

## Reversing Pakistan's Descent: Empowering its Middle Class

Pakistan is not, today, a failed state. However, for the first time since I started focusing on South Asia, in the past eight or so years, there is a real possibility that it could become one. Pakistanis must take full responsibility for this state of affairs. Their unwillingness to do so, and attempts to shift blame to the United States, India, and others, is evident. The United States does hold *some* of the blame; its actions have at a minimum permitted, and perhaps even promoted, Pakistan's deterioration. Still, Pakistan has the resources, both natural and human, the experience, and the background to lift itself up if it chooses to do so. Its friends, including the United States, need to implement policies to help.

The principal faults of U.S. policy toward Pakistan are two-fold. First, as so often happens in politics, the United States has played the short game, with less consideration for the longer-term consequences of its actions. In 2005, then-Secretary of State Condoleezza Rice said in Egypt, "For 60 years, the United States pursued stability at the expense of democracy in the Middle East—and we achieved neither. Now, we are taking a different course. We are supporting the democratic aspirations of all people."<sup>1</sup> Unfortunately, those ambitions have not been pursued in the Pakistan policy of recent U.S. administrations. Instead, the United States has continued to focus on short-term security and stability, a policy which helped to weaken Pakistan's democratic institutions.

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Xenia Dormandy is a Senior Fellow, U.S. International Role, at Chatham House, and previously served as Director for South Asia at the National Security Council (2004-2005). She may be reached at [xdormandy@chathamhouse.org](mailto:xdormandy@chathamhouse.org).

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**F**or the first time in the past eight years, there is a real possibility Pakistan could become a failed state.

Second, and perhaps even more importantly, the United States has imposed U.S. policies and interests on Pakistan, rather than working with Pakistanis to help define their objectives and find ways to support their efforts to achieve them (at least when those interests are commensurate with U.S. objectives). The United States has therefore facilitated Pakistan avoiding its responsibilities. In so doing, it has weakened the institutions and individuals—namely those of the country’s middle class—that are

so important to Pakistan’s future independence and self-sufficiency, and disempowered people whose goals and vision for the country are most similar to those of the United States. Instead, the United States built a partnership with elites whose objective was, and continues to be, often contrary to America’s own.

The solution to reversing affairs in Pakistan is, first and foremost, that both Pakistanis and Americans need to recognize that Pakistan needs to take responsibility for its own problems. This needs to be reinforced not just by words but by deeds on the part of the United States and other friends of Pakistan. The United States needs to support and encourage those within Pakistan who hold similar aims and objectives as the United States. A strategy to do so will require the United States to fundamentally rethink its policies, priorities, and partners in Pakistan, in the course of which—most importantly—it must turn to the middle class.

### **Pakistan is in a Worse State Today than a Decade Ago**

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Pakistan has had a bumpy ride over the past ten years. With heightened interest from the United States and others, the country’s situation seemed to improve for the first half of the decade as resources and attention flooded in. But a steady increase in instability and militancy and then the implosion of Pervez Musharraf’s government in 2007 has led to a more recent downward spiral. The country has stagnated by nearly any metric that one could use while the region around it is largely improving. Pakistan has made few positive strides in recent years but made a few notable negative ones, particularly in security issues. Today, Pakistanis are concerned about issues ranging from rising prices and unemployment to crime, terrorism, and corruption.<sup>2</sup> Economically, the last five years have not been kind; as of the summer of 2011, 60 percent of Pakistanis polled felt that the economy would decline within the next 12 months.<sup>3</sup>

**Political Stasis**

Since independence in 1947, Pakistan has followed an oscillating cycle of advancement and retreat. The road has been particularly rocky, however, since the late 1970s and 1980s when General Muhammad Zia-ul-Haq (1977–1988) changed the path of Pakistan from a secular democracy, albeit a weak one, to an Islamic autocracy. Since then, a cycle has ensued with democratically-elected governments

overturned by military-led coups, and vice versa. More recently, Nawaz Sharif, the democratically-elected prime minister, was deposed in 1999 by General Musharraf, who in turn was voted out of office in early 2008 and succeeded by President Asif Ali Zardari, the husband of the assassinated former Prime Minister Benazir Bhutto (who herself was the daughter of a former president and prime minister, Zulfikar Ali Bhutto).

