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Pakistan and Pakistan-U.S. Relations

As of May 2023, Pakistan is in what some observers have called a “polycrisis,” with serious political instability, an economic balance-of-payments crisis, renewed domestic security and terrorism threats, reduced diplomatic influence, and other challenges, including those related to energy and climate. The country is also the site of serious and ongoing human rights abuses, some formally prohibited by the state, but some also sanctioned by the state.

Since 2001, U.S. policy has broadly sought to encourage the development of a more stable, democratic, and prosperous Pakistan that actively combats religious militancy. Pakistan is a nuclear-armed country twice the size of California, home to more than 200 million people, as well as numerous Islamist terrorist groups, and situated in a strategically vital region of South Asia and the Indian Ocean coastline. The Biden Administration did not mention Pakistan in its Indo-Pacific or national security strategies. Pakistan’s increasingly close ties with U.S. competitor China, its decades-long rivalry and conflict with U.S. strategic partner India, and its troubled relations with the Taliban government in Afghanistan are likely to be among the many factors influencing the likelihood and ability of the United States to attain its foreign and regional policy goals, including future levels of regional stability and security. Legislation and congressional oversight has and can continue to affect the course of U.S.-Pakistan relations. Congress can set levels of U.S. foreign assistance, consider whether or not to facilitate expanded bilateral trade and investment, and whether or not to assist efforts to strengthen Pakistan’s democratic institutions and rule of law, stabilize its economy, secure its nuclear weapons arsenal, and improve its human rights record.

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Contents

Overview	1
Pakistan-U.S. Relations.....	1
Bilateral Security Relations.....	2
U.S. Foreign Assistance	3
Pakistan’s Political Instability	3
Pakistan’s Economic Crisis	4
Pakistan’s Energy and Climate Issues	5
Pakistan’s Domestic Security Setting.....	6
Pakistan’s Nuclear Weapons Arsenal and Security.....	6
Pakistan’s Human Rights Issues.....	7
Other Foreign Relations of Pakistan.....	7
Pakistan-China Relations and CPEC.....	7
Pakistan-India Relations and Kashmir	8
Pakistan-Afghanistan Relations	9
Pakistan and the Russia-Ukraine Conflict.....	9
Issues Facing Congress	10

Figures

Figure 1. Map of Pakistan	13
---------------------------------	----

Tables

Table 1. Direct Overt U.S. Aid Appropriations for and Military Reimbursements to Pakistan, FY2002-FY2024.....	11
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Contacts

Author Information.....	13
-------------------------	----

Overview

Since 2001, U.S. policy has broadly sought to encourage the development of a more stable, democratic, and prosperous Pakistan that actively combats religious militancy. Biden Administration officials continue to assess that the United States has interests in engaging with Pakistan on terrorism and efforts to foster regional stability, as well as on nuclear proliferation, Pakistan-India tensions and conflict, democratization and human rights protection, and economic development.¹ Pakistan is today in what some observers have called a “polycrisis,” with serious political challenges, most recently exemplified by the May 9 arrest of former Prime Minister Imran Khan; a weak economy battered by massive flooding in mid-2022 and on the brink of defaulting on international debt obligations; militancy and deteriorating domestic security; and notably less diplomatic influence following the 2021 U.S. military withdrawal from Afghanistan.

Pakistan-U.S. Relations

Two significant developments have qualitatively shifted the security- and terrorism-oriented framework in which U.S.-Pakistan relations took place from 2001 to 2021: increasing enmity between the United States and China, Pakistan’s key ally, and the U.S. military withdrawal from Afghanistan. The Biden Administration’s fulsome engagement with the Quadrilateral Security Dialogue (or “Quad,” along with India, Japan, and Australia), and central focus on countering China—combined with a reduction in U.S. government attention to Afghanistan—has led some Pakistani leaders to express anxiety that their country’s salience to Washington has been diminished and undermined in part by perceptions that Islamabad is falling into Beijing’s geopolitical “camp.”²

Pakistani officials and some independent analysts have called for a “reset” of bilateral ties with the Biden Administration to replace a long-dominant security orientation with more comprehensive relations. They conceive this as a focus on “geoeconomics” in which Pakistan would pursue regional integration toward a collective goal of sustainable development. Political and business leaders in Pakistan present the country as a prospective economic partner of the United States based on development and investment, with engagement in key sectors such as information technology, agriculture, health, energy, and climate change. The country is rapidly digitizing, has a large, entrepreneurial middle-class that includes hundreds of thousands of tech professionals—many of them English-speaking—fueling Pakistani aspirations to become a new regional tech hub.³

The Biden Administration has as of yet shown few signs that a broad reset is in store, and President Joe Biden has not directly engaged a Pakistani prime minister since taking office.⁴ A group of prominent D.C.-based analysts recommends “A modest, pragmatic relationship between

¹ See the State Department’s January 20, 2021, release at <https://www.state.gov/u-s-relations-with-pakistan>.

² CRS communication with Pakistan’s Embassy in the United States, May 2021; “Shehbaz Sharif Reiterates Desire to Rebuild Pak-US Friendship,” *Radio Pakistan*, September 29, 2022.

³ See the November 3, 2022, remarks by Pakistan’s Ambassador to the United States, Masood Khan, at <https://tinyurl.com/5ndsylvae>.

