups hailing from the Pakistani heartland; and Al Qaeda in the Indian Subcontinent (AQIS), an affiliate that surfaced in September 2014, likely as a response to the ascendance of a major new rival jihadist group in the Middle East. This "Islamic State" (IS, aka ISIS or ISIL), which the U.S. military is actively combating in parts of Iraq and Syria, reportedly is looking to Pakistan as a vast recruiting base, and some analysts warn of a future IS presence in South Asia.

[9] Cited in "'Pakistan Suffered Heavy Losses in Fighting War on Terror,'" *Dawn* (Karachi), December 5, 2014. The New Delhi-based South Asia Terrorism Portal counts a total of about 57,000 for the period 2003-March 22, 2015, more than half of these "terrorists or insurgents" and one-third civilians (see http://www.satp.org/satporgtp/countries/pakistan/database/casualties.htm).

[10] "U.S. Officials Expect Stiffer Pakistani Resolve in Wake of Taliban Attack," Reuters, December 16, 2014.

[11] Ayesha Siddiqa, "Pakistan's 9/11?" (op-ed), *New York Times*, December 19, 2014; "The Peshawar School Massacre United Pakistan—But Cracks Are Already Appearing," *Guardian* (London) December 20, 2014; "Pakistan's Baffling (continued...)

Figure 1. Map of Pakistan

Source: Adapted by CRS.

Counterterrorism Efforts

The Pakistani state has faced tremendous difficulties in addressing the growing incidence of domestic and transnational terrorism. Legal and judicial institutions and processes are hampered by a lack of organization, resources, and know-how. Law enforcement officials and prosecution witnesses face threats to their security. Some observers criticize Pakistan's leaders for overemphasizing the role of military operations as a response to terrorism while providing insufficient attention and resources to the role of law enforcement. Pakistan's police forces are regularly assessed as being of low quality, corrupt, and with a poor public image, suffering from severe deficiencies in a number of areas, including equipment, technology, personnel, training,

(...continued)

Response to Terrorism" (editorial), *New York Times*, December 22, 2014; "Is Pakistan Really Cracking Down on Terrorism?" (interview with Professor Christine Fair), *Newsweek*, January 31, 2015.

and intelligence capability.[12] A National Counterterrorism Authority (NACTA), established in 2009 as a coordinating body for national efforts, has been called ineffective, with extended and unsettled bureaucratic debate over its mandate and powers. An eagerly awaited, first-ever National Internal Security Policy (NISP) was unveiled in 2014, but the subsequent federal budget allocated no funds to support it. Later in 2014, Pakistan's National Assembly passed a "Protection of Pakistan Bill" that expanded law enforcement powers. The U.S. government has lauded some of the legal steps taken by the Pakistani government to address terrorism, but notes that the judiciary moves slowly in processing related cases.[13]

Immediately following the December 2014 Peshawar school massacre, the Pakistani government lifted its moratorium on executing convicted terrorists and within days began hanging some of the roughly 3,000 such convicts on death row.[14] Soon after, it established military courts for the purpose of expediting terrorism cases and providing greater security to prosecutors and witnesses. New York-based Human Rights Watch argued that the spate of executions represented "vengeful blood-lust," and that the "overuse" of anti-terrorism laws by Pakistan's army and judiciary already violated human rights norms and should not be further enabled.[15]

Military Operations in Western Pakistan. The Pakistani army has deployed at least 150,000 regular and paramilitary troops in western Pakistan in response to the surge in militancy there. All seven FATA "agencies" and adjacent regions have been affected by conflict, which has resulted in the internal displacement of more than 3 million people (see **Figure 2**). U.S. government assessments of Pakistan's military efforts generally have painted a discouraging picture of their efficacy. In most areas where Pakistani offensives have taken place, the "clearing" phase of operations has met with successes, but the "holding" phase has proven more difficult, and "building" is considered impossible so long as the civilian administration's governance capacity is significantly limited.[16]

"Operation Zarb-e-Azb." When the government of Prime Minister Nawaz Sharif took office in May 2013, it stated a determination to end the TTP insurgency through negotiations. In February 2014, formal talks were launched in an attempt to defuse the insurgency and halt terrorist attacks in Pakistani cities. This effort failed conclusively with a brazen June terrorist attack on Karachi's international airport by TTP militants. One week later, the military formally launched "Operation Zarb-e-Azb" (Urdu for "sharp and cutting strike"), a "comprehensive operation" against "foreign and local terrorists" in the FATA's North Waziristan agency.

The military claims that the operation, which is still underway, has successfully cleared militants from 90% of North Waziristan while eliminating more than 1,200 "terrorists" at a cost of about $400 million to date.[17] Media restrictions make such claims impossible to verify independently. Because the operation was publicly debated in the Pakistani media and among its politicians months in advance, most of the militants who pose a threat to U.S. interests, such as the leaders of the Haqqani Network, reportedly were able to flee into Afghanistan before operations

[12] See Hassan Abbas, ed., "Stabilizing Pakistan Through Police Reform," Asia Society, July 2012.

[13] See the most recent *Country Reports on Terrorism* (released April 2014) at http://go.usa.gov/3KuEV.

[14] "Pakistan Angry at School Killings, Moves to Execute Convicted Terrorists," McClatchy News, December 17, 2014.

[15] The late 2014 release at http://www.hrw.org/news/2014/12/19/pakistan-school-attack-reaction-tramples-rights.