Pakistan's constant rotation of leaders from autocratic generals to democrats is not only an indication of a weak democracy, but has also ensured that the country's governing institutions are ineffectual. Despite the efforts of western NGOs, little progress has been made in transforming the two main dynastic political parties, the Pakistan Muslim League (Nawaz), known as the PML(N) and headed by Nawaz Sharif, and President Zardari's Pakistan Peoples Party (PPP). Zardari is grooming his and Benazir's son, Bilawal Bhutto Zardari, for politics (he is currently co-chairman of the PPP alongside his father), while Nawaz Sharif works closely with his brother, Shahbaz Sharif, the chief minister of Punjab province. Both leaders are keeping tight hold of the reins of their respective parties. Nevertheless, it is worth remembering that for all its imperfections and inadequacies, the small intermittent flickers of democracy do provide a basis on which to build. This is a nation that knows what is possible and has, occasionally, lived it. The job therefore isn't to create from a blank slate, but to build and strengthen what is already there.

Pakistan is desperate for new leadership, something Imran Khan, the leader of the smaller conservative Pakistan Tehreek-e-Insaf (Pakistan Movement for Justice) party, and a former captain of the Pakistani national cricket team, has taken advantage of recently. He has rallied 100,000 supporters in Lahore and elsewhere, running in large part against corruption. He gets high favorability ratings in recent polls (68 percent versus 11 percent for President Zardari in June 2011).<sup>4</sup> While the development of new parties is perhaps a sign of a more vibrant political environment, it is unlikely that either he or Musharraf, who recently relaunched his old party in London, will have traction in the 2013 national elections.

**The United States has helped weaken the institutions and individuals of Pakistan's middle class.**

**Pakistan has had small intermittent flickers of democracy, which provide a basis to build on.**

### **Socioeconomic Stagnation**

So, the political and governance situation is not positive. A similar story is true economically, where Pakistan achieved some momentum in the middle of the decade but has once again fallen back. While President Musharraf has come under much criticism, his government jump-started growth, with the assistance of Shaukat Aziz (a former Goldman Sachs banker) as prime minister from 2004 to 2007, and built some economic stability. GDP growth rates from 2004–2007 were between

5–8 percent; in recent years, this has slowed slightly to 4.8 percent.<sup>5</sup> The debt situation in Pakistan has worsened more significantly, however, rising from \$30.2 billion to \$53.7 billion from 1995–2009.<sup>6</sup> Exports too reached a high in the mid-2000s, but then fell from 16.7 percent of GDP in 2003 to only 13.6 percent in 2010.<sup>7</sup> Industry as a percentage of GDP has also dropped.<sup>8</sup>

Development assistance has almost quadrupled from 2000 to 2009,<sup>9</sup> and the Pakistani government is once again in negotiations with the International Monetary Fund (IMF) to extend loans. At the same time as assistance increases, Foreign Direct Investment (FDI) has fallen to \$2 billion in 2010 (from a high of \$5.6 billion in 2007), as increasing instability in the country has scared away many potential investors.<sup>10</sup> So too has corruption: Pakistan still ranks among the laggards (134 out of 182 in 2011) in the Transparency International Index.<sup>11</sup>

While poverty levels from 1999 to 2006 decreased from 30.6 percent to 22.3 percent, this progress has since reversed, rising to 37.5 percent or even higher by some measures.<sup>12</sup> Pakistan's Human Development Index improved from 0.436 in 2000 to 0.504 in 2011, but the South Asia region as a whole was 0.548 in 2011 and improving faster in the aggregate than Pakistan.<sup>13</sup>