⁴ Madiha Afzal, “The Biden Administration’s Two-Track Pakistan Policy Misses the Mark,” Brookings Institution, March 2, 2023.

the U.S. and Pakistan, one not based on exaggerated expectations on both sides ...”⁵ Public opinion surveys suggest that anti-Americanism remains widespread among Pakistanis.⁶

Nevertheless, 2022 marked the 75th anniversary of U.S.-Pakistan relations, and some substantive bilateral reengagement has taken place over the past year, including the July 2022 launch of a U.S.-Pakistan Health Dialogue to deepen health sector cooperation;⁷ the ninth meeting under the U.S.-Pakistan Trade and Investment Framework in February 2023 (after an eight-year hiatus);⁸ and a March session of the U.S.-Pakistan Energy Security Dialogue.⁹

Bilateral Security Relations

The scope of U.S.-Pakistan security cooperation was already diminishing before the August 2021 U.S. military and diplomatic withdrawal from Afghanistan. Circumscribed bilateral cooperation continues with a central focus on counterterrorism and regional stability.¹⁰ High-level military-to-military engagements have included the Commander of the U.S. Central Command’s two visits to Pakistan in 2022;¹¹ the U.S. Secretary of Defense hosting Pakistan’s Chief of Army Staff at the Pentagon in October 2022;¹² and a session of the U.S.-Pakistan Counterterrorism Dialogue in March 2023.¹³ Security-related assistance to Pakistan in recent years has been limited to funding for International Narcotics Control and Law Enforcement (averaging about \$26 million annually over the past five years, mainly for border security) and, since their resumption in FY2021, International Military Education and Training programs funded at \$3 million-\$4 million per year (see **Table 1**).¹⁴

In July 2022, a U.S. drone strike killed Al Qaeda leader Ayman al-Zawahri in Kabul, Afghanistan. Afghan Taliban leaders immediately accused Pakistan of providing airspace for the operation. While the Islamabad government publicly denied playing any role, many analysts believe the strike could not have taken place without Pakistan’s foreknowledge and likely assent.¹⁵

In September 2022, the Biden Administration announced that it would provide a sustainment package for Pakistan’s F-16 combat aircraft fleet at a potential cost to Pakistan of up to \$450 million.¹⁶ India’s government strongly protested the announcement, leading the U.S. Secretary of State to publicly state that, “These are not new planes, new systems, new weapons,” and contend that the United States has an obligation to sustain the military equipment it exports, and that this

⁵ Husain Haqqani, “US Reengagement with Pakistan: Ideas for Reviving an Important Relationship—A Report of the Pakistan Study Group,” Hudson Institute, November 17, 2022.

⁶ See, for example, Gallup Pakistan’s April 2022 findings at <https://www.gallup.com.pk/post/33081>.

⁷ See the State Department’s July 25, 2022, release at <https://tinyurl.com/3smrthzx>.

⁸ See the February 23, 2023, Joint Statement at <https://tinyurl.com/ms7a7vn9>.

⁹ “Joint Statement on U.S.-Pakistan Energy Security Dialogue,” U.S. Embassy Islamabad, March 15, 2023.

¹⁰ In September 2022, Secretary of State Antony Blinken hosted his Pakistani counterpart in Washington and commented that the two countries continue to “work closely” on countering terrorism, in particular threats emanating from Afghanistan (see the State Department’s September 26, 2022, transcript at <https://tinyurl.com/25fj2r8w>).

¹¹ See CENTCOM’s August 20, 2022, release at <https://tinyurl.com/ykdu82y6>, and its December 16, 2022, release at <https://tinyurl.com/358n4y4f>.

¹² See the Defense Department’s October 4, 2022, release at <https://tinyurl.com/bdzh5b6m>.

¹³ See the U.S. Embassy Islamabad’s March 7, 2023, release at <https://tinyurl.com/prspbxh6>.

¹⁴ Aid amounts calculated by CRS using U.S. government data.

¹⁵ “Al-Zawahiri’s Killing Raises Tensions Between Pakistan and Afghanistan,” Jamestown Foundation *Terrorism Monitor*, October 21, 2022.

¹⁶ See the U.S. Defense Security Cooperation Agency’s September 7, 2022, release at <https://tinyurl.com/24znpsx9>.

effort would bolster Pakistan's "capability to deal with terrorist threats emanating from Pakistan or from the region."¹⁷

U.S. Foreign Assistance

From 2001 until the second Obama Administration, Pakistan was among the leading recipients of U.S. foreign assistance, with Congress appropriating \$11 billion in economic, development, and humanitarian aid, and nearly \$8 billion in security-related aid for FY2002-FY2016. Pakistan also received about \$14.6 billion in Pentagon military reimbursements during this period.¹⁸ From FY2017 on, the Trump Administration requested and Congress appropriated significantly reduced aid amounts (reaching a two-decade nadir of \$87 million in FY2021) and, in 2018, the Administration initiated a broad, terrorism-related security aid suspension that has largely continued to date. The Biden Administration requested, and Congress has appropriated, modestly increased economic and development assistance amounts for FY2022 and FY2023—up 25% and 6% year-on-year, respectively. The United States has also committed more than \$200 million to flood relief, disaster resilience, and food security aid for Pakistan since mid-2022. The Administration's total aid request for FY2024 stands at \$173 million (see **Table 1**).¹⁹

Pakistan's Political Instability

Elections to seat Pakistan's 15th National Assembly (NA, the lower house of its bicameral legislature) and the country's four provincial assemblies took place in July 2018, marking the country's second-ever democratic transfer of power. The relatively young Pakistan Tehreek-e-Insaf (PTI or Movement for Justice) party swept a large plurality of NA seats, and party founder and leader Imran Khan became prime minister. However, in March 2022, opposition parties in the NA moved a no-confidence motion against him, accusing him of poor governance and economic mismanagement. This sparked a month-long crisis that resulted in Khan's removal from office in April 2022 and the seating of a new coalition government under Pakistan Muslim League-Nawaz party leader and former Punjab chief minister Shehbaz Sharif (see **Figure 1**).²⁰