[16] See, for example, the White House's Quarterly Report on Afghanistan and Pakistan for September 2011.

[17] "Seeking Assistance: ZeA to Cost $1.3b, Dar Tells US Legislator," *Express Tribune* (Karachi), February 19, 2015.

commenced.[18] U.S. officials have acknowledged that the operation has succeeded in displacing and disrupting the Haqqani Network, but have insisted that lasting success will come only through preventing any future resettlement in the region by its fighters.[19]

Figure 2. Map of Pakistan's Khyber Pakhtunkhwa Province and Federally Administered Tribal Areas

Source: Adapted by CRS.

U.S. Unmanned Aerial Vehicle (UAV) Strikes

Missile strikes in Pakistan reportedly launched by armed U.S. Predator and Reaper unmanned aerial vehicles have been a controversial tactic employed against Islamist militants in remote

[18] "Militants Slip Away Before Pakistan Offensive," *Wall Street Journal*, July 17, 2014.

[19] "U.S. Tells Pakistan: Do Not Let Haqqani Fighters Resettle," Reuters, July 25, 2014; "US: Too Soon to Evaluate Pakistan Offensive," Associated Press, August 29, 2014.

regions of western Pakistan. The rate of such "drone" strikes peaked with 122 reported during 2010 and has been in steady decline since. The DC-based New American Foundation counted only 22 strikes in Pakistan in 2014, the lowest annual total of the Obama Administration. A similarly slow pace has continued in 2015.[20] The Administration argues that the program has been and continues to be important in degrading Al Qaeda and other international terrorist groups in western Pakistan; critics say it violates international law and serves to create new militants. In April 2015, debate over the propriety of this tactic reignited after the Obama Administration announced finding that a January 2015 strike on an Al Qaeda compound in Pakistan accidentally killed two civilian hostages, one of them a U.S. citizen.[21]

Pakistan and the Afghan Insurgency

It has been long and widely held by analysts that Afghan stability cannot be fully realized without the close engagement and cooperation of Pakistan, and that a key to stabilizing Afghanistan is to improve the long-standing animosity between Islamabad and Kabul. The U.S. government maintains—and most independent analysts agree—that, so long as Afghan Taliban forces enjoy "sanctuary" in Quetta and in the Federally Administered Tribal Areas (FATA) of western Pakistan, the Afghan insurgency will persist.[22] As the United States winds down its military operations in Afghanistan, Washington consistently has named Islamabad as a crucial partner in ensuring Afghan stability and prosperity going forward. However, Pakistan's security establishment, ever fearful of strategic encirclement by India, has, by many accounts, continued to view the Afghan Taliban as a relatively friendly and reliably anti-India element in Afghanistan, one that can help to provide Pakistan with "strategic depth" (India's presence in Afghanistan exacerbates Pakistani fears of encirclement). Pakistan's alleged material support of the Afghan Taliban—a group that Islamabad actively supported until September 2001—is a crucial concern for leaders in both Afghanistan and India.[23]

The Pentagon's most recent biannual report to Congress on progress toward security and stability in Afghanistan (for the six-month period ending September 30, 2014) noted some positive trends, including "gains against the Tehrik-e-Taliban Pakistan and foreign fighters in the FATA and Khyber Pakhtunkhwa during a major military operation." Yet the report goes on to express U.S. frustration and dissatisfaction starkly:

> Afghan- and Indian-focused militants continue to operate from Pakistan territory to the detriment of Afghan and regional stability. *Pakistan uses these proxy forces* to hedge against the loss of influence in Afghanistan and to counter India's superior military. These relationships run counter to Pakistan's public commitment to support Afghan-led reconciliation.... Pakistan also seeks sufficient Pashtun representation in the Afghan

[20] See the New America Foundation's "Drone Wars: Pakistan: Analysis" database at http://securitydata.newamerica.net/drones/pakistan/analysis.html.

[21] See the April 24, 2015, White House statement at http://go.usa.gov/3KuKm. See also "Drone Strikes on Al Qaeda Are Said to Take Toll on Leadership in Pakistan," *New York Times*, April 24, 2015.

[22] See the Pentagon's October 2014 report to Congress on "Progress Toward Security and Stability in Afghanistan" at http://www.defense.gov/pubs/Oct2014_Report_Final.pdf.

[23] Pakistan's main intelligence agency, Inter-Services Intelligence (ISI), is widely seen to pursue a decades-old strategy of employing Islamist militant proxies to promote Pakistan's perceived interests, mainly vis-à-vis India. Over the past decade, the ISI has repeatedly been accused by U.S. officials of actively supporting Afghan insurgents with money, supplies, and planning guidance (see, for example, "Pakistan Is Helping Afghan Taliban, Says Nato Report," BBC News, January 31, 2012).

> government to prevent Pashtun discontent along the Afghan-Pakistan border and limit India's influence.[24] (Emphasis added.)

Although Pentagon reporting has for many years included a contention that Pakistan "allows" Afghanistan-focused insurgents "sanctuary and support," the October report was the first to flatly state what many U.S. officials had long contended in less formal fora.

Cross-Border Militancy. For more than a decade U.S. and NATO commanders have complained that Afghan insurgents find safe haven on the Pakistani side of the Durand Line, largely undisturbed (if not aided) by Pakistani security forces.[25] In recent years, a "reverse infiltration" dynamic has emerged as Pakistan-based militants find refuge in eastern Afghanistan. In a new twist viewed as deeply ironic by many American observers, Pakistani officials now chide Afghan and allied forces for failing to intercept militants fleeing from Pakistan's operations in the FATA.