The situation isn't better on other social measures. While literacy has increased in the past decade from 43 percent in 1998 to 56 percent in 2008,<sup>14</sup> it still lies below its neighbors.<sup>15</sup> And recent numbers show that Pakistan continues to spend less than that of Pakistan's neighbors on education (2.7 percent of its budget in 2009); Nepal, for example, spends 4.6 percent of its budget on education.<sup>16</sup> In 2009, the last year for which data are available, Pakistan's government spent only 0.8 percent of its GDP on health, against a South Asia average of 1.2 percent.<sup>17</sup> The same year, Pakistan's Under 5 mortality rates were higher than those of all its neighbors (excepting Afghanistan).<sup>18</sup>

Pakistan has a large youth bulge, with 58 percent of the population below the age of 25.<sup>19</sup> The working population aged 15 to 60 years is estimated to increase from 58 percent to 65 percent between 2010 and 2030.<sup>20</sup> This will put increasing

pressure on the statistics above. Unemployment in 2010–2011 was at 5.9 percent and has been creeping up since 2008.<sup>21</sup> Pakistan today has a “democratic dividend”—a youthful population that can drive growth and support the country’s retirees—but unless these youth are educated and given jobs they could become a significant security problem today and a social problem tomorrow. According to the Jinnah Institute, Pakistan must maintain a growth rate of approximately 6 percent over the coming decade to create sufficient jobs for its expanding population.<sup>22</sup>

### **Insecurity**

Beyond the democratic, economic, and social sectors, we must finally look at security. Internal stability has been on a negative trajectory, most notably in the last four years since the 2007 violence surrounding events at the Red Mosque in Islamabad. (In July 2007, after more than a year of demonstrations, kidnappings, arson, and other attacks by Islamic fundamentalists in the mosque who were calling for the overthrow of the government and imposition of Shari’a law, the Pakistani military besieged and eventually stormed the complex, killing more than 150 and capturing 50 militants.) According to a recent International Institute for Strategic Studies (IISS) report, armed conflict fatalities have risen from 350 in 2006 to a high of 11,000 in 2009.<sup>23</sup> The U.S. Counterterrorism Center noted that in 2010, on average, there were more than 25 terrorist attacks each week in Pakistan, a rate which was exceeded only in Afghanistan and Iraq.<sup>24</sup>

Since the Red Mosque seizure, the level of militancy within Pakistan has dramatically increased, causing problems far from the Afghanistan/Pakistan Durand Line—into eastern areas of Punjab and southern Pakistan. But it goes beyond the militancy caused, in large part, by the Tehrik-i-Taliban Pakistan (the Pakistani Taliban). Since the beginning of 2011, two moderate politicians were assassinated for proposing reforms to the blasphemy laws. Political violence between the two main parties in Karachi, the Muttahida Qaumi Movement (MQM) and the Awami National Party (ANP), has reached new heights, resulting in approximately 350 deaths in July and August 2011.<sup>25</sup> Areas of the country that have always been relatively stable, such as Lahore, have seen rising violence.

By all these measures, the Pakistani government is failing to provide the basic services that its people should expect, whether in security, prosperity, or social services. In lieu, other organizations (including NGOs associated with militant groups such as Jamaat-ud-Dawa) are filling the gaps in ways that could have negative longer-term consequences.

### **Empowering the Pakistani Middle Class**

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While there are inevitable exceptions to the rule, U.S. foreign policy in Pakistan has largely been pragmatic. The United States has dealt with the governments it

has been given and, depending on its interests at any time, has either tried to nudge them in more helpful directions to the United States or effectively ignored them. With the Soviets in Afghanistan in the 1980s, the United States was heavily engaged with the Pakistani military, intelligence agencies, and government more broadly. When the Soviet Union was forced out, the United States disengaged. It engaged again following Pakistan's 1998 nuclear test. U.S. "carrots" have largely been granting military assistance of one form or another; its "sticks" reducing or ceasing such assistance.