Khan and his party, having reportedly lost the support of Pakistan's powerful military that was seen to have facilitated their 2018 victory, spent the ensuing year demanding early national and provincial elections.²¹ Khan has also vigorously denounced his removal from office, variously blaming it (without providing evidence) on alleged machinations by the U.S. government and/or Pakistan Army leadership, both current and former. Khan, who is able to mobilize strong political support and "street power," faces scores of corruption-related and other criminal cases against

¹⁷ "India Registers Strong Protest with U.S. over Pakistan F-16 Package," *Times of India* (Delhi), September 11, 2022; see the State Department's September 27, 2022, transcript at <https://tinyurl.com/2p8n3zfy>.

¹⁸ Starting in 2007, Congress imposed increasingly broad and stringent conditions on all nonhumanitarian aid transfers and military reimbursements to Pakistan. From 2008 to 2016, U.S. Presidents exercised authorities to waive those conditions in the interests of U.S. national security, even as annual aid and reimbursement levels steadily declined from an FY2010 peak total of about \$4.5 billion to \$1.24 billion in FY2016, the year that Pakistan last received military reimbursements. Congress has not appropriated foreign military financing for Pakistan since FY2017. Aid amounts calculated by CRS using U.S. government data.

¹⁹ For the most recent congressional certification requirements for U.S. assistance to Pakistan, see Section 7044(d) of the Consolidated Appropriations Act, 2003 (P.L. 117-328).

²⁰ See also CRS In Focus IF10359, *Pakistan's Domestic Political Setting*, by K. Alan Kronstadt.

²¹ Under Pakistan's Constitution, elections must be held no later than October 2023. In early April 2023, Pakistan's Supreme Court ordered that Punjab provincial elections be held on May 14, but the Sharif government and the Election Commission of Pakistan defied that order in a jurisdictional dispute, possibly with the Army's blessing ("CJP Bandial Still Hopeful of Talks Ending Elections Stalemate," *Dawn* (Karachi), May 15, 2023).

him. His unprecedented public criticism of the country's security establishment—including accusing a senior intelligence officer of orchestrating a November assassination attempt on him—may have contributed to his arrest in Islamabad on May 9, sparking nationwide unrest. The Supreme Court found the arrest “unlawful” and ordered that the former prime minister immediately be released, which occurred on May 11. Khan still faces potential disqualification from political office. The army was mobilized in two provinces in response to protests by PTI activists, raising fears of large-scale civil conflict in a country already reeling from multiple crises.²² The Biden Administration has continued to publicly support Pakistan's democratic institutions and rule of law while taking no position on the country's domestic political disputes.²³

Pakistan's Economic Crisis

Pakistan remains a poor country with high rates of inflation and unemployment, and sometimes acute food, water, and energy shortages. Annual economic growth, averaging 4-6% during the 2010s, dipped to -0.5% in 2020. High interest rates and a weak rupee continue to hamper growth. Consumer price inflation soared to a record 36.4% in April 2023.²⁴ According to the World Bank, “Pakistan is experiencing severe economic challenges reflecting long-standing structural weaknesses,” with major stresses arising from low foreign reserves, a depreciating currency, and high inflation. Real GDP growth is expected to slow to 0.4 percent in FY2023, “reflecting corrective tighter fiscal policy, flood impacts, high inflation, high energy prices and import controls.”²⁵ Corruption remains a major obstacle to Pakistan's economic development, and the country has one of the world's lowest tax-to-GDP ratios.²⁶

In 2022, the United States imported about \$6 billion worth of goods from Pakistan (mainly textiles and clothing), and Pakistan imported U.S. goods valued at \$3.2 billion (mostly cotton, oilseeds, and fruit). The United States is by far Pakistan's largest external market, and China is by far Pakistan's largest external supplier.²⁷ Pakistan remains on the U.S. Trade Representative's Special 301 Watch List in 2023 due to “serious concerns” about its intellectual property protection and enforcement, with counterfeiting and piracy said to be widespread.²⁸

For five years Pakistan's government has teetered on the edge of a debt and balance of payments crisis. The World Bank, China, Saudi Arabia, and the United Arab Emirates each have provided multi-billion-dollar loans. In 2019, the government conceded to accepting a three-year, \$6 billion bailout from the International Monetary Fund (IMF), adding to the \$5.8 billion Pakistan already owed to that body. It is Pakistan's 13th such loan in 32 years and requires structural economic

²² “SC Terms Imran's Arrest ‘Unlawful,’ Directs Him to Appear Before IHC Tomorrow,” *Dawn* (Karachi), May 11, 2023.

²³ When asked about recent political instability in Pakistan in mid-May, a State Department spokesman said, “[We] don't have a position on one candidate or one political party versus another. What our interest is is a safe and secure, prosperous Pakistan. That is in the interest of the U.S.-Pakistan relations, and we call for the respect of democratic principles and the rule of law around the world” (see the Department's May 11, 2023, transcript at <https://tinyurl.com/3e4my65h>).

²⁴ “Global Inflation Tracker,” *Financial Times* (London), May 10, 2023.

²⁵ See <https://www.worldbank.org/en/country/pakistan/overview#1>.

²⁶ Berlin-based Transparency International's *Corruption Perceptions Index 2022* ranks Pakistan 140th of 180 countries, with a declining score for five consecutive years (see <https://tinyurl.com/4hd6uz85>; “Tax Ratio Drops to 4.4pc in First Half,” *Dawn* (Karachi), February 9, 2023).

