U.S. DEPARTMENT of STATE

United States Interests and Foreign Policy Priorities in South Asia

Christina B. Rocca, Assistant Secretary for South Asian Affairs
Statement before the House Committee on International Relations
Washington, DC
June 22, 2004

Mr. Chairman and members of the Committee, thank you for inviting me to come here today to talk about our policy priorities in South Asia. September 2001 placed a South Asia riven by conflict and division at the front lines of the global war on terrorism. Not quite three years later, with the support of the American people, the Congress, and the Administration, the region stands at the verge of potential breakthroughs. The next few years will provide a crucial opportunity for the United States to help South Asia become a peaceful, democratic and prosperous region, free from terror and nuclear threat. We are winning and consolidating the peace in Afghanistan—and while not a focus of my testimony today, success in Afghanistan is critical to long term regional stability. Our commitment to assist Pakistan's full transformation into a modern and moderate Islamic democracy remains a pillar of our long-term strategy in the war on terrorism. As India increases its global reach, we are working to build an effective strategic partnership. Strong U.S. engagement is vital to ensure that Bangladesh does not fall back into poverty and fall victim to extremism. Due to its location, aspirations and capabilities, the future of Sri Lanka is assured, if it can achieve a lasting peace, and our long term strategic interests dictate that we pursue this goal. A fragile democracy is at stake in Nepal, where a Maoist insurgency has unraveled the weak political and economic threads that held it together, and the United States must help South Asia avoid the potential humanitarian crisis and instability this could cause as well as the presence of another failed or authoritarian state.

Over the last year, and especially in recent months, the momentum for positive change has increased. Pakistan continues as a major ally in the war on terrorism. Al-Qaida and Taliban operatives continue to be captured there, and the government has intensified its operations around the country and near the western border. Pakistan's economy has moved from crisis to stabilization and growth, and the impasse between President Musharraf and the legislature was resolved in December with his agreement to step down as head of the army at year's end. The public exposure of A.Q. Khan's activities and investigations by various governments has severelydisrupted his black market proliferation network. It is now in the process of being dismantled. It appears that Pakistan is taking these investigations seriously. The recent rapprochement between India and Pakistan has enabled a new composite dialogue and given a new boost to regional cooperation meetings—in stark contrast to the threat of a possible nuclear confrontation in 2002. The United States and India are also working to formally expand strategic cooperation while deepening their partnership across multiple fronts. The suspension of Sri Lankan peace negotiations last year did not end the ceasefire or informal cooperation between the government and the LTTE. In Bangladesh and throughout the region, we continued to advocate and assist progress towards accountable democratic governance, sustainable development, and mutual understanding in order to address the underlying causes of extremism and instability.

An Ever-Growing Partnership with India

With the newly elected government taking office in India, we are continuing cooperation on regional and bilateral issues. In January 2004, we announced our Next Steps in Strategic Partnership (NSSP), an initiative designed to deepen our U.S.-India relationship. Expanded cooperation under the NSSP on civilian nuclear activities, civilian space programs, high technology trade, and an expanded dialogue on missile defense will bring significant economic benefits to both sides, and improve security in South Asia and beyond. The United States and India share a fundamental commitment to democracy. We hope to work more closely together to promote democracy, especially in problematic countries like Burma.

Our bilateral Defense Planning Group, joint exercises, and military exchanges have greatly increased security cooperation. A High Technology Cooperation Group is advancing trade and investment.

U.S. assistance programs, including our ESF initiative targeting areas of special concern to the government, are helping India to complete financial, trade energy, water, and agriculture reforms to improve economic stability and reduce poverty. Our programs also promote better access to education, justice, and services by women and vulnerable groups. In addition, our programs strengthen law enforcement capability. Our health programs support the prevention of HIV/AIDS, tuberculosis and other diseases, and increased child survival—issues also addressed though a bilateral Global Issues Forum whose concerns range from trafficking in persons and human rights abuses to environment, science and health.

We will also be working to strengthen the economic and commercial side of our relationship, which is growing, but not nearly as fast as it could.

Pakistan: Frontline State in the War on Terrorism

In Pakistan, all our policies and programs support our primary goal of helping Pakistan reach its objective of becoming a moderate, prosperous state, and preventing terrorism—directly through security programs and also through democracy, development and outreach programs that combat extremism and instability. In other words, the funding we are requesting for Pakistan in FY 2005 directly helps the United States in the Global War Against Terror and Operation Enduring Freedom.

