Dangerous Liaisons: Is the U.S.-Pakistan Alliance a Cause of Indo-Pakistani Conflict?

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Dangerous Liaisons: Is the U.S.-Pakistan Alliance a Cause of Indo-Pakistani Conflict?

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ABSTRACT

Why has South Asia’s history been mired in a perpetual and often violent rivalry between the neighboring states of India and Pakistan? What explains Pakistan’s persistent willingness to initiate conflict against its militarily superior adversary, India? Given that Pakistan appears to be unable to achieve its conflict goals absent some form of U.S. support, does the U.S.-Pakistan alliance have the features of a moral hazard dynamic? In order to explore this question, I leverage scholarship on moral hazard theory, interstate alliances, and extended deterrence theory to undertake a structured case comparison of four major conflict events—the 1965, 1971, and 1999 Indo-Pakistani wars and the 1990 Kashmir Crisis—with an eye toward determining the relative, causal influence of the U.S. alliance on Islamabad’s decision to initiate or escalate conflict.

The analysis indicates that a moral hazard dynamic has at times existed in U.S.-Pakistani relations when Pakistan perceived that it could rely on U.S. alliance commitments to ensure Pakistan’s national survival and support its diplomatic quest for greater territorial inclusion of the Kashmir province. The analysis further suggests that Pakistan’s risk-acceptance was calibrated in accord with the strength of its belief in the prospect of U.S. intervention. However, after Pakistan crossed the nuclear rubicon, beliefs about the prospect of U.S. intervention were less important in Pakistan’s short-term military calculations, but they continued to embolden Pakistan’s diplomatic strategy to internationalize the Kashmir dispute through armed aggression.
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Introduction

Since their creation as modern nation-states in 1947, India and Pakistan have been mired in a state of persistent hostility. Throughout this enduring rivalry the two nations have experienced four major wars, punctuated by an array of intermittent crises—culminating in the present specter of nuclear conflagration. The conflict between these two nations is simultaneously over disputed territory, competing national identities, and relative power position in the region. However, at the heart of Indo-Pakistani hostility lays a contentious dispute over ownership of a relatively small border region known as Kashmir—the unfinished business of partition politics. The majority of Indo-Pakistani wars and crises have been directly over Kashmir or eventually came to involve the Kashmir dispute in some respect, yet none of these altercations has yielded a resolution. Over a half century of military stalemate has left the region just as primed for conflict as ever, only now with the volatile element of nuclear brinksmanship making the region the world’s most dangerous tinderbox.

Throughout its history, Pakistan episodically has attempted to seize control of Indian-administered areas of Kashmir through hostile means—whether by proxy militants, conventional military forces, or a combination of the two. Each attempt has failed to yield Pakistan’s political goal. Despite repeated failures, Pakistan has continued to resort to these military blunders, only to once again meet with defeat on the battlefield at the hand of the Indian military.

The central inquiry of this research effort is to advance an understanding of Pakistan’s quixotic Kashmir policy. Given that India has always held a position of significant military superiority—a fact known to military planners in Islamabad—are we to simply accept that Pakistan is irrational? If so, then a brazen Pakistani military with a large nuclear arsenal and a propensity for suicidal warmongering certainly deserves our full attention. However, this paper will suppose that Pakistan is at least moderately rational, isn’t suicidal, and actually has reasonable grounds to infer that military actions might shift the Kashmir status quo. Upon this grounding I explore the sources of Pakistani belligerence by drawing upon theoretical and historical scholarship.

This paper shows that Pakistan’s view of the prospect of U.S. intervention is a contributing factor in Islamabad’s decisions to initiate or escalate conflict with India. Pakistan’s willingness to accept the risk of an attritional war with a superior power has not been an irrational act, but has been premised historically on Pakistan’s calculations of the likelihood that its superpower patron will both ensure the wars are limited in scope and duration and that it can count on U.S. intercession in the conflict’s diplomatic aftermath. At present, the introduction of nuclear weapons into the region has supplanted the need for Pakistan to rely on U.S. security assurances, although expectations about U.S. diplomatic intercession over Kashmir continue to shape Pakistan’s calculus for engaging in risky brinksmanship with India. Other factors, such as advancements in Pakistan’s military technological prowess, exigencies of domestic politics, and jingoistic nationalism have all exerted their own causal influence on Pakistan’s conflict decision-making. However, the U.S.-Pakistan alliance and Islamabad’s beliefs about U.S. intervention has played an influential role in Pakistan’s conflict calculus beyond the scope largely afforded it in the majority of scholarship on South Asian security.
Explaining Conflict in South Asia