²⁷ Bilateral trade statistics at <https://www.census.gov/foreign-trade/balance/c5350.html>. According to the World Bank, the United States accounted for more than 18% of all Pakistan goods exports in 2020, while China accounted for more than 27% of Pakistan's total imports that year (see <https://wits.worldbank.org/CountrySnapshot/en/PAK>).

²⁸ See <https://ustr.gov/sites/default/files/2023-04/2023%20Special%20301%20Report.pdf>.

reform, reduction of the budget deficit, controlling inflation, and expansion of the tax base.²⁹ The IMF authorized a \$1.2 billion tranche for Pakistan in July 2022, but Islamabad has thus far not persuaded the IMF that the country can meet and sustain requisite austerity measures. Many analysts expect Pakistan to go into default by 2024, and Imran Khan's May 2023 arrest likely decreases the chance of an IMF bailout this year.³⁰

Pakistan's Energy and Climate Issues

The bulk of Pakistan's primary energy supply comes from oil and natural gas. Hydropower is the leading source of renewable energy, while the wind and solar sectors are slowly growing. More than 40 million Pakistanis, roughly one-fifth of the population, remain without access to electricity, and half lack access to clean cooking facilities.³¹ Ongoing reliance on oil and gas raises difficulties due to limited reserves and exploration activity, and poor refining capacity. Power supply is regularly outstripped by demand, leading to periodic and often widespread blackouts. A water crisis is deepening, and heat waves are highly damaging to Pakistan's economy, especially in the agriculture and informal sectors.³²

Summer 2022 floods in Pakistan created a humanitarian crisis and raised environmental and governance issues. Flooding affected one-third of the country's land area and some 33 million people; more than 1,700 died. The Islamabad government estimates the cost of flood damage at \$30 billion.³³ The country suffers from environmental challenges that potentially worsen natural disasters, including flooding. A 2021 World Bank *Vulnerability Assessment* found that "Pakistan faces some of the highest disaster risk levels in the world."³⁴ Yale University's 2022 *Environmental Performance Index* ranked Pakistan 176th of 180 countries, finding especially poor performance in the categories of health and climate policy.³⁵

Some experts assess that Pakistan is among those countries most vulnerable to climate change. A German-based think tank's report on climate change identified Pakistan as the world's 8th-most-affected country, suffering nearly \$3.8 billion in related economic losses for the period 2000-2019.³⁶ At the November 2022 COP27 Climate Conference in Egypt, Pakistani officials took a leading role in apparently successful developing country efforts to elicit "loss and damage" financial compensation from developed countries.³⁷

²⁹ See the April 8, 2021, IMF Pakistan FAQ at <https://www.imf.org/en/Countries/PAK/FAQ>.

³⁰ "Pakistan Moving Towards Debt Default by 2024," Economist Intelligence Unit (London), April 20, 2023; "Pakistan Default Risk Grows as Khan Arrest May Delay IMF Deal," Bloomberg, May 10, 2023.

³¹ See the International Energy Agency's Pakistan page at <https://www.iea.org/countries/pakistan>.

³² Pakistan Ministry of Planning, Development, and Special Initiatives, *Pakistan Energy Outlook Report (2021-2030)*, March 2022; "Facing 'Severe' Energy Crisis, Pakistan Reverts to Five-Day Work Week," Reuters, June 7, 2022; "'Perfect Climate Storm': Pakistan Reels from Extreme Heat," *Al Jazeera* (Doha), May 21, 2022.

³³ See CRS In Focus IF12211, *Pakistan's 2022 Floods and Implications for U.S. Interests*, by K. Alan Kronstadt and Rhoda Margesson. At a U.N.-sponsored, January 2023 "Conference on Climate Resilient Pakistan," international donors committed over \$9 billion to help Pakistan's flood recovery, exceeding Islamabad's external financing goals (see <https://tinyurl.com/bdznxud>).

³⁴ See <https://climateknowledgeportal.worldbank.org/country/pakistan/vulnerability>.

³⁵ See <https://epi.yale.edu/epi-results/2022/country/pak>.

³⁶ See <https://www.germanwatch.org/en/19777>.

³⁷ "In a First, Rich Countries Agree to Pay for Climate Damages in Poor Nations," *New York Times*, November 17, 2022.

Pakistan's Domestic Security Setting

Pakistan remains a haven for numerous Islamist extremist and terrorist groups, and Pakistani governments have tolerated and even supported some of these as proxies in Islamabad's historical tensions and conflicts with its neighbors, according to U.S. government reporting.³⁸ Twelve Islamist militant groups operating on or from Pakistani territory are designated as Foreign Terrorist Organizations (FTOs) under U.S. law. They fall into five broad categories: globally-oriented (primarily Al Qaeda and the Islamic State); India- and Kashmir-oriented; Afghanistan-oriented; sectarian; and domestically-oriented. After 2014, Pakistan saw a dramatic reduction in rates of domestic militancy, in large part due to intensive state security efforts and military operations in western border regions. However, U.S. and Pakistani officials have since 2021 identified a local resurgence of the Pakistani Taliban (TTP, see below), as well as new recruitment by Islamic State Khorasan province (IS-K), as key threats. A long-simmering separatist conflict in Baluchistan also persists (see **Figure 1**).³⁹