Following the September 11, 2001 attacks, it was clear that the United States had to work with President Musharraf regardless of his authoritarian credentials. In fact, his military background was, if anything, a boon to U.S.–Pakistani relations as they were based on security and military inter-linkages. Ten years on, however, the context has changed. U.S. interests in Pakistan are to ensure a stable and secure nation. The last decade has made it clear that this is not possible through predominantly security means with the military and political elite. Therefore, the United States needs to rethink its relationships and its programs to better address these interests. The current policy serves neither the United States nor Pakistan well. But there are alternatives available that can push U.S.–Pakistani relations in a more positive direction.

**The U.S. needs to engage and empower broader Pakistani civil society and the middle class.**

#### **Supporting the Middle Class**

First, and most importantly, the United States needs to build stronger links to, and empower, broader Pakistani civil society and the middle class. It is these sectors, rather than the elites, that hold interests most in common with those of the United States: economic prosperity, rule of law, democracy, and stability.<sup>26</sup> Ninety-two percent of Pakistanis polled recently were dissatisfied with the country's direction.<sup>27</sup> Conversely, the elites wish to retain their position and prestige. The

military wants and needs to continue raising security concerns and tensions to ensure it maintains its central role in Pakistani policymaking and its high budget.<sup>28</sup>

The middle class has both the desire for change—to build a fairer, more open, and democratic Pakistan that would lead to investment, economic stability, and equality—and, in time, the potential to bring greater influence to bear on the elites to effect this change. Civil society and middle class groups have shown that they have the will and capacity to push through tough political changes and to drive the agenda. In 2007, it was the lawyers groups that forced President

Musharraf's hand and led to his eventual downfall. They organized and led demonstrations against Musharraf and his government, and in the name of legal legitimacy and democracy, harnessed the power of the public to demand change. These groups have continued to exert pressure on President Zardari. The recent rallies for Imran Khan and broader polling show that the public has grown tired of the corruption and political intransigence and would support a drive toward more effective governance.

Equally, concerns that the middle class holds extreme views, not in line with those of the United States, are exaggerated. Historically during national elections, the extreme religious parties get less than 5 percent of the popular vote (the only exception in recent years being when President Musharraf fixed the 2002 results to ensure a higher vote total in order to gain the support of the more religious parties). While there are indications that civil society might be becoming more extreme—for example by supporting the individuals who assassinated two moderate politicians in early 2011<sup>29</sup>—it is unclear whether this is a manifestation of disgust with current politics or a change in fundamental attitudes in the country.

More opportunities must be provided to this sector of society that build on these desires for good governance and transparency. Empowering this group would provide internal support toward the creation of a more stable government. Yet, despite the will and capabilities of the Pakistani middle class, thus far the United States and the broader international community have failed to engage with this sector in any sustained way.

Empowering the middle class requires, at the most macro level, engaging them actively, regularly, and repeatedly on issues of their concern, such as governance, rather than bypassing them as extraneous to interstate relations. While this is traditionally hard for governments to do (most governments work state-to-state), it is effectively done through engaging with and supporting intermediaries such as American, Pakistani, and other international NGOs and civil society groups. Harnessing the networks and influence of Pakistani diaspora groups in the United States, in addition to the media, academics, and leaders in other sectors, is important as well. One of the most effective programs conducted by the State Department, the International Visitors Program, involves bringing reporters, religious figures, academics, and other society leaders to the United States for weeks at a time to introduce them to the United States. This provides the U.S. government with an extensive network into Pakistani (and other countries') civil society that could and should be harnessed.

It is more than just talking with the middle class, however. It is also necessary to provide them with the resources and power to influence their lives first, and those around them next. This means channeling financial and other support to these groups rather than through federal institutions. This means supporting

them with regard to training and education, and, finally, supporting their positions and voices on the international stage.

### **Broaden America's Reach**

As President Obama stated in a speech on the Middle East in May 2011, "We must [also] build on our efforts to broaden our engagement beyond elites, so that we reach the people who will shape the future—particularly young people."<sup>30</sup> This is equally true in Pakistan.