A New Era for Pakistan-Afghanistan Relations? Relations between Islamabad and Kabul generally have been tense, and Afghanistan does not officially recognize the 1,650-mile-long Durand Line separating the two countries as a legitimate international border. In the recent past, Afghan officials regularly accused Pakistan's security services of recruiting, training, and equipping Afghan Taliban fighters in what they have seen as a systematic effort to undermine Afghanistan. Former Afghan President Hamid Karzai distrusted Pakistan and increasingly looked to India for support. Upon taking office in 2013, Prime Minister Sharif sought to improve Pakistan's relations with Karzai, but little progress was made, ostensibly due to Pakistani Army resistance. Afghan President Ashraf Ghani, who took office in September 2014, while having a positive disposition toward New Delhi, has sought to undertake a determined effort to accommodate Pakistan's interests.

In this atmosphere of deep distrust the new Afghan president visited Islamabad in November 2014 seeking to open a new era in bilateral relations. Both sides maintained positive airs, with Pakistani officials reportedly upbeat about the potential to forge a warmer relationship with the new Afghan leader. President Ghani, who already had hosted senior Pakistani military officials in Kabul, received a briefing on border security and was said to have requested stronger cooperation in training and border management. Ghani also withdrew his predecessor's long-standing request to purchase Indian weapons. Although there have been numerous, and ultimately squandered, opportunities for resetting Pakistan-Afghanistan ties over the past decade, the current iteration is considered especially crucial given the imminent departure of foreign troops from Afghanistan and fears of a resulting power vacuum in that country.

Pakistan-India Relations

Three full-scale wars—in 1947-1948, 1965, and 1971—numerous border skirmishes, and a constant state of military preparedness on both sides of their mutual border have marked nearly

[24] See the October 2014 Pentagon report at http://www.defense.gov/pubs/Oct2014_Report_Final.pdf.

[25] British colonialists had purposely divided the ethnic Pashtun tribes inhabiting the mountainous northwestern reaches of their South Asian empire with the 1893 "Durand Line." This porous, 1,600-mile border is not accepted by Afghan leaders, who have at times fanned Pashtun nationalism to the dismay of Pakistanis. Pakistan is home to more than 30 million Pashto-speaking people, most of them living near the border with Afghanistan, which is home to perhaps 15 million ethnic Pashtuns (also known as Pakhtuns or Pathans). A hardy people with a proud martial history (they are disproportionately represented in the Pakistani military), Pashtuns played an important role in the anti-Soviet resistance of the 1980s.

seven decades of bitter rivalry between Pakistan and India. Ongoing bilateral tensions, rooted largely in competing claims to the Kashmir region and in "cross-border terrorism" afflicting India, are a central factor inhibiting realization of U.S. goals in the region. In the interests of regional stability, the United States strongly endorses an existing, but mostly moribund India-Pakistan peace initiative, and it remains concerned about the potential for open conflict between these two nuclear-armed countries. Most observers assert that U.S./international success in Afghanistan depends to a significant degree on improved Pakistan-India relations. The logic is that Pakistan will need to feel more secure vis-à-vis a perceived existential threat on its eastern front in order to shift its full attention and military resources toward the west. Some in Pakistan believe that the increasingly warm U.S.-India relationship actually foments regional instability by feeding their country's insecurities.

Serious tensions between Pakistan and India persist, and many observers see the Pakistani Army obstructing the efforts of Pakistani business interests to deepen commercial trade and other engagement with India, seeking resolution of territorial disputes as a prerequisite. Significantly (and controversially among Pakistanis), Prime Minister Sharif attended the inauguration of India's new prime minister, Narendra Modi, in May 2014, when the two leaders agreed to resume a wide-ranging dialogue that had been on hold since the late 2008 attack on Mumbai by Pakistan-based terrorists. When the Pakistani ambassador to New Delhi met with Kashmiri separatists in August, however, Prime Minister Modi abruptly canceled planned foreign secretary-level talks, once again leaving the bilateral peace process moribund. The downturn in relations was viewed by some as orchestrated by a Pakistani military intent on taking full control of Pakistan's India policy, but numerous other factors, some domestic to India, were at play.

In February 2015, the Indian government unexpectedly agreed to resume the bilateral peace process—possibly after quiet encouragement from Obama Administration officials—and in March the new Indian foreign secretary, S. Jaishankar, recently the Indian Ambassador to Washington, traveled to Islamabad to meet with his Pakistani counterpart, Aizaz Ahmad Chaudhry. The visit was described in the media as an ice-breaker, and Chaudhry described the atmosphere as cordial and constructive. However, New Delhi described the visit as part of Jaishankar's broader tour of India's South Asian neighbors, and not a bilateral exercise. Moreover, less than three weeks later, a spat over the possibility of Islamabad inviting separatists from India-held Kashmir to a National Day parade illuminated the fragility of the relationship (India stridently rejects the inclusion of any third party in Kashmir negotiations).[26]