In 2018, the United States joined the United Kingdom in urging other members of the Paris-based, intergovernmental Financial Action Task Force (FATF) to return Pakistan to its list of countries that show “strategic deficiencies” in combating money laundering and terrorism financing. FATF then added Pakistan to this “gray list,” damaging Pakistan's international financial standing. In October 2022, after years of periodic assessments, FATF determined that Pakistan had made sufficient progress on all 34 “action items,” and it removed Pakistan from the “gray list.”⁴⁰

Pakistan's Nuclear Weapons Arsenal and Security

According to public sources, “Pakistan continues to expand its nuclear arsenal with more warheads, more delivery systems, and a growing fissile materials production industry.”⁴¹ The country currently possesses an estimated 160-165 warheads, along with delivery systems capable of reaching at least 2,000 kilometers, enough to target all of India's territory. Pakistan's development of short-range, low-yield nuclear-armed missiles since 2015—ostensibly a response to India's purported “cold start” doctrine of rapid preemptive strikes with conventional forces—has raised fears among some analysts about negative effects on crisis stability in the event of open warfare between Pakistan and India.⁴² Pakistan has neither acceded to the nuclear Nonproliferation Treaty nor accepted comprehensive International Atomic Energy Agency safeguards. The security of Pakistan's nuclear arsenal, materials, and technologies continues to be a top-tier U.S. concern. The illicit nuclear proliferation network overseen by Pakistani metallurgist A.Q. Khan was disrupted after its exposure in 2004, but analysts warn that parts of the network may still be intact.⁴³ U.S. officials express confidence in Pakistan's nuclear security

³⁸ See the State Department's *Country Reports on Terrorism 2019* at <https://go.usa.gov/xHh4c>. See also CRS In Focus IF11934, *Terrorist and Other Militant Groups in Pakistan*, by K. Alan Kronstadt.

³⁹ Husain Haqqani, “The Deep Roots of Pakistan's Terrorism Crisis,” *Foreign Policy*, March 3, 2023.

⁴⁰ See FATF's October 2022 release at <https://tinyurl.com/4hzfkdxw>.

⁴¹ Hans Kristensen and Matt Korda, “Nuclear Notebook: How Many Nuclear Weapons Does Pakistan Have in 2021?,” *Bulletin of the Atomic Scientists* September 7, 2021.

⁴² See also Arms Control Association, “Nuclear Weapons: Who Has What at a Glance,” January 2022; “Enhancing Strategic Stability in Southern Asia: USIP Senior Study Group Final Report,” U.S. Institute of Peace, March 17, 2022.

⁴³ See, for example, Aaron Arnold and Darya Dolzikova, “AQ Khan Is Dead—Long Live the Proliferation Network,” Royal United Services Institute (London), October 15, 2021.

even as there is ongoing concern that Pakistan's nuclear materials, know-how, or technologies remain prone to unauthorized leakage.⁴⁴

Pakistan's Human Rights Issues

Pakistan is identified as being the site of numerous reported human rights abuses, some of them perpetrated and/or sanctioned by the state. According to the State Department's *2022 Country Reports on Human Rights Practices*, significant human rights issues are serious and extensive. The Department contends that, "There was a lack of government accountability, and abuses, including corruption and misconduct by security services, often went unpunished, fostering a culture of impunity among perpetrators." The report calls law enforcement efforts against human trafficking "inadequate," and says that forced and bonded labor "was widespread and common in several industries across the country."⁴⁵ International watchdog groups often rank Pakistan among the world's most dangerous countries for both journalists and women.⁴⁶

The State Department's *2022 Report on International Religious Freedom* lists numerous reports of restrictions, in particular those related to Pakistan's harsh blasphemy laws and its persecution of Ahmadi Muslims.⁴⁷ The most recent annual report of the U.S. Commission on International Religious Freedom similarly contends that Pakistan's religious freedom conditions continued to deteriorate in 2022, and it (again) recommends that Pakistan be re-designated a "Country of Particular Concern" (CPC) under the 1998 International Religious Freedom Act "for engaging in systematic, ongoing, and egregious violations of religious freedom."⁴⁸ In 2018, the Trump Administration designated Pakistan as a CPC for the first time; the Biden Administration issued the fourth re-designation in December 2022.⁴⁹

Other Foreign Relations of Pakistan

Pakistan-China Relations and CPEC

Pakistan and China have enjoyed what both call an "all-weather friendship" for more than four decades, and both countries retain longstanding rivalries with India. Some observers in both New Delhi and Washington see China working with Pakistan to constrain India's influence, and China

⁴⁴ See, for example, David Albright, "Securing Pakistan's Nuclear Weapons Complex," Paper commissioned and sponsored by the Stanley Foundation for the 42nd Strategy for Peace Conference, Strategies for Regional Security (South Asia Working Group), October 25-27, 2001. In October 2022, President Biden remarked that Pakistan is "maybe one of the most dangerous nations in the world.... Nuclear weapons without any cohesion." Four days later, a State Department spokesman stated that "the United States is confident of Pakistan's commitment and its ability to secure its nuclear assets" (see President Biden's October 13, 2022, remarks at <https://tinyurl.com/kwtdt8ud>, and the State Department's October 17, 2022, transcript at <https://tinyurl.com/4akw5wtu>).

⁴⁵ Issues include "unlawful or arbitrary killings by the government or its agents, including extrajudicial killings; forced disappearance; torture; arbitrary detention; arbitrary or unlawful government interference with privacy" and severe or serious restrictions on free expression, the press, and the internet, among many others (see <https://tinyurl.com/2p8snx9r>). See also CRS In Focus IF12198, *India: Human Rights Assessments*, by K. Alan Kronstadt.