Government-to-government relations are the mainstay of diplomacy. However, two factors are making these links increasingly detrimental to U.S. interests in Pakistan. First, support for Pakistani politicians increasingly held in diminishing respect is negatively affecting perceptions of the United States. This should come as no surprise. Particularly in the Middle East, the United States is perceived as supporting authoritarian leaders to ensure its own interests to the detriment of the public. While many argue that association with the United States does not help Pakistani politicians, the reverse argument is equally true. This problem is further compounded by the extremely harmful rhetoric that emanates from Pakistani politicians and the military toward the United States. Whether in debates about drone attacks or development assistance, the rhetoric concerning U.S. activity in Pakistan is placed in the most negative light, disparages U.S. intentions, and suggests that it is contrary to Pakistani sovereignty and diplomatic agreements. Evidence of Pakistani acceptance and permission for many of these actions, including drone attacks, are quietly ignored.

Given the inherent problems with traditional diplomatic engagement, it is therefore again vital that the United States reach out directly to the Pakistani people to build more and stronger links to civil society. On those occasions when this has been done, attitudes have changed quickly, particularly under circumstances where the United States is seen to be acting altruistically such as in its response to the 2005 earthquake in the Kashmir region and the 2009 flooding in Baluchistan. Improvements are being made in this respect as assistance is now being publicly promoted by the U.S. government (despite the resistance of Islamabad). Programs such as the one mentioned earlier where the United States brings leading journalists and others to the United States are vital to reaching opinion leaders: the most effective method of changing attitudes toward, and improving the understanding of, the United States is to take people there.

As President Obama's quote above also makes clear, it is vital that the United States particularly targets youth. As mentioned earlier, Pakistan has an extremely young population, with the unemployment rate for those 15–24 years old at 7.7 percent.<sup>31</sup> It is these individuals who hold the future of Pakistan

in their hands, and can either pursue militancy or peaceful objectives. But as is the case in so many other countries, when denied options and prevented from controlling their own future, without the possibility of a job, chances are they will pursue less productive paths, including militancy. As has been most clear in the 2011 Arab Spring, it is the youth who have the power to effect change.

The United States can and should support education and job creation for all Pakistanis, but particularly youth. Two policies could be particularly helpful in this respect. The first is to open up the U.S. textile market to Pakistani goods that currently make up less than 4 percent of U.S. textile imports, but 60 percent of Pakistan's exports (and a third of its industrial employment).<sup>32</sup> The impact it would have on U.S. businesses is negligible, while the positive effect in Pakistan could be significant.<sup>33</sup>

The second would be to finally pass the bill to support the creation of Reconstruction Opportunity Zones (ROZs), focused on the Khyber-Pakhtunkhwa region, that was proposed in the Pakistan Enduring Assistance and Cooperation Enhancement Act of 2009 (PEACE Act of 2009). ROZs would directly benefit those regions that have a confluence of negative indicators: high poverty, high unemployment, and high levels of militancy, the last being a factor that many argue is largely a result of there being no alternative ways to make a living. Given the favorable financial and infrastructure base, ROZs would provide opportunities for employment, as well as building a sense of empowerment and control over one's own life and destiny, vital characteristics for this broader plan to succeed. In one small step, the United States could make a real change not just to the lives of many in that region, but also to their perceptions of the United States. At the moment however, for domestic political reasons, the idea is stuck in the U.S. Congress.

### **Support a Pakistani-Designed and Led Policy**

President Obama has made it clear that the role of the United States is to "support" internal drives for change, not lead them.<sup>34</sup> Thus, the third vital element of any new U.S. policy is that it must be Pakistani-designed and led; the United States must not impose its own objectives, but instead work with Pakistanis to support their policies and priorities.