Mumbai Terrorism Trial. The November 2008 terrorist attack on Mumbai, India, is believed to have been perpetrated by the Pakistan-based Lashkar-e-Taiba (LeT). The Indian government has demanded that Pakistan take conclusive action to shut down the LeT and bring its terrorist leadership to justice. It has been hesitant to reengage in peace talks with Pakistan until such action is undertaken. Of particular relevance for India is LeT founder Hafiz Saeed, whom India believes is demonstrably culpable. Pakistani officials say they do not possess sufficient evidence to formally charge him (since early 2012, the U.S. government has offered a $10 million reward for evidence leading to Saeed's arrest). In 2009, Pakistani authorities brought formal charges against seven men accused of planning the Mumbai raid, among them Zaki ur-Rehman Lakhvi, said to have been the operational commander. The start-and-stop nature of the subsequent trial has only engendered Indian and international skepticism about Pakistan's determination. In 2014, the proceedings were delayed eight consecutive times; lawyers for the prosecution have been

[26] The Foreign Ministry's March 3, 2015, statement is at http://www.mofa.gov.pk/pr-details.php?prID=2605.

absent for months at a time, reportedly due to security concerns. At year's end, New Delhi was angered when a court granted bail to Lakhvi; embarrassed Pakistani officials immediately acted to reverse the decision.

The Kashmir Dispute. Levels of separatist violence in India's Muslim-majority Jammu and Kashmir state have declined significantly from their 1990s peak and currently are at their lowest point since the armed uprising began. The situation remains fragile, and Islamabad insists that New Delhi's administrative and political measures cannot resolve what is in essence a Kashmiri struggle for the right to self-determination. Beginning in August 2014, cross-border firing along the military Line of Control (LOC) intensified, killing civilians on both sides and leading to fears of escalation and potential collapse of a 2003 ceasefire agreement. Pakistani and Indian leaders accused their counterparts of undertaking allegedly unprovoked attacks. When asked in October about repeated ceasefire violations, a State Department spokeswoman reiterated U.S. policy:

> We're concerned about any violence along the line of control. We continue to encourage the governments of India and Pakistan to engage in further dialogue to address these issues. Our policy on Kashmir has not changed. We still believe that the pace, scope, and character of India and Pakistan's dialogue on Kashmir is for these two countries to determine.[27]

Pakistan-China Relations

Pakistan and China have enjoyed what both countries refer to as an "all-weather friendship" over more than four decades. Beijing's continuing role as a primary arms supplier for Pakistan began in the 1960s, and today Chinese investments, companies, and workers are pervasive in the Pakistani economy. China built a major new Arabian Sea port at Gwadar and is working to connect that to its western Xinjiang region via upgrades to the 800-mile Karakoram Highway. The projects are part of the newly inaugurated China-Pakistan Economic Corridor (CPEC), which is itself a flagship element of China's Silk Road Economic Belt and 21st Century Maritime Silk Road initiatives, designed to boost economic connectivity between China and the regions to its west, all the way to Europe. Beijing also is financing construction of two new nuclear power reactors near Karachi.

During an April 2015 visit to Islamabad, Chinese President Xi Jinping inked a 20-point Joint Statement with Prime Minister Sharif that includes provisions for Beijing reportedly to provide Pakistan with $34 billion in new investment and $12 billion in concessional loans for infrastructure projects, especially dam building to expand Pakistan's electricity generation capacity.[28] Counterterrorism also has emerged as a key feature of bilateral ties, with Beijing concerned that Islamist extremism may further spill over the border into China. As U.S.-India ties deepen and U.S.-Pakistan ties have deteriorated, many observers see Islamabad becoming ever more reliant on its friendship with Beijing. Moreover, Chinese military and diplomatic support for Pakistan continues to hinder India's regional ambitions.

[27] Department of State Daily Briefing, October 8, 2014, at http://www.state.gov/r/pa/prs/dpb/2014/10/232733.htm.

[28] See the April 20, 2015, Joint Statement text at http://www.mofa.gov.pk/pr-details.php?mm=MjczMw.

Nuclear Weapons Proliferation

The security of Pakistan's nuclear arsenal, materials, and technologies continues to be a top-tier U.S. concern, especially as Islamist militants have expanded their geographic influence there. The illicit nuclear proliferation network overseen by Pakistani metallurgist A.Q. Khan was disrupted after its exposure in 2004, but neither Khan himself—a national hero in Pakistan for his central role in their nuclear weapons program—nor any of his alleged Pakistani co-conspirators faced criminal charges in the case. Analysts warn that parts of the network may still be intact. While most analysts and U.S. officials believe Pakistan's nuclear security is much improved in recent years, there is ongoing concern that Pakistan's nuclear know-how or technologies remain prone to unauthorized leakage. Moreover, Pakistan's more recent and apparently energetic development of short-range, nuclear-armed missiles—ostensibly a response to India's purported "cold start" doctrine of rapid preemptive strikes with conventional forces—has raised fears about negative effects on crisis stability in the event of open warfare between Pakistan and India.

Political Stability and Democratization

Democracy has fared poorly in Pakistan, historically marked by tripartite power struggles among presidents, prime ministers, and army chiefs. The country has endured direct military rule for more than half of the 67 years since independence. However, with relatively free and fair elections to seat a civilian government in 2008—nearly nine years after General Pervez Musharraf's bloodless 1999 coup—and a first-ever peaceful transfer of power from one elected government to another with May 2013 elections, the democratization process has appeared more positive. Nawaz Sharif and his Pakistan Muslim League-Nawaz (PML-N) party won a convincing victory in 2013, gaining an outright majority in the National Assembly, ending a period of coalition government at the federal level. Sharif's brother Shahbaz is the longtime chief minister of Punjab, where more than half of Pakistanis reside.