In international relations literature, there exists a large body of scholarship dedicated to theoretical examinations of the ‘causes’ of war. Much of this literature has placed importance on explanations for war occurrence that distinguish between structural and proximate causes. Structural causes can be considered factors that predispose states toward conflict, such as arms races or territorial disputes. These factors provide explanatory depth for conflict events, but since they are constant features across time, they provide insufficient explanations for why a particular war occurred at a particular time. Similarly, identifying proximate causes fills an important part of the explanatory picture. Yet, by themselves proximate causes are difficult to predict and provide insufficient insight for theoretically modeling future conflict behavior. To fully account for the occurrence of conflict in the world, scholars must draw upon both structural and proximate variables, along with an array of intervening variables and causal mechanisms to fully portray the mosaic of influences that lead states toward war.

The available literature on Indo-Pakistani conflict offers a range of compelling explanations based on examinations of structural and proximate causes. Much of the scholarship rests on the fundamental observation that since the two nations were partitioned into individual nations in 1947, they’ve been seemingly trapped in a perpetual security dilemma. With a legacy of war and unresolved territorial disputes, the efforts undertaken by one state to bolster its security are perceived as offensive measures by the adversary—inducing a spiral of mistrust and antagonism. Scholars have also given a great deal of attention to causal explanations that rely on examinations of domestic-level variables. For example, many have argued that the Pakistan Army’s preeminent role in Pakistani society relies on perpetuating the “India threat” narrative—

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4 For a thorough examination of how different theories apply security dilemma logic to South Asia see, T.V. Paul (ed.), *The India-Pakistani Conflict: An Enduring Rivalry*, (London: Cambridge University, 2005)
providing the Army with incentives to adopt confrontational policies and to eschew civilian-led efforts toward reconciliation with New Delhi. Additionally, scholars have written at length on proximate causes, which usually entail historical accounts of how Pakistan attempted to seize a particular tactical ‘window of opportunity’ when it appeared that India was politically or militarily vulnerable.

My review of the relevant historical and theoretical literature suggests that a key causal factor has been insufficiently integrated into the overall explanatory picture. Throughout the history of the Indo-Pakistani rivalry, external powers have consistently played an important role in Indo-Pakistani security competition. Most prominently, the United States has played the critical role of mediator in the aftermath of the majority of wars and crises. Most of the available scholarship focuses on the post-conflict role of U.S. involvement or on the historical progression (and digression) of U.S.-Pakistani security relations. However, this paper’s examination of Pakistani belligerence indicate that Pakistan’s view of alliance with the U.S., and the prospect of spurring U.S. post-conflict intervention may have provided compelling incentives for Pakistan to undertake aggressive actions against India at particular points in its history. Scholarship on the moral hazard of alliance commitments offers an appropriate conceptual framework for examining whether or not the U.S.-Pakistan alliance has incited Pakistani conflict behavior.

5 For a thorough historical treatment of this dynamic, see especially, Husain Haqqani, Pakistan: Between Mosque and Military (Washington, DC: Carnegie, 2005), for additional insights on institutional effects of the Pakistan military on conflict behavior see also, Sumit Ganguly, Conflict Unending: India-Pakistan Tensions Since 1947, (New York: Columbia University Press, 2001)
6 Sumit Ganguly contends that the immediate precipitants of war in the region have all largely been “opportunistic events” where one party saw itself at a historical juncture whereby it could damage the other’s fundamental claims to Kashmir or to the larger process of state construction. See Ganguly, p. 6.
Moral Hazard Theory as a Conceptual Framework

Moral hazard is a concept originating from economics that seeks to explain the conditions under which an actor behaves in a risk-acceptant manner when the actor knows that a third party will share the burden of the consequences. The term ‘moral hazard’ has been most prominently invoked in the context of the insurance industry.¹ For example, economists have argued that federal insurance arrangements with the banking industry can encourage banks to make riskier loans. A “moral hazard” is said to arise in the fact that banks would not be so risk-acceptant without the belief that a third party would bear much of the consequences if the loan arrangements fell through. Therefore, the term moral hazard is used to describe a situation in which a party is incentivized to engage in risky behavior by another party which either explicitly or implicitly promises to come to its aid. An important conditional prerequisite for moral hazard is the notion of “hidden action.” If insurance companies could perfectly monitor all clients at all times, they could better regulate the level of acceptable risk they were willing to incur in the contract. However, because a client’s decision to encounter risk is mostly ‘hidden’ from the insurers view, a moral hazard is enabled.