In 2009, the Kerry-Lugar-Berman bill was passed, reflecting America's interest in a strategic partnership beyond security. To most Americans, the promise of \$7.5 billion of non-military aid over five years, particularly as the recession was hitting, was extremely generous. To Pakistanis, it was perceived as condescending, including such "offensive" restrictions as civilian control of the military.<sup>35</sup> Elites, particularly the defense establishment, resented being marginalized and energized an anti-American narrative. The public listened, and what was intended to be a boon to the relationship became a stumbling block.

There is a clear lesson from this. Any major policy that so fundamentally affects the Pakistani people cannot be imposed but must be designed with, and owned by, Pakistanis (to include but not restricted to the government). Measurements of objectives, scorecards, and similar mechanisms that facilitate the necessary auditing of U.S. assistance must also be created in partnership with Pakistanis.<sup>36</sup> They must define both the goals and the milestones to achieve them. Without this ownership and will, no U.S. action will be effective or long-standing. Instead, as with the Kerry–Lugar–Berman bill, it will be perceived as U.S. colonialism.

This policy does not imply that the United States would support efforts that go against its long-term interests. There are areas in which Pakistan may wish to invest or laws (such as stronger Shari'a laws) in which the United States does not concur. Then Pakistan must look elsewhere for support.

Establishing what the Pakistani people want will not be as hard as some might imagine. Comprehensive polling, most extensively conducted by Pew, has shown clear indications of Pakistani interests, from economic to security-related.<sup>37</sup> Western NGOs such as the National Democratic Institute (NDI) and International Republican Institute (IRI) have long-standing links to local politicians, the media, and other local leaders with whom to engage. Reading the Urdu papers can provide a wealth of information. The United States and others just need to listen to these voices. They will provide the answer to whether to prioritize security and stability, better education and healthcare, economic opportunities, or anticorruption initiatives, and what models of approach are best in which communities.

### **Step Away from the Military**

Finally, the United States needs to deprioritize its engagement with the military. While the security situation in Afghanistan and Pakistan mandates continued engagement, the almost exclusive U.S. focus on military-to-military engagement needs to change. Some of the huge resources currently invested in this area need to be reassigned to other, more productive, directions.

To be clear, this does not mean disengaging entirely from the military. It was a significant mistake in 1990 to impose the Pressler Amendment, which was enacted as a sanction against Pakistan's development of nuclear weapons, that curtailed training for Pakistani military officers. Twenty years later, we have a cadre of officers in increasingly senior positions who, unlike their predecessors, do not know the United States (and vice versa). It has significantly clouded America's ability to understand and analyze Pakistani thinking and limited its ability to build informal links. It is vital that such joint training and education continues and to that end, IMET (International Military Education and Training) funding needs to be maintained.

Despite recent upheavals resulting from the May 2011 operation to kill Osama bin Laden, some significant militant attacks on Pakistani bases, and political intrigues such as the recent “memogate” scandal allegedly involving the then-Pakistani ambassador to the United States, the military will continue to be a leading actor in Pakistani policy and society.<sup>38</sup> They are clearly the principal player in addressing the instability in Pakistan and Afghanistan. As such, U.S. engagement must continue. However, the United States needs to recognize that the level of support that it provides and the engagement on broad areas of policy is empowering a group that has different interests from the United States (and at times works directly against them).

Where to cut engagement is all important and enormously sensitive. One can best think of it in two ways. First, the financial: despite what will likely be a strong reaction from the Pakistani military, cuts could best be made in equipment and training that is focused on conventional war-fighting rather than counterterrorism. More than half of the foreign military sales (FMS) to Pakistan from 2002 to 2010 went for F16s and associated technology, equipment that is useful primarily in conventional warfare.<sup>39</sup> The second area of cuts should be diplomatic. When U.S. leaders visit Pakistan, including State Department and intelligence officials, they will always visit General Ashfaq Parvez Kayani, the chief of Army staff, and General Ahmad Shuja Pasha, head of the Directorate for Inter-Services Intelligence (ISI). Senior U.S. military officers visit Pakistan on a constant basis. In these actions, the United States is making clear that from its perspective, this is where the power lies and where U.S. interests reside. This needs to change.