Opposition parties, leading media figures, and portions of civil society criticize the PML-N and prime minister for perceived fecklessness. Beyond an annual budget, Parliament has passed few notable laws under Sharif. Opposition critics castigate the party for allegedly being too centered around one family, and Sharif himself maintains a ruling style perceived as being autocratic and detached. Many observers assert that Sharif has neglected to reform Pakistan's sclerotic governance system as his supporters expected.

Political Unrest in 2014. In August 2014, peaceful political protests staged by up to 30,000 supporters of two opposition figures—Imran Khan, leader of the Pakistan Tehreek-e-Insaf (PTI), Parliament's second-largest opposition party, and Tahir-ul-Qadri of the Pakistan Awami Tehreek (PAT) party—severely disrupted the capital city and were seen to weaken the government of Prime Minister Sharif, whom the protestors sought to oust for alleged electoral irregularities. Numerous analysts identified a more-or-less coordinated effort between the military and the protest leaders in the unfolding of the crisis. Sharif did not demonstrate an ability to exert the civilian government's control over domestic security. A State Department spokeswoman stated that, "We support the constitutional and electoral process in Pakistan, which produced Prime Minister Nawaz Sharif.... [W]e do not support any extra-constitutional changes to that democratic system or people attempting to impose them."[29]

[29] See the August 20, 2014, transcript at http://www.state.gov/r/pa/prs/dpb/2014/08/230777.htm.

Economic Development and Trade

Current Economic Setting. Pakistan remains a poor country afflicted by high rates of inflation and unemployment, along with considerable food and energy shortages. These problems elicit considerable economic anxiety and weigh heavily on civilian leaders. The national economy's rate of growth has been in general decline since 2005 and falls well below that needed to keep pace with population growth. It expanded by less than 4.2% in the fiscal year ending May 2014, a marginal increase over the previous year. Power and water shortages are severe enough to curtail business operations and stunt agricultural yields. Corruption is a major obstacle to Pakistan's economic development, harming both domestic and foreign investment rates, and public confidence, as well as creating skeptical international aid donors.[30] Repayment of nearly $18 billion in International Monetary Fund loans places huge constraints on Islamabad's federal budget, which is burdened by perpetually low revenue generation. Tax collection is a serious issue in the economy; only about 1% of Pakistanis pay taxes and the country has one of the lowest tax-to-GDP ratios in the world.

U.S.-Pakistan Trade. The United States is Pakistan's largest trade partner. Total Pakistani goods exports to the United States in 2014 were worth just under $3.7 billion, virtually unchanged from 2013. The vast majority of this was in textiles, apparel, and linen. Imports from the United States last year were worth $1.5 billion, a slight decline from the previous year but still nearly double the value from 2003. U.S. goods exports were led by cotton, aviation parts, and military equipment.[31] A top-tier goal for Pakistani leaders is to acquire better access to Western markets. With the security situation deterring foreign investors (net investment has fallen continuously in recent years), exports, especially from the key textile sector, may be key to any future Pakistani recovery. Islamabad has continued to press Washington and European capitals for reduced tariffs on textile exports.

Human Rights

Pakistan is the setting for numerous reported human rights abuses, some of them perpetrated and/or sanctioned by the state itself. According to the Department of State, the most serious of these problems in 2013 were extrajudicial and targeted killings, sectarian violence, disappearances, and torture.[32] Among the litany of serious and ongoing human rights abuses, watchdog groups commonly rank Pakistan as the world's most dangerous country for journalists, even as a raucous free press has emerged in the past decade.[33] Laws prohibiting blasphemy in Pakistan are meant to protect Islamic holy persons, beliefs, customs, and objects from insult or defilement. They are widely popular with the public. Yet they are criticized by human rights groups as discriminatory and arbitrary in their use, which often arises in the context of personal vendettas, and can involve little or no persuasive evidence. The State Department also contends

[30] For 2014, Berlin-based Transparency International placed Pakistan 126th out of 175 countries in its annual ranking of world corruption levels (http://www.transparency.org).

[31] See the U.S. Trade Representative's data at http://www.ustr.gov/countries-regions/south-central-asia/pakistan; Census Bureau figures at http://www.census.gov/foreign-trade/balance/c5350.html; and Pakistani government data at http://www.embassyofpakistanusa.org/Trade_policy_1_Statistics.php.

[32] See the Pakistan discussion of the State Department's *Country Reports on Human Rights Practices for 2013* at http://www.state.gov/documents/organization/220614.pdf.

[33] See, for example, analysis by the New York-based Committee to Protect Journalists at https://cpj.org/2014/02/attacks-on-the-press-in-2013-pakistan.php.

that Pakistan's constitution and other laws and policies officially restrict religious freedom and, in practice, the government enforced many of these restrictions.[34] Pakistan is among the 13 "Countries of Particular Concern" (CPCs) identified by the U.S. Commission on International Religious Freedom where the government has "engaged in or tolerated particularly severe violations of religious freedom." The Commission's 2014 report contends that, "Pakistan represents the worst situation in the world for religious freedom for countries not [officially] designated by the U.S. government as CPCs."[35]

Sectarian attacks targeting Pakistan's Shia minority community (an estimated 15% of the population) are especially lethal, and have become much more common since 2014. Most such attacks are undertaken by the Pakistani Taliban. Pakistan also is home to an estimated 1 million "Ahmadis"—followers of 19th century religious figure Mirza Ghulam Ahmed. Although they consider themselves to be Muslims, they are officially forbidden to use that label and they suffer from legal discrimination and violent attacks. Anti-Christian persecution is less common, but it has remained persistent and spiked in 2015 with two suicide bombings of Lahore churches that killed 15 people in March. Angered by what they call insufficient government protections, mobs of Christians subsequently rioted and clashed with police.