In recent years international relations scholars have increasingly drawn upon moral hazard theory to examine the deleterious side effects of humanitarian intervention in civil conflicts. In particular, Alan Kuperman has argued that increased recognition of the emerging international norm of humanitarian intervention in the post-Cold War era—as evidenced in places such as Kosovo and Rwanda—have actually emboldened victimized ethnic groups to instigate civil conflicts with the government security forces in order to bring about the requisite

conditions to spur an international intervention.⁹ Kuperman highlights the puzzling phenomenon that most cases of genocidal violence witnessed today arise when ethnic rebellions provoke massive state retaliation.¹⁰ Kuperman’s research findings suggest that, despite the government’s military preponderance and their well-known heavy handed suppression tactics, victimized ethnic groups have episodically become emboldened by the prospect of intervention and have undertaken provocative acts of rebellion with the expectation that the international community will intervene on their behalf. This dynamic illustrates a moral hazard effect—ethnic groups perceive an incentive to undertake risky behavior that leads to violent and often genocidal conflicts where they otherwise would likely not occur.

Moral hazard theory was eventually deployed in the context of deterrence theory literature—not surprising given that much of deterrence scholarship is built upon rational actor models from economics. In particular, Timothy Crawford has argued that the U.S. practice of extended deterrence policy has in several cases exhibited a strong moral hazard dynamic. Crawford observes that the reason that moral hazard has only been recently invoked in extended deterrence research is because Cold War deterrence scholarship drew primarily from the empirical record of the European context in which America’s deterrence protégés were largely passive-defensive in their orientation.¹¹ Crawford argues that a larger empirical sampling of present day weak states—reliant on extended deterrence and security assurances—points to the presence of states that are not necessarily predisposed to have “only defensive ambitions.”¹² Among Crawford’s case studies in Pivotal Deterrence, he considers the 1965 Indo-Pakistan War,

¹⁰ Ibid, p. 2
¹² Ibid, p. 292
in which he contends that Pakistan’s alignment options with the U.S. and China may have “encouraged” Pakistan’s propensity to “run risks.”\textsuperscript{13} In Crawford’s formulation, extended deterrence is analogous to an insurance policy, and the ‘insured state’ may feel emboldened to undertake risky attempts to seize conflict gains because it believes the consequential risk will be shared with a more powerful patron.

\textit{The Moral Hazard of Security Alliances}

A theoretical construct that is analogous to moral hazard can be found in the alliance literature in the concept of ‘entrapment’. An alliance is generally defined as a formal (or informal) commitment for security cooperation between two or more states, intended to augment each state’s power, security, and/or influence.\textsuperscript{14} The problem of entrapment generally arises when one member in an alliance fears being dragged into an unnecessary conflict by an ally who has become emboldened by the aggregate power enhancements that it possesses through the alliance. Brian Lai argues that alliance guarantees, like insurance, could potentially lead states to pursue riskier behavior than they normally would because they have potentially greater capabilities.\textsuperscript{15}

States who fear alliance entrapment must ameliorate this risk by ensuring that their alliance commitments are not so binding that they induce entrapment, but also by making sure that they commit the necessary amount to lend credibility to the alliance’s deterrent value. James Fearon argues that “the problem of moral hazard in alliances and extended deterrence” explains why defenders “shy away from absolute commitment” when the apparent need to demonstrate

\begin{itemize}
  \item \textsuperscript{13} Timothy Crawford, \textit{Pivotal Deterrence: Third Party Statecraft and the Pursuit of Peace}, (Ithaca: Cornell University Press, 2003), p. 167
  \item \textsuperscript{14} Stephen Walt, “Alliances in a Unipolar World,” \textit{World Politics} 61, no. 1 (January 2009), p. 86-120
\end{itemize}
credibility would instruct them to do otherwise.¹⁶

In order to determine if a moral hazard dynamic may be present within the extended
deterrence framework of an alliance, it is important to understand what factors shape a protégé’s
perception of when the alliance’s ‘insurance policy’ can be invoked in its favor. According to
the deterrence literature, three indicators are particularly important to signal the likelihood that a
defender will make good on extended deterrence commitments: 1) the specific terms of support
spelled out between the defender and protégé in the formal alliance arrangements; 2) the
defender’s intrinsic interests in the issue of dispute; and 3) the defender’s concern over the
reputation of its alliance commitment.¹⁷ These three factors together constitute important
features of the alliance’s ‘reliability.’ According to Alastair Smith’s rigorous quantitative study
of the relationship between alliances and conflict, nations consider alliance reliability before
engaging in conflict, and nations are more likely to involve themselves in conflict when they
anticipate allied support.¹⁸