## The Challenges and Overcoming Them

Why is the United States not already implementing this policy? There are a number of distinct challenges, but the context is changing—in some cases making it easier and in others more important—providing the space to now reassess policy.

A shift in resources or attention away from the military and other elites is likely to result in pushback from those individuals who will be newly marginalized. There is a danger that those deprioritized will in return energize anti-American sentiment. For this reason more than any other, it is vital that the changes proposed here and in the future by the U.S. government are always driven internally by the Pakistani public themselves. Without this

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counterbalance, U.S. influence in Pakistan will dissipate rapidly. In the short term, this may mean that the United States has to be patient and wait until the Pakistanis are ready to approach them rather than the other way around. The United States for so long has been seen as the one pushing its own agenda that the Pakistani people need to realize that a change has taken place and the United States is now looking for a Pakistani agenda.<sup>40</sup> Over time, however, as Pakistani society becomes stronger, momentum will intensify.

There is also the risk that the military and other elites could choose to show their displeasure by downgrading engagement in areas, such as counterterrorism, that while of lower immediate concern are still important. As we have already seen in the higher militancy and insecurity rates in Pakistan, however, the cost of doing so to Pakistan will be greater than to the United States. Therefore, while they may try to play a game of chicken, neither the military nor elites are likely to reverse policy.

The second major challenge is that this policy, focused on development and economic issues, will take too long to effect change and that in the short term some issues, particularly in the security realm, may temporarily worsen. With four- and five-year election cycles, respectively, in the United States and Pakistan, politicians look for immediate impact. But as we have seen over the past ten years, the current policy has not led to success, despite approximately \$20 billion invested by the United States. The short-term policy is not working; a longer-term time horizon is necessary.

The third obstacle concerns U.S. domestic politics. In an election year, and given the enormous budget cuts taking place, it will be hard for the United States to deepen the support provided to Pakistan; both politically and economically, there is little space to maneuver. This is even harder given Pakistan's current ambiguous policy toward the United States. Nevertheless, the implications of a failed Pakistan are so great that action must be taken.

The fourth challenge is the potential security consequences that might result from such reprioritization. This policy does not advocate taking cooperation on counterterrorism or nuclear safeguards off the table. Military-to-military engagement, training, capacity-building, and joint operations need to continue, albeit at a lower level. Nevertheless, de-emphasizing these links could have security implications. But this needs to be seen in context. The current situation is far more serious: until Pakistan's relationships with militant groups such as the Haqqani network are broken, the region will not have stability. Given that Pakistani military interests in this respect are not changing, the only long-term alternative is to find others in the country who feel that instability is damaging, and will work to change the status quo.

The final challenge relates to the difficulty of implementing a locally-directed policy and engaging with a broader network. This should not be underestimated.

Maintaining checks to audit development programs, particularly those implemented in insecure areas, is essential but difficult. However, this should improve over time as relationships build. Meanwhile, the United States can work with international partners to improve access in hard-to-reach places.

### **Friends Exist Inside Pakistan**

For this policy to work, the Pakistani middle class needs to be on board. And indeed, what makes this plan strong is that it is driven by these Pakistanis rather than imposed on them. No longer will this be a case of the United States trying to persuade (or bribe) the Pakistanis to take certain actions. In the policy proposed here, the United States is supporting internally-driven efforts.

There is evidence that, despite the negative perceptions of the United States in Pakistan (in May 2011 only 11 percent viewed the United States favorably),<sup>41</sup> given the opportunity, civil society would be willing to work with the United States. Polls taken immediately after the 2005 earthquake in the Kashmir region and the 2009 flooding in Baluchistan show short but significant upswings in positive feeling toward the United States.<sup>42</sup> One can conclude that U.S. actions perceived as altruistic by the Pakistanis could have a significant impact on improving attitudes toward the United States.