As our FMF programs facilitate the capture of al-Qaida and Taliban remnants and strengthen our military ties with Pakistan, we help tackle the conditions that breed terror by providing substantial amounts in ESF for macroeconomic stabilization and growth, and support for social sector programs. The government's ongoing pursuit of structural reform, prudent economic policy initiatives, and effective macroeconomic management have impressed the IMF and donor community. As we assist this positive momentum with ESF, we also continue to support grassroots economic development and health programs visible to ordinary Pakistanis through USAID programs. We are also providing substantial support to the Pakistani government’s efforts to pursue education reform, including for madrassahs, aimed at preparing young Pakistanis to gain employment and compete in the global marketplace.

A return to full democracy in Pakistan is central to long term stability. National elections in October 2002, although flawed, restored a Prime Minister, a National Assembly and four Provincial Assemblies, and President Musharraf has indicated he will step down as head of the military by the end of 2004. After a prolonged impasse, Parliament is beginning to function, and a devolution program has begun to revitalize local government. U.S. democracy programs and exchanges are assisting the development of accountable, responsive democratic institutions and practices, including effective legislatures and local councils that respond to citizens and that play a positive role in governance. Our programs also support much needed political party reform, the development of an independent media that provides balanced information, and effective civil society advocacy. We are also vigorously engaging educators, the media, and civil society leaders, as well as younger, non-elite Pakistanis in communities resistant to democratic values.

Terrorist attacks in Pakistan over the last year, including two attempts on President Musharraf's life, remind us that progress hangs in the balance, while underscoring the need to shut down terrorist organizations and the networks that support them; something the government is working to do. Seventy-seven Pakistani soldiers have lost their lives in anti-terror operations in the tribal areas since the beginning of the year. Other security personnel have been killed in Karachi and elsewhere, and numerous Pakistani civilians have been murdered in terrorist attacks. We offer our sincere condolences to the families and friends of those lost on the Pakistani front of the Global War on Terror.

Regional Stability: Nonproliferation and Indo-Pakistan Ties

Given the realities we face in South Asia, we are also focused on preventing actions that would undermine the global nonproliferation regime and regional stability. Thus we are working to prevent an open ended nuclear and missile arms race in the region, discourage nuclear testing, and prevent onward proliferation to other countries. Our actions with both India and Pakistan are consistent with our obligations under the NPT and with our commitment to the Nuclear Suppliers guidelines. We are working with both to strengthen non-proliferation export controls through our Export Control and Border Security (EXBS) program. In Pakistan, the Government has just introduced a bill into Parliament that, if enacted, would significantly strengthen Pakistan's existing export control regime.

A stable South Asia is an important interest we share with the nations of the region. The recent agreement between India and Pakistan to pursue a wide-ranging composite dialogue with the objective of reaching a peaceful settlement on all bilateral issues, including Kashmir, is a real breakthrough. We are encouraged by the confidence-building measures agreed upon in recent months, and hope they will be implemented quickly. India is also conducting a dialogue with the Kashmiri All Parties Hurriyat Conference. We will continue to watch closely and encourage positive steps. Our public diplomacy funds are used to help facilitate deeper ties and understanding.

Supporting a Moderate Bangladesh

Democratic Bangladesh, with the fourth largest Muslim population in the world, is a valued partner in the war on terror, a moderate voice in regional and international fora, and a leading contributor to UN peacekeeping missions. Bangladesh's economy remains stable. Yet political rivalries and one of the most significant corruption problems in the world threaten democratic stability and impede economic growth. The challenges that lead to extremism—poverty, lack of education, and endemic corruption, combined with porous borders and lack of public faith in elected government—have increased the attractiveness of radical alternatives. Bangladesh recently passed legislation authorizing an anti-corruption commission, which we hope will be effective. Regional INCLE funds support anti-corruption efforts and law enforcement capacity. U.S. democracy programs seek to increase the accountability and transparency of democratic institutions, thereby assisting to defuse bitter rivalries and support civil society advocacy groups such as Transparency International Bangladesh. To promote sustainable development, our programs continue to improve basic education, foster scientific cooperation, assist economic growth and trade, combat trafficking in persons and increase health services for women and children.