_Hypothesizing the Moral Hazard of the U.S.-Pakistan Alliance_

The U.S.-Pakistan alliance appears at face value to have the basic ingredients for a moral
hazard dynamic. The U.S. superpower patron has long offered Pakistan formal security
guarantees, which Pakistan views as a major boost to its overall bargaining power and national
survival. Given Pakistan’s revisionist claims to Kashmir and its role as the primary aggressor in
almost every conflict with India, there are reasonable grounds on which to infer that the U.S.
alliance might play an influential role in Pakistan’s war-proneness. This supposition does not

¹⁶ James Fearon, “Signaling Foreign Policy Interests,” _Journal of Conflict Resolution_ 41 (February 1997), p. 84
necessarily exclude the possibility that other causal variables may also coalesce to impel Pakistani belligerence. However, if Pakistan’s perceptions of U.S. alliance commitments or the prospect of U.S. intervention are a contributing factor to its conflict behavior, then understanding this dynamic will offer greater insight into how to dampen the often violent and perhaps someday catastrophic Kashmir dispute.

Parsing through the varying explanatory weight of each possible variable is beyond the scope of this research effort. The primary interest at hand will be to determine if and how a moral hazard dynamic may have been in play throughout the major Indo-Pakistani conflict events. If a moral hazard dynamic appears to be in operation at various points in time, the secondary interest will be to understand the antecedent conditions under which this phenomenon might encourage Pakistan’s conflict behavior. Finally, at a broader macro-level, there is also value in discerning how this moral hazard has changed or evolved into its current form—if it is found to persist to present day.

It is important to first acknowledge several key assumptions that undergird the formulation of my hypothesis. These prima facie observations provide the necessary foundation on which to build a hypothesis that presupposes Pakistani reliance on U.S. intervention to bolster Islamabad’s position on the Kashmir dispute.

1) Pakistan desires that conflicts with India will be limited in scope and duration, and does not want to engage in a protracted, attritional battle with the numerically superior Indian military.

2) Pakistan’s military aggression largely aims to yield political gains exclusive to the Kashmir theater. (ie. Pakistan doesn’t have grand designs on the impossible task of seizing deeper territorial gains inside India.)

3) Pakistan understands that—despite the combat outcome—the post-war terms will be settled at the negotiation table, not on the battlefield.

4) Pakistan does not desire to enter into negotiations bilaterally, but prefers the U.S. to mediate (in Islamabad’s favor).
Accepting these basic assumptions provides logical grounds to infer that Pakistan—as a presumed rational actor—should choose to pick a fight when it believes the prospect of U.S. intervention is high. Therefore, given the strategic bargaining advantages that the U.S.-Pakistan alliance confers upon Islamabad—particularly in shifting the Kashmir status quo more in its favor—my core hypothesis will suppose:

**H**: *Pakistan’s view of the prospect of U.S. intervention is a contributing factor in Islamabad’s decisions to initiate conflict with India.*

In my research design, the independent variable will be Pakistan’s initiation or escalation of hostilities with India, and the dependent variable will be Pakistan’s view of the prospect for U.S. intervention. By drawing upon the extended deterrence and moral hazard literature to determine how Pakistan’s (mis)perception of its alliance with the U.S. might induce Pakistani beligerance, my hypothesis can be broken down into two parallel sub-hypotheses that will be tested through the research process.

**H-1**: *When Pakistan views U.S. alliance commitments as reliable and the prospect of U.S. intervention in Indo-Pakistani conflict is high, Pakistan is more prone to incite conflict with India.*

**H-2**: *When Pakistan views U.S. alliance commitments as unreliable and the prospect of U.S. intervention in Indo-Pakistani conflict is low, Pakistan is less willing to incite conflict with India.*

The viability of testing my hypothesis requires an examination of Pakistan’s pre-conflict calculations. While the historical record may not always offer explicit revelations of Pakistan’s perceptions of the chance of U.S. intervention or its explicit measure of alliance reliability, the historical literature does offer a robust account of U.S.-Pakistani diplomatic signalling prior to key periods of conflict. This foundation of data provides a sufficient basis on which to make
logical inferences about that status of U.S.-Pakistani relations during key periods and whether or not Pakistan’s pursuit of U.S. intervention played a determinant role or was causally insignificant.