We need only look at recent events in the Middle East and North Africa to see that civil societies even in highly stable countries with apparently strong leaders can bring about change. Such revolutions are unlikely in Pakistan, not least because they are not needed; the institutions are in place to effect change without the kind of upheaval that we have seen in Egypt or Libya. But people-power and youth are quite able to force these changes through existing institutions if they can coalesce and build consensus to that end.

**Institutions are in place to effect change without the upheaval seen in Egypt or Libya.**

### **International Parties Can Assist Also**

In 2008, the “Friends of Democratic Pakistan”—including countries such as Canada, Japan, the United Arab Emirates, and the United Kingdom—was created to bring together the efforts of Pakistan’s supporters, many of whom provide significant resources toward its development.<sup>43</sup> Bundling the efforts and capabilities of these partners, as well as others, allows them to build on one another. Together these partners also have greater influence within Pakistan, using resources both as carrots and sticks. The more coherence that can be brought to bear, the more success this policy is likely to have.

China too can play a positive role. The Pakistani government has recently attempted to threaten the United States with closer relations with China.<sup>44</sup>

However, this policy has been stymied by Chinese wariness of developing too close a relationship with the Pakistani government, due both to its increasing instability and not wanting to antagonize India unnecessarily. In fact, the United States and China have a number of similar interests with regard to Pakistan, including improving its economic outlook. The two nations should work more closely in these areas and ensure that they cannot be played off against one another.<sup>45</sup>

**T**wo trends make the timing right for this policy change.

#### **The Timing is Right**

Finally, the timing is right for this policy change. Two trends are creating the space to allow, and in fact mandate, it. First is the change in the Afghan situation and the associated change in U.S. counterterrorism policy. As U.S. Defense Secretary Leon

Panetta stated last year, the United States is “within reach of strategically defeating al-Qaeda.”<sup>46</sup> The new U.S. counterterrorism policy revealed by Deputy National Security Advisor for Homeland Security and Counterterrorism, and Assistant to the President, John Brennan in the summer of 2011 makes clear that, while bringing down the Taliban remains important, it is of a far lower priority than al-Qaeda.<sup>47</sup> Thus, the perceived threat to the United States of terrorism from the Taliban and al-Qaeda has been significantly lowered, providing a window for a more nuanced policy focusing on other priorities. Added to this is the 2014 troop withdrawal from Afghanistan, at which point the threat to U.S. soldiers and interests in the region diminishes even further.

The second, and perhaps most important, reason to rethink U.S. policy is that the consequences of continuing down the wrong path are now so grave that the United States has little choice. The current military-led policy has proven to be not just ineffective at achieving long-term stability and security (for Pakistan, the region, or the West), but actually could be detrimental to it. Thus, reversing this policy and finding a new, more pragmatic and effective policy to stabilize Pakistan and return it to growth is vital. While concerns about militant activity are important, the prospect of a failed nuclear Pakistan is worse.

#### **Reversing Pakistan’s Slide**

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Pakistan is running out of choices. As it continues down its negative spiral, it is only going to be harder to pull itself out, something that will become even more difficult when the international military forces leave Afghanistan in 2014.

However, Pakistan has the resources to reverse its trajectory. If the elites will not help, it is up to civil society to take the lead.

It is clearly in U.S. interests, as well as those of other friends of Pakistan, to help the nation reverse its spiral. A failed Pakistan is a threat to all, both as an epicenter of terrorism and a nuclear state. The sooner the United States starts implementing a new policy that drives this positive trajectory, the easier it will be.

As the United States thinks about its goals for Afghanistan in 2014 and beyond, it is a perfect opportunity to also rethink its Pakistan policy. Getting Pakistan right is far more important to U.S. interests. The threat of a failed Pakistan is potentially catastrophic, not just for the nation itself but for the region and the world. Hoping that the Pakistani government and military interests will change is no solution. Plans should instead revolve around partnering with those who do hold similar goals, namely the middle class, to build a democratic and prosperous nation.

## Notes

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