⁴⁶ The Reporters Without Borders *2023 World Press Freedom Index* ranks Pakistan 150th of 157 countries. The World Economic Forum *Global Gender Gap Report 2022* ranks Pakistan 145th of 146 countries in Economic Participation and Opportunity, and 143rd in Health and Survival (see the respective reports at <https://rsf.org/en/index> and <https://tinyurl.com/5xfzm6ru>).

⁴⁷ See the May 15, 2023, release at <https://tinyurl.com/4h93r8zz>.

⁴⁸ See the May 1, 2023, release at <https://tinyurl.com/3vd3htbu>.

⁴⁹ See the December 26, 2019, Federal Register entry at <https://go.usa.gov/xdGeV>.

has provided diplomatic support for Pakistan's Kashmir and foreign policies. Beijing is Pakistan's primary international benefactor and arms supplier, and Chinese investments, companies, and workers are increasingly present in Pakistan. Military-to-military ties are extensive. Some analysts contend that Pakistan's current economic crisis and political instability are serving to increase China's influence there.⁵⁰

China has built a major new port at Gwadar, Pakistan, and is working to connect that to the western Chinese province of Xinjiang. These and other infrastructure and energy initiatives are part of the China-Pakistan Economic Corridor (CPEC), formally launched in 2014. This makes Pakistan the "flagship" of Beijing's larger Belt and Road Initiative.⁵¹ Concerns that CPEC-related loans are partly responsible for Pakistan's ongoing fiscal crisis have spurred debate, both within Pakistan and internationally, over the wisdom of current CPEC planning. Reports indicate that Pakistan owes China about \$30 billion, nearly one-third of Pakistan's total foreign debt.⁵² Although Prime Minister Sharif in late 2022 indicated that CPEC is "a central pillar" of his government's development agenda, analysts argue that CPEC "appears to have exacerbated Pakistan's economic problems."⁵³

Pakistan-India Relations and Kashmir

Pakistan's conflict and rivalry with neighboring India—essentially continuous over the more than seven decades since the 1947 Partition of British India—is unabated. The countries have fought four wars, most recently a 14-week-long clash in 1999, the first-ever between two nuclear-armed powers. Brief and limited incursions across the heavily-militarized border reportedly took place in 2016 and 2019. Pakistan's claims to the disputed territory of the former princely state of Jammu and Kashmir are at the core of the bilateral discord (see **Table 1**). Islamabad has long sought to raise the issue of Kashmiri rights internationally, and it favors self-determination for the overwhelmingly Muslim residents of the Indian-held Kashmir Valley, the locus of a long-simmering separatist conflict. India rejects any high-level bilateral peace negotiations absent decisive Pakistani action against anti-India militants inside Pakistan. Anti-India terrorist groups such as Lashkar-e-Taiba (responsible for the days-long 2008 terrorist assault on Mumbai) and Jaish-e-Mohammed (responsible for a deadly 2019 suicide bombing in Pulwama, Kashmir) apparently continue to operate, by some accounts supported by Pakistani state elements. U.S. policy seeks to prevent conflict between India and Pakistan from escalating.⁵⁴

Since mid-2022, there have been some limited signs of Pakistan-India rapprochement, in particular the continuing success of a cease-fire at the Line of Control in Kashmir since early 2021. However, new disputes of river-sharing have emerged, and the two governments continue to trade bitter accusations. The U.S. intelligence community expresses concern about the potential

⁵⁰ *China's Influence on Conflict Dynamics in South Asia*, U.S. Institute for Peace Senior Study Group Report, December 2020; Uzair Younus, "With Pakistan's Economy in Freefall, Chinese Economic and Military Influence Is Likely to Grow in the Country," Atlantic Council, March 9, 2023; Samir Lalwani, "A Threshold Alliance: The China-Pakistan Military Relationship," U.S. Institute for Peace, March 22, 2023.

⁵¹ See <http://cpec.gov.pk>.

⁵² "U.S. Concerned About Debt Pakistan Owes China, Official Says," Reuters, February 16, 2023; "China's Funding to Pakistan Stands at 30% of Foreign Debt," Bloomberg, September 2, 2022.

⁵³ Shehbaz Sharif, "Pakistan-China Friendship: A Sacred Tale of Abiding Trust and Love" (op-ed), *Global Times* (Beijing), October 30, 2022; Andrea Kendall-Taylor, et. al., "Competitive Connectivity: Crafting Transatlantic Responses to China's Belt and Road Initiative," Center for a New American Security, September 13, 2022.

⁵⁴ Joshua White, "Why America Can't Escape Its Role in the Conflict Between India and Pakistan," Brookings Institution, March 6, 2019, and the State Department's December 19, 2022, briefing transcript at <https://tinyurl.com/443wypsr>.

for open conflict, even as its March 2023 annual report noted “current calm” in the India-Pakistan relationship.⁵⁵

Pakistan-Afghanistan Relations

The August 2021 U.S. withdrawal from Afghanistan and the Afghan Taliban’s renewed rule over that country initially met with some apparent satisfaction in Islamabad—Pakistani leaders had long assessed the Afghan Taliban to be a relatively friendly and reliably anti-India element in Afghanistan.⁵⁶ The ensuing 21 months have, however, seen increasing tensions arise between Islamabad and Kabul. Security forces at their shared border have engaged in intermittent and sometimes lethal clashes over Pakistan’s border fencing and immigration regulations, leading to mutual recriminations. More urgently for Pakistan, its homegrown Tehreek-e-Taliban Pakistan (TTP or “Pakistani Taliban”) has enjoyed a resurgence since 2021. This ethnic Pashtun, U.S.-designated FTO arose in 2007 in Pakistan’s tribal agencies abutting Afghanistan, and its leaders sought refuge across the border in Afghanistan after suffering major losses during the Pakistan Army’s 2014 military operations against the group. The TTP is separate from, but ideologically aligned with, the Afghan Taliban, and it seeks to defeat the Pakistani government and institute Sharia law in the Khyber Pakhtunkhwa province (see **Figure 1**). The group has taken responsibility for numerous gun and bomb attacks on civilians and security forces in Pakistan over the past year, including a January 2023 mosque bombing in Peshawar that killed at least 101 police officers.⁵⁷