Sri Lanka and the Maldives

In 2003, peace talks that began a year earlier between the Sri Lankan government and the separatist Tamil Tiger (LTTE) guerillas were suspended. By October, the LTTE had proposed an interim administration in predominantly Tamil areas as a way to re-engage, but a standoff between the Prime Minister and President prevented consideration of their proposals. In November 2003 the President suspended the Parliament. Elections called for April 2004 increased representation by the President's party, and brought the appointment of a new Prime Minister. The President has stated that talks with the LTTE are her top priority. Meanwhile, the ceasefire is holding, and an informal peace process continues, bringing increased interaction among the ethnic communities and growing trade and economic opportunities. As we press the government and LTTE to return to the talks, our programs are providing both an incentive to peace and a boost to reconstruction and reconciliation in war-torn areas. Our nationwide development and health programs support the government's economic growth and anti-poverty efforts, while our democracy programs promote human rights and political reintegration and reconciliation. Regional INCLE funds support law enforcement institutional capacity and reform, and counternarcotics coordination. We will not remove our designation of the LTTE as a terrorist organization until it has firmly and decidedly given up terrorism and such policies as the recruitment of children as soldiers.

I should also mention the Islamic island nation of Maldives, where we are encouraged by the proposed sweeping constitutional changes designed to strengthen democratic institutions and human rights and head off radicalism.

Nepal and Bhutan

We have worked closely with the United Kingdom and India to support Nepali democracy in its confrontation with the Maoists. Our assistance includes military equipment badly needed by the army, economic and development assistance to address root causes of insurgency and anti-terrorism training for the army and police. While the government needs to be able to counter the Maoist armed threat, this conflict cannot be resolved solely through military force. The preservation of Nepal's system of constitutional monarchy and multi-party democracy is key to defeating the challenge. Political rivalries have undercut resistance to the Maoists, and the King and the parties must unify—urgently to confront the insurgents. The King's recent appointment of Mr. Deuba as Prime Minister and call for elections within a year is a welcome development, but all must work harder.

In 2003, the Maoist insurgents in Nepal ended a seven-month ceasefire and resumed military attacks and terrorist activity, leading us to impose financial sanctions against the Maoists as a terrorist organization. The United States, India, the UK, and others stand with the Government, but we also share the view that there is no military solution to the conflict. As we continue to provide security assistance for the Government of Nepal, we are making our concerns known regarding suspension of the electoral process and numerous human rights abuse allegations against the government security forces and Maoists alike.

East of Nepal and between India and China is Bhutan—a small country seriously pursuing a peaceful transition to a constitutional monarchy. It is in our interest to support this democratization process. Despite its small size, Bhutan, too, struggles against instability. During the past year, its military has taken action against Indian Maoist groups who had sought to use it as a base of operations against northeastern Indian states. We are encouraging both Bhutan and Nepal to resolve a long-festering problem of 100,000 refugees in Nepal who claim Bhutanese citizenship. This is a humanitarian problem that can and should be solved.

Other Issues of Regional Concern

As we pursue the above priority policy goals, our ongoing programs also address other issues of regional concern. Our diplomatic efforts and programs aimed at combating trafficking in persons have been refocused and intensified to raise the performance of South Asian governments in accord with criteria in the Trafficking Victims Protection Act. We are combating HIV/AIDS throughout the region as well as in India, where the numbers are the largest. Corruption lies at the nexus of the governance and economic failures in South Asia. Our development, democracy and law enforcement programs combat corruption by promoting transparency, accountability and efficiency, including through strengthened private sector, civil society and independent media involvement. Finally, we remain ever mindful of the plight of women throughout South Asia, and our programs across the board have integrated components to improve literacy, education, health, and economic and legal rights for women and girls.

Conclusion

Mr. Chairman, I have only been able to touch our priority concerns about stability and security in South Asia. On the whole, while the region faces many challenges, I believe there is reason for confidence that the countries and people of South Asia will be able to build a secure, peaceful and prosperous future.

Thank you, Mr. Chairman. I welcome questions from you and the Members of the Committee.

Released on June 22, 2004

BACK TO TOP

Published by the U.S. Department of State Website at http://www.state.gov maintained by the Bureau of Public Affairs.