Methodology Overview

Although the U.S.-Pakistan alliance appears at face value to be primed for moral hazard, it is necessary to zero in on the specific terms of the alliance throughout its history to discern if the unique circumstances surrounding each period of conflict indicate the causal influence of a moral hazard dynamic. In order to test this relationship, I undertake a structured, focused comparison method to examine cases in which Pakistan initiated or escalated conflict with India—amounting either in war or crisis outcome. Whether or not the event actually constitutes a war—as defined by casualty levels in the social science literature—is not as important as the fact that Pakistan choose to undertake armed aggression against India or to escalate a conflict to full-scale war. Due to the fact that outside powers—particularly the U.S.—have intervened in many instances of Indo-Pakistani conflict, certain attempts by Pakistan to initiate or escalate what would have become a war ultimately resulted in a diffusion of violence that merely amounted to a crisis event.

In each case under comparison, I attempt to qualitatively evaluate Pakistan’s pre-war calculations with an eye toward determining the relative, causal influence of the U.S. alliance on Islamabad’s decision to initiate conflict. I pay due attention to other causal variables that are seemingly in play in each case in order to situate the potential explanatory role of the U.S.-Pakistan alliance. I also consider the implications of the condition of U.S.-Indian relations in each case. However, since New Delhi was a champion of the non-aligned movement and had no
formal alliance commitments from the U.S. throughout this history, I will avoid overstating the causal impact of U.S.-Indian relations in Pakistan’s pre-war calculus.

In order to structure my case evaluation I apply three primary questions to each conflict event: 1) What were Pakistan’s apparent conflict goals? 2) Did Pakistan appear to need U.S. alliance leverage to achieve its goals, or could Pakistan have achieved its goals independent of this support? 3) Does the diplomatic signaling between the U.S. and Pakistan indicate Pakistan had reason to believe it could rely on U.S. diplomatic and/or military assistance in achieving its conflict goals?

This line of inquiry is applied to four conflict cases:

1. The 1965 Indo-Pakistani War
2. The 1971 Bangladesh War
3. The 1990 Kashmir Crisis
4. The 1999 Kargil War

In order to add additional measures of variability control, these cases encompass periods where Pakistan was ruled by a civilian-led government as well as cases where the military had taken power in order to account for any variation in regime-type. Furthermore, by examining wars and crises that occurred before and after Pakistan and India overtly demonstrated their nuclear capabilities I will be able to account for any variance imposed by the nuclear factor. To balance the survey, I will also examine periods of transition between these conflicts to discern the condition of the U.S.-Pakistan alliance during periods of “non-conflict.” If these periods are found to be propitious for Pakistani conflict initiation, to include favorable U.S. relations, then it will be important to identify such an empirical incompatibility with my hypothesis.

This research project aims to advance an understanding of three overarching macro questions that are addressed in the final synthesis: 1) Does the empirical record indicate the
presence of a moral hazard dynamic in the US-Pakistan relations leading up to conflict? 2) Can we surmise the possible causal influence on this dynamic in Pakistan’s pre-war calculations? 3) If a moral hazard dynamic exists, how has it persisted or changed over time as the US-Pakistan alliance has evolved in parallel to the Indo-Pakistani conflict. It is important to keep in mind that it is possible to have an alliance without a moral hazard and it is also possible to have an extended deterrence arrangement without a moral hazard. However, since the U.S. and Pakistan have long had both an alliance and an extended deterrence arrangement under periods of Pakistani military belligerence, this paper “takes a look under the hood” to see if a moral hazard dynamic has affected the mechanics of South Asian stability.

Origin of the Kashmir Dispute

In order to understand Pakistan’s historical view of its security relations with the U.S. it is necessary to first understand the conditions that gave rise to Pakistan’s perceptions of its own vulnerabilities. The historical narrative of Indo-Pakistani conflict begins with the British post-colonial partition of the Indian subcontinent in 1947. However, the contours of that event were shaped largely during the decades prior in which Muslim Indians forged a movement to ensure that Muslim interest would be preserved in the emerging Hindu-dominated governance structure. The main political unit that drove this movement was the Muslim League—under the leadership of the ironically secular-minded Mohammad Ali Jinnah. For Jinnah, the need to partition the continent along religious demographics was more aimed at protecting Muslim society, not merely Islamic ideology. Regardless, the movement he propelled succeeded in sequestering a domain for South Asian Muslims apart from the emerging Indian state—the “Domain of Pakistan,” as it was originally called.

