

Slim Prospects for US-Pakistan Relations to Pivot from AFPAK to Indo-Pacific

By Riaz Khokhar

The United States has not reoriented its Pakistan strategy away from a solely Afghanistan-Pakistan basis toward a wider Indo-Pacific perspective. Even so, a significantly positive transformation in Islamabad's domestic environment and foreign relations can change the U.S. and international perspectives about Pakistan.

For starters, there is a strong perception in Washington policymaking circles that until the Afghanistan issue is resolved, chances are slim that the United States will think of Pakistan in a broader Asian framework. Even the resolution of the Afghanistan conundrum would not guarantee an improved U.S.-Pakistan relationship. Although Islamabad's supportive role in the ongoing U.S.-Taliban peace talks is appreciable, there is palpable frustration in the U.S. Department of Defense regarding Pakistan's alleged patronage of terrorist groups that have killed U.S. troops in Afghanistan.

There is also skepticism about the U.S. pullout from Afghanistan because Washington has not yet achieved its primary objectives. These include but are not limited to breaking the nexus between regional and international terrorist groups; augmenting the capacity of Afghan national security forces; and, eliminating the possibility of Afghanistan as a launching pad of terrorism in the United States or its allied countries. Hence, the unaccomplished objectives make it less likely that the U.S. troops will leave any time soon.

In the context of a wider Asian region, the U.S. National Security Strategy of 2017 designated China as a primary strategic rival and downgraded terrorism to a secondary level threat. Thus, although the United States will retain some form of presence in Afghanistan for stability and counter-terrorism measures, most of its military, economic, and diplomatic capital will be directed toward the strategic competition with China and Russia.

So, as far as Afghanistan and counter-terrorism issues are concerned, Pakistan has vital importance for the United States. But beyond Afghanistan, whether that means economic engagement or resumption of military aid and assistance, Washington has nothing in store for Islamabad.

In fact, with reference to the China-Pakistan Economic Corridor (CPEC), some U.S. government officials have stated that it is also in the U.S. interest that Beijing is contributing to Islamabad's economic development. However, they have also expressed some concerns regarding the opaque nature of the Chinese loans and the extent to which Pakistan is providing China with access to its land and resources. These factors may make Islamabad more subservient to Chinese interests in the region and may dissuade Washington from considering Pakistan as a partner or even nonaligned in the U.S. strategic rivalry with Beijing.

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Visiting Fellow at the
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So, is Washington considering an offsetting strategy to reduce China's influence in Pakistan? Not really. Even if it were, there is a perception in academia and the think tank community in Washington that the United States will not be able to reduce China's influence in Pakistan. Does that mean that Islamabad does not factor in the U.S. strategy beyond Afghanistan? Not at the moment.

Although the primary thrust of the U.S. Indo-Pacific strategy is Southeast and Northeast Asia, it would be useful if Washington engages with and invests in some other countries, which do not want to rely solely on Beijing and seek to bring balance in their relationships with both the United States and China. In this regard, the United States has enacted the Better Utilization of Investment Leading toward Development (BUILD) Act, which may be implemented in the latter end of the year 2019. Under the Act, the U.S. State Department encourages private companies by guaranteeing investment insurances in less developed or developing countries. Apart from that, Japan has already been investing in infrastructure and energy domains in various countries, including Pakistan, as part of its Partnership for Quality Infrastructure (PQI) initiative, which serves as both a commercial vision and an alternative to the Chinese Belt and Road projects.

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This is a great opportunity for Pakistan if the government is serious about attracting foreign direct investment. The consensus in Washington is that the Pakistani state is responsible for attracting investment, for which it needs to improve its business climate, economic governance, and most importantly its security environment. Foreign companies consider it too risky a proposition to invest in a country which is grey-listed by the Financial Action Task Force (FATF) — an international finance oversight organization — or which is ranked poorly (136/190) in the World Bank's Ease of Doing Business index.

As for the U.S.-China strategic competition, if Pakistan wants to remain nonaligned and not be seen as under China's influence, there are a few steps that Islamabad can take. First, it should ask the World Bank to offer a technical assessment of its CPEC projects and the financial implications of Chinese long-term loans under those projects. Second, since the United States is discouraging its allies and partners from buying fifth generation telecommunication equipment from the Chinese Huawei network company, Pakistan should also voluntarily refuse to purchase the technology.

Although it is unlikely that Islamabad will take these types of actions, such steps would send a strong signal to the White House and the Capitol Hill that Pakistan is not entirely under China's influence and that it is making extraordinary efforts to improve relations with the United States. This could be a stepping stone to enhancing U.S.-Pakistan relations in multiple potential areas of cooperation in the Indo-Pacific region.

In sum, the current U.S. administration does not prioritize expanding relations with Pakistan beyond Afghanistan. Even if it did, Pakistan's domestic economic slump and the hangover of the blame of terrorism-sponsoring activities in the region do not offer enough incentives to American and international businesses to invest in the country beyond marginal levels. Above all, most of Pakistan's foreign relations and policies stand at great odds with the U.S. strategic interests. This divergence keeps the relationship at a tactical level, not on a long-term or strategic trajectory. This makes the prospects of U.S.-Pakistan relations pivoting from "AFPAK" to the "Indo-Pacific" slim.

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