U.S. Foreign Assistance

Pakistan is among the leading recipients of U.S. foreign assistance in the post-9/11 period, with Congress appropriating more than $18 billion in such assistance for FY2002-FY2015, including $10.5 billion in economic, development, and humanitarian aid, and over $7.6 billion in security-related aid (see **Figure 3**). Pakistan also has received about $13 billion in Coalition Support Fund (CSF) payments to reimburse the country for its logistical and operational support of U.S.-led military operations in Afghanistan. The Administration has requested $794 million for Pakistan aid for FY2016, representing a 10% decrease from the FY2015 request. Serious frictions arising in the U.S.-Pakistan bilateral relationship in 2011—beginning with, but not limited to, the May 2011 raid that killed Osama bin Laden—caused many in Congress to question more acutely the trustworthiness of the Pakistani government, especially its security institutions. Aid flows slowed considerably. In 2013, however, the Administration re-engaged with Islamabad and, in January 2015, a revitalized Strategic Dialogue session concluded with agreements to continue collaboration on a range of security and economic initiatives.

The five-year "Kerry-Lugar-Berman" (KLB) authorization of up to $1.5 billion in annual nonmilitary aid for Pakistan ended in FY2014. The full authorization was met only once, in FY2010, and appropriated amounts have been in steep decline since.[36] The KLB law placed conditions on certain types of military assistance only, but subsequent appropriations legislation placed conditions on nearly all U.S. aid to Pakistan (and CSF) for the first time in the post-9/11 era. In general, this conditionality has required the Secretary of State to certify for Congress that Pakistan is cooperating with the United States on nuclear nonproliferation and counter-

[34] See http://www.state.gov/documents/organization/208650.pdf.

[35] The State Department has not formally designated Pakistan as a CPC. See http://www.uscirf.gov/reports-briefs/annual-report.

[36] The Enhanced Partnership with Pakistan Act (EPPA) of 2009, also known as the "Kerry-Lugar-Berman" (KLB) bill for its main sponsors, became P.L. 111-73 in October 2009. The act sought to establish a long-term strategic partnership with Pakistan and authorized $1.5 billion in annual nonmilitary assistance for FY2010-FY2014 while also placing the most stringent conditions on military aid of the post-9/11 era.

improvised explosive device efforts, is demonstrating a sustained commitment to combatting terrorist groups on Pakistani soil, and that Pakistan's security forces are not interfering in the country's political or judicial processes. In September 2012, the Administration waived FY2012 certification requirements under national security provisions and, in February 2013, it issued a waiver to allow for the transfer of major defense equipment in FY2013.

Economic Support. Congress has appropriated nearly $8 billion in Economic Support Funds for Pakistan since 2001 (along with another $2 billion in other forms of development and humanitarian aid). Via KLB, the United States has committed $5 billion in civilian aid in addition to more than $1 billion for emergency humanitarian response, mainly for flood recovery. This assistance has funded a wide array of U.S. Agency for International Development (USAID) programs, in recent years including integrated, longer-term programs concentrating on five key sectors: energy, economic growth, stabilization, health, and education.[37] Need in the energy sector is especially acute, with U.S. funds being used to build or renovate numerous dams to add more than 1,400 megawatts of new power generation. Mechanisms are in place to increase transparency and accountability, as graft and other forms of corruption are endemic in the country. AID reports other accomplishments including irrigating up to 1 million acres of farmland, saving tens of thousands of lives through maternal and infant health programs, and boosting literacy among millions of Pakistani schoolchildren, among others. Many USAID projects are constrained by acute security concerns, especially those in the FATA.[38]

Security-Related Aid. The close U.S.-Pakistan security ties of the Cold War era, which came to a near halt after the 1990 aid cutoff, were restored as a result of Pakistan's role in the U.S.-led anti-terrorism campaign. In 2002, the United States began allowing commercial sales that enabled Pakistan to refurbish at least part of its fleet of American-made F-16 fighter aircraft and, three years later, Washington announced that it would resume sales of new F-16 fighters to Pakistan after a 16-year hiatus. During the Bush Administration, a revived U.S.-Pakistan Defense Consultative Group (DCG)—moribund from 1997 to 2001—sat for high-level discussions on military cooperation, security assistance, and anti-terrorism. The forum has continued under the Obama Administration. In addition to new combat aircraft, major military grants have included maritime patrol and transport aircraft, attack helicopters, anti-armor missiles, self-propelled howitzers, and a used missile frigate (see **Figure 4**). Such transfers are a persistent irritant in U.S. relations with Pakistan's key rival, India, and also raise questions about the security of sensitive U.S. technologies, which could be transferred on to countries such as China.

Coalition Support Reimbursements. In FY2002, Congress began appropriating billions of dollars to reimburse Pakistan and other nations for their operational and logistical support of U.S.-led counterterrorism operations. These "coalition support funds" (CSF) have accounted for roughly half of overt U.S. financial transfers to Pakistan since 2001, or about $13 billion to date. The amount equals a significant portion—as much as one-fifth—of Pakistan's total military expenditures during this period. According to the Department of Defense, CSF payments have been used to support scores of Pakistani army operations and help to keep more than 100,000 Pakistani troops in the field in northwest Pakistan. They also compensate Islamabad for coalition use of Pakistani airfields and seaports. Pentagon reporting indicates that roughly half of CSF payments are for food and ammunition.