Pakistan and the Russia-Ukraine Conflict

The Islamabad government has maintained official neutrality in Russia’s war on Ukraine and has abstained on all relevant United Nations Security Council votes. Then-Prime Minister Khan was visiting Moscow on February 24, 2022—the day of Russia’s renewed invasion—and later called the timing “embarrassing,” saying the trip had been planned months in advance.⁵⁸ The war has caused supply shocks leading to the rapid rise of fuel and food costs.⁵⁹ Pakistan’s importation of Russian wheat has soared—it reportedly now is Russia’s fifth-largest wheat importer—and Islamabad recently began purchasing discounted Russian oil.⁶⁰ At the same time, Pakistan reportedly has quietly been providing ammunition supplies, including *Grad* rockets, to Ukraine; the Islamabad government publicly denies such reports.⁶¹

⁵⁵ Derek Grossman, “India-Pakistan Ties Are Warming—But Don’t Get Excited Just Yet,” RAND, September 29, 2022; Rahul Mahadeo Lad and Ravindra Jaybhaye, “Troubled Waters: India, Pakistan, and the Indus Water Treaty 2.0” *Diplomat*, April 11, 2023; “India and Pakistan Trade Blame for Frosty Ties After SCO Meeting,” Reuters, May 5, 2023. See the March 8, 2023, *Annual Threat Assessment of the U.S. Intelligence Community* at <https://tinyurl.com/4hjartj7>.

⁵⁶ “Pakistan Rejoices at Taliban Victory as West Flounders,” *Deutsche Welle* (Berlin), August 18, 2021; “The Real Winner of the Afghan War? It’s Not Who You Think,” *New York Times*, August 26, 2021.

⁵⁷ Raza Khan Qazi, “As Pakistan’s Afghanistan Policy Fails, the Afghan Taliban Moves Against Islamabad,” Atlantic Council, September 6, 2022; Ahmed Waqas Waheed, “Pakistan’s Troubled Ties with the Taliban,” East Asia Forum, November 22, 2022; “Islamist Militants Have Pakistan’s Police in Their Crosshairs,” Reuters, February 27, 2023.

⁵⁸ Quoted in “Imran Khan Signals Desire to Build Bridges with Washington,” *Financial Times* (London), November 12, 2022.

⁵⁹ “Pakistan Finance Minister Pushed Painful Fixes to Win Back IMF Lifeline,” *Wall Street Journal*, July 15, 2022.

⁶⁰ “Pakistan’s Wheat Imports from Russia Surge Eightfold on Supply Disruption from Ukraine,” *S&P Global*, March 15, 2023; “Pakistan Makes Its First Purchase of Discounted Russian Oil,” Reuters, April 20, 2023.

⁶¹ “Ukraine War: Bakhmut Defenders Worry About Losing Support,” BBC News (London), April 27, 2023; “Pakistan Denies Supplying Ammunition to Ukraine,” *Dawn* (Karachi), February 17, 2023.

Issues Facing Congress

Congress, in its legislative and oversight roles, could consider taking actions—including issuing its own assessments—on issues related to Pakistan and Pakistan-U.S. relations. For example, Congress could consider the following:

- Whether or not the United States should engage in a substantive “reset” in its bilateral ties with Pakistan, especially in the wake of the U.S. military and diplomatic withdrawal from Afghanistan in 2021. This could include seeking to determine the best avenues to pursue in such an effort and metrics to assess its effectiveness.
- Pakistan is a country of more than 200 million people with nuclear weapons, numerous Islamist terrorist groups, and increasingly close ties to China. The Biden Administration’s February 2022 *Indo-Pacific Strategy*, and its October 2022 *National Security Strategy* and *National Defense Strategy* make no mention of Pakistan. Congress could consider whether or not Pakistan should be explicitly incorporated into the U.S. Indo-Pacific strategy and, if so, in what way. Congress also could consider whether or not to develop and issue its own assessment of what role Pakistan should play in future U.S. regional and global strategy.
- Whether or not the United States should resume significant security assistance to Pakistan, and whether or not the United States should continue to offer sustainment services for Pakistan’s existing U.S.-supplied defense equipment. Congress could also consider conducting its own assessment of whether or not engaging in intelligence cooperation with Pakistan serves U.S. interests, and, if so, how effectively.
- Whether or not past U.S. aid to Pakistan has met its stated goals, and, if so, how effectively. Congress could consider developing and issuing its own assessment of how effectiveness may be improved.
- Whether or not assisting efforts to strengthen Pakistan’s democratic institutions and rule of law serves U.S. interests, and, if so, what actions, if any, might increase the effectiveness of such efforts.
- Whether or not to assist in efforts to ameliorate Pakistan’s economic crisis. For example, Congress could consider whether or not a phased reduction of tariffs on Pakistani textile imports to the United States would be an effective means to help develop Pakistan’s economy, as some analysts argue. Congress also could consider whether or not to renew the Generalized System of Preferences program and to Pakistani products eligible for duty-free import under that program again.
- Whether, and to what extent, the United States should assist Pakistan in its efforts to adapt to climate change and mitigate its effects. Congress also could consider it is in the U.S. interest to support “loss and damage” funds to compensate Pakistan for past damages attributed to climate change.
- Whether Pakistan’s governmental and civil society institutions are making effective efforts to combat the spread of religious extremism and militancy there, and consider whether or not to pursue congressional actions aimed at bolstering such efforts.
- The extent to which the TTP or “Pakistani Taliban” represent a substantive threat to Pakistan’s stability. Congress also could consider the extent to which anti-India terrorist groups in Pakistan pose a threat to U.S. regional interests.