[37] See AID's 2013 Pakistan report at http://www.usaid.gov/documents/1871/usaid-pakistan-report.

[38] See an updated review of USAID work in Pakistan at http://www.usaid.gov/pakistan/our-work.

Possible Questions for the 114th Congress

The following are among the possible questions Members may wish to consider during the 114th Congress:

- What are the ideal levels of U.S. foreign assistance for Pakistan? What is the ideal proportion of such assistance that should go toward economic and development versus security-related aid? Should Congress continue to place conditions on assistance to Pakistan and, if so, should such conditionality be more or less rigorous than that currently in place? Are U.S. national security interests well served when the Administration exercises its authority to waive congressionally mandated restrictions on assistance?
- Should Congress continue to authorize the Pentagon to provide Pakistan with "Coalition Support Fund" reimbursements now that most international forces have departed Afghanistan? If so, does that authorization require substantive amending and should such reimbursements continue to be subject to the same conditionality that is currently in place?
- What is the progress of Pakistan's military operations against militants in the Federally Administered Tribal Areas? Are there ongoing indications/suspicions that Pakistan's military and intelligence services play a "double game" with the United States by maintaining friendly links with Afghan insurgent and anti-India militant groups? If so, what congressional action might best address this issue?
- Are U.S. UAV strikes on militant targets in Pakistan a legitimate and effective tactic? What role can and should Congress play in oversight of this program?
- Are Pakistan's governmental and civil society institutions making effective efforts to combat the spread of religious extremism and militancy there? What congressional actions might bolster such efforts?
- Has the U.S. sale and granting of major military supplies to Pakistan over the past 15 years substantively improved that country's counterterrorism capabilities?
- Are Pakistan's civilian government and military playing sufficiently positive roles in efforts to stabilize Afghanistan?
- What are the trends in Pakistan-India relations and what are the prospects for peaceful resolution of the Kashmir dispute? What congressional actions might be helpful in improving these circumstances?
- Is China increasing its presence and influence in Pakistan and, if so, how might this affect U.S. and Indian interests?
- Is Pakistan's civilian government an effective U.S. ally? What congressional actions might strengthen the process of democratization in Islamabad?
- Is the Pakistani government taking effective action to protect the human rights of its citizens, perhaps in particular of its religious minorities?
- Would a phased reduction of tariffs on Pakistani textile imports to the United States be an effective means to help develop Pakistan's economy, as some analysts argue?

Figure 3. Direct Overt U.S. Aid Appropriations for and Military Reimbursements to Pakistan, FY2002-FY2016

Prepared by the Congressional Research Service for distribution to multiple congressional offices

Note: Final obligation and disbursement totals typically are lower than program account appropriations

(rounded to the nearest millions of dollars)

Program or Account	FY 2002-FY2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 (req.)[g]	Program or Account Total	FY 2016 (req.)
CN	182	43	39	1	8	[f]	[f]	**273**	[f]
FMF	1,866	294	295	296	280	280	280	**3,591**	265
IMET	13	5	4	5	5	5	5	**42**	5
INCLE	358	170	114	75	57	57	41	**872**	46
NADR	66	24	25	20	11	11	10	**167**	–
PCF/PCCF	400	700	800	452	–	–	–	**2,352**	–
Total Security-Related[a]	**3,197[a]**	**1,236**	**1,277**	**849**	**361**	**353**	**336[g]**	**7,609[a]**	**316**
CSH/GHCS	191	30	28	–	–	–	–	**249**	–
DA	286	–	–	–	–	–	–	**286**	–
ESF	3,494[d]	1,292	919	905	724	477	546	**8,357**	478
Food Aid[b]	238	124	51	96	81	30	–	**620**	–
HRDF	17	–	–	<1	–	–	–	**17**	–
IDA	273	232	145	54	20	–	–	**724**	–
MRA	102	91	43	12	9	–	–	**257**	–
Total Economic-Related	**4,601**	**1,769**	**1,186**	**1,067**	**834**	**507**	**546[g]**	**10,510**	**478**
CSF Reimbursements[c]	**7,382**	**1,499**	**1,118**	**688[e]**	**1,438[e]**	**861[e]**	**[e]**	**12,986**	–
Grand Total	**15,180**	**4,504**	**3,581**	**2,604**	**2,633**	**1,721**	**882[g]**	**31,055**	**794**

Abbreviations:

CN: Counternarcotics Funds (Pentagon budget)
CSF: Coalition Support Funds (Pentagon budget)
CSH: Child Survival and Health (Global Health and Child Survival, or GHCS, from FY2010)
DA: Development Assistance
ESF: Economic Support Funds
FMF: Foreign Military Financing
HRDF: Human Rights and Democracy Funds
IDA: International Disaster Assistance (Pakistani earthquake, flood, and internally displaced persons relief)
IMET: International Military Education and Training
INCLE: International Narcotics Control and Law Enforcement (includes border security)
MRA: Migration and Refugee Assistance (also includes Emergency Refugee and Migration Assistance or ERMA)
NADR: Nonproliferation, Anti-Terrorism, Demining, and Related (the great majority allocated for Pakistan is for anti-terrorism assistance)
PCF/PCCF: Pakistan Counterinsurgency Fund/Counterinsurgency Capability Fund (PCF overseen by the Pentagon, PCCF overseen by State)

Notes:

a. Includes $312 million "global train and equip" funds from FY2006-FY2009 as authorized by Section 1206 of the National Defense Authorization Act (NDAA) for FY2006 (P.L. 109-163), within which $100 million in FY2008 and FY2009 funds went to train and equip Pakistan's paramilitary Frontier Corps.

b. P.L.480 Title I (loans), P.L.480 Title II (grants), and Section 416(b) of the Agricultural Act of 1949, as amended (surplus agricultural commodity donations). Food aid totals do not include freight costs.

c. CSF is Defense Department funding to reimburse Pakistan for its logistical and operational support of U.S-led. military operations; it is technically not foreign assistance. Figures in the CSF row reflect *actual payments by appropriation year* and not appropriations themselves.

d. Congress authorized Pakistan to use the FY2003 and FY2004 ESF allocations to cancel a total of $1.5 billion in debt to the U.S. government.

e. The NDAA for FY2013 disallowed reimbursements to Pakistan for the period during which U.S. ground lines of communication to Afghanistan were closed (November 2011-July 2012). The NDAA for FY2014 limits FY2014 CSF for Pakistan to $1.2 billion. The NDAA for FY2015 authorizes up to $1 billion in additional CSF to Pakistan.

f. This funding is "requirements-based;" there are no pre-allocation data.

g. Because the State Department has not to date released actual country-specific figures for FY2015, the figures in this column reflect the Administration's original request.

Source: U.S. Departments of State, Defense, and Agriculture; U.S. Agency for International Development.

Figure 4. Major U.S. Arms Sales and Grants to Pakistan Since 2001

Major U.S. arms sales and grants to Pakistan since 2001 have included numerous items useful for counterterrorism and counterinsurgency operations, along with "big ticket" platforms more suited to conventional warfare. In dollar value terms, the bulk of purchases have been made with Pakistani national funds, although U.S. grants have eclipsed these in recent years. The Pentagon reports total Foreign Military Sales agreements with Pakistan worth about $5.4 billion for FY2002-FY2014 (sales of F-16 combat aircraft and related equipment account for nearly half of this). Congress has appropriated about $3.6 billion in Foreign Military Financing (FMF) for Pakistan since 2001, more than two-thirds of which has been disbursed. These funds are used to purchase U.S. military equipment for longer-term modernization efforts. Pakistan also has been granted U.S. defense supplies as Excess Defense Articles (EDA). Costs include training and support.

Major post-2001 defense supplies provided, or soon to be provided, **under FMF** include:

- eight P-3C *Orion* maritime patrol aircraft and their refurbishment (valued at $474 million, four delivered, three of which were destroyed in a 2011 attack by Islamist militants);
- at least 5,750 military radio sets ($212 million);
- 2,007 TOW anti-armor missiles ($186 million);
- six AN/TPS-77 surveillance radars ($100 million);
- six C-130E *Hercules* transport aircraft and their refurbishment ($76 million);
- the Perry-class missile frigate USS *McInerney*, via special EDA authorization ($65 million for refurbishment; now the PNS *Alamgir*);
- 20 AH-1F *Cobra* attack helicopters via EDA ($48 million for refurbishment, 12 delivered); and
- 15 *Scan Eagle* reconnaissance unmanned aerial vehicles ($30 million).

Supplies paid for with **a mix of Pakistani national funds and FMF** include:

- up to 60 Mid-Life Update kits for F-16A/B combat aircraft (valued at $891 million, with $477 million of this in FMF; Pakistan has purchased 45 such kits, with all upgrades completed to date); and
- 115 M-109 self-propelled howitzers ($87 million, with $53 million in FMF).

Notable items paid or to be paid for **entirely with Pakistani national funds** include:

- 18 new F-16C/D Block 52 *Fighting Falcon* combat aircraft (valued at $1.43 billion);
- F-16 armaments including 500 AMRAAM air-to-air missiles; 1,450 2,000-pound bombs; 500 JDAM Tail Kits for gravity bombs; and 1,600 *Enhanced Paveway* laser-guided kits, also for gravity bombs ($629 million);
- 100 *Harpoon* anti-ship missiles ($298 million);
- 500 *Sidewinder* air-to-air missiles ($95 million); and
- seven *Phalanx* Close-In Weapons System naval guns ($80 million).

Major articles transferred **via EDA** include:

- 14 F-16A/B *Fighting Falcon* combat aircraft;
- 59 T-37 *Tweet* military trainer jets; and
- 374 M113 armored personnel carriers.

Under Coalition Support Funds (in the Pentagon budget), Pakistan received 26 Bell 412EP utility helicopters, along with related parts and maintenance, valued at $235 million. Under Section 1206, Frontier Corps, and Pakistan Counterinsurgency Fund authorities, the United States has provided 4 Mi-17 multirole helicopters (another 6 were provided temporarily at no cost), 4 King Air 350 surveillance aircraft, 450 vehicles for the Frontier Corps, 20 Buffalo explosives detection and disposal vehicles, helicopter spare parts, explosives detectors, night vision devices, radios, body armor, helmets, first aid kits, litters, and other individual soldier equipment. Through International Military Education and Training and other programs, the United States has funded and provided training for more than 2,000 Pakistani military officers. In April 2015, the State Department approved a possible $952 million FMS deal with Pakistan for 15 AH-1Z *Viper* attack helicopters and 1,000 *Hellfire II* missiles, along with helicopter engines, avionics, training, and support.

Source: U.S. Departments of Defense and State.

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