- Assessing how secure Pakistan's nuclear weapons arsenal and technologies are, and whether the United States can take steps to help in strengthening their security.
- Assessing what actions the Pakistani government is taking to protect the human rights of its citizens, perhaps in particular its religious minorities. Congress can consider what role or actions, if any, might be effective in strengthening freedoms of religion, expression, and the press there.
- Assessing the extent to which China's increasing presence and influence in Pakistan might affect U.S. national and regional interests, as well as India's interests.
- Assessing what the trends in Pakistan-India relations are, and what the prospects are for peaceful resolution of the Kashmir dispute. Congress also could consider whether or not U.S. government actions could be helpful in ameliorating Pakistan-India tensions and reducing the possibility and scope of future conflict, and, of so, which types of actions.
- Assessing the nature of Pakistan's relationship with the Afghan Taliban now that the latter govern the country, and how that relationship affects U.S. regional interests and stability.
- Assessing the nature of Pakistan's relations with Russia and Ukraine, and how this dynamic fits into the pursuit of U.S. goals in both Eastern Europe and South Asia.

Table I. Direct Overt U.S. Aid Appropriations for and Military Reimbursements to Pakistan, FY2002-FY2024

(rounded to the nearest millions of dollars)

Note: Final obligation and disbursement totals may be lower than program account appropriations

Program or Account	FY2002- FY2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Program or Account Total	FY 2023 (req.)	FY 2024 (req.)
CN	341	—	—	—	—	—	341	^a	^a
FMF	4,073	—	—	—	—	—	4,073	—	—
IMET	52	—	—	—	4	3	59	4	4
INCLE	949	21	40	21	25	25	1,081	17	17
NADR	182	2	2	1	1	—	188	1	1
PCF/PCCF	2,352	—	—	—	—	—	2,352	—	—
Total Security-Related	7,939^b	23	42	22	30	28	8,406^b	22	22
Climate	—	—	—	—	—	—	—	9	37
CSH/GHCS/GHP	295	—	—	3	7	31	336	30	32
ESF/ESDF	8,696 ^c	48	62	53 ^d	45	50 ^e	8,954	54	82
Food Aid ^f	643	—	—	—	—	—	643	—	—
IDA	1,065	36	—	6	3	47	1,157	^a	^a
MRA	371	4	28	32	2	62	499	^a	^a
Total Economic-Related	11,356^g	88	90	94	57	190	11,875^g	93	151

Program or Account	FY2002- FY2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Program or Account Total	FY 2023 (req.)	FY 2024 (req.)
CSF Reimbursements^g	14,573^h	^h	^h	—	—	—	14,573	—	—
Grand Total	34,190	111	132	116	87	218	34,854	115	173

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

Notes:

Abbreviations:

- CN: Counternarcotics Funds (Pentagon budget)
 CSF: Coalition Support Funds (Pentagon budget)
 GHP: Child Survival and Health; Global Health and Child Survival (GHCS) from FY2010; Global Health Programs (GHP) from FY2013
 ESF: Economic Support Funds; Economic Support and Development Funds (ESDF) from FY2018
 FMF: Foreign Military Financing
 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; shows obligations)
 NADR: Nonproliferation, Anti-Terrorism, Demining, and Related (the great majority allocated for Pakistan is anti-terrorism assistance)
 PCF/PCCF: Pakistan Counterinsurgency Fund/Counterinsurgency Capability Fund (PCF overseen by the Pentagon, PCCF overseen by State)

- a. This funding is “requirements-based”; there are no pre-allocation data.
- b. Includes \$312 million “global train and equip” funds from FY2006-FY2009 authorized by Section 1206 of the National Defense Authorization Act (NDAA) for FY2006, within which \$100 million in FY2008 and FY2009 funds was for Pakistan’s paramilitary Frontier Corps.
- c. 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. Also includes \$17 million in Human Rights and Democracy Funds from FY2002-FY2007.
- d. Includes \$7 million in FY2020 COVID supplemental funds.
- e. Includes \$10 million in supplemental FY2022 ESF under the Additional Ukraine Supplemental Appropriations Act, 2022 (P.L. 117-128).
- f. 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.
- g. Includes \$286 million in Development Assistance appropriated from FY2002-FY2008.
- h. CSF was Defense Department funding to reimburse foreign forces for logistical and operational support of U.S.-led military operations; it is technically not foreign assistance. Beginning in FY2015, successive NDAA’s subjected one-third to one-half of annual CSF to Pakistan to Haqqani Network-related certification requirements that could not be waived by the Administration. The Administration did not issue certifications for FY2015-FY2018. The NDAA for FY2019 revamped the CSF program, authorizing \$350 million to support security enhancement activities along Pakistan’s western border, subject to certification requirements that have not been met to date. The NDAA for FY2020 disallowed the use of FY2020 funds to reimburse Pakistan.

Figure 1. Map of Pakistan



Source: Adapted by CRS.

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