19 This historical narrative is drawn largely from Ganguly, Conflict Unending, p. 15-30.
Another feature of the partition process involved deciding how to transition governance of the circa 570 “princely states” into the emerging national structures. To this end, the British gave the notional heads of each princely state the right to choose to which nation—India or Pakistan—they would accede. While most states smoothly transitioned their notional obedience to their respective, new central governments, the leader of one particular princely state—Jammu and Kashmir—deferred accession to either state in hopes of preserving monarchical continuity. The leader, Maharaja Hari Singh, was rightfully concerned that being the Hindu leader of a majority Muslim state would afford him a precarious future whether he acceded to either India or Pakistan.

In Fall 1947, a tribal rebellion erupted in the southwestern reaches of the Kashmiri state, precipitating a chain of events that would embroil the princely state—abutting both the Indian and Pakistani borders—into the midst of a perpetual, and frequently violent rivalry. Pakistan clearly saw this instability as a window of opportunity to seize upon its irredentist claims, and sought an immediate military solution.\(^{20}\)

During October, the Pakistani Army moved several units into the Kashmir valley to aid the rebels with arms, transport, and men.\(^{21}\) The Maharaja panicked and appealed to India for intervention—a request New Delhi gladly obliged in exchange for Kashmir’s legal accession to the Indian union. Indian troop deployments swiftly dampened the insurrection, but only to prompt Pakistan to escalate the hostilities by sending in regular Army personnel, tribal militias, paramilitary units and soldiers disguised as local tribesmen, with the goal of seizing the central capital town of Srinagar.

\(^{20}\) Recent scholarship has produced evidence that this rebellion was initially fomented by mid-level Pakistani officers, absent the full awareness of the top echelon of Pakistan’s political and military leadership. However, once senior leaders were apprised of this covert campaign, they eventually backed the effort through official state channels. See, Shuja Nawaz, “The First Kashmir War Revisited,” *India Review*, Vol. 7, No. 2, p. 115 -154, (2008).

\(^{21}\) Ganguly, *Conflict Unending*, p. 16
The ensuing conflict took the form of pitched battles between beleaguered and poorly equipped and trained military forces of two embryonic nations in the punishing terrain of the Himalayan valley. If the battle could have devolved into simple attrition, the preponderant India could have quelled the conflict, perhaps gruesomely, but worthwhile if squashing the dispute for perpetuity. Instead, the awkward terrain and Pakistan’s finely orchestrated tactics of leveraging tribal groups and favorable topography enabled Pakistani forces to threaten Indian supply lines.

The only remaining viable military strategy available to India was to expand the scope of the conflict by attacking deeper into Pakistan’s heartland—a gamble for which it was ill-resourced. Therefore, India referred the issue to the UN Security Council, which attempted to address New Dehli’s plea by assembling a commission to investigate the conflict, mediate the territorial dispute, and adjudicate the legalities.\(^\text{22}\) India and Pakistan failed to reach an agreement, and consequently left the issue in a stalemate that has persisted for over 60 years.

Pakistan’s position in the stalemate is that a UN-administered plebiscite should be held to allow the Kashmiri’s to vote on their national orientation—a position Islamabad holds with the belief that the majority Muslim province will vie for inclusion in Pakistan. India’s position is that Kashmir is an integral part of the Indian Union by virtue of the maharaja’s legal accession to India in 1947. However, in large part, India is content with the status quo, and has expressed willingness to accept the current military ‘line-of-control’ (LOC) as the de facto border. Pakistan, as the revisionist state, has largely rejected this idea. For this reason, Pakistan has long sought outside—especially American—mediation of the Kashmir dispute in order to balance the advantage that India enjoys as the stronger status quo power.\(^\text{23}\)

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\(^{22}\) Ibid, p. 22

**Origins of the U.S.-Pakistan Alliance**

The formal architecture of the U.S.-Pakistan alliance was forged amid the heightened U.S.-Soviet security competition of the 1950s. The divergent purposes for which each country choose to ally with one another foreshadowed the terms under which the alliance would eventually adopt the characteristics of a moral hazard dynamic. For the U.S., the primary purpose of bringing Pakistan into its global alliance matrix was to cultivate Pakistan as a hedge against the threat of Soviet expansion into South Asia and Middle East. In particular, the U.S. envisioned that Pakistan would confer a strategic position from which to protect U.S. oil interest in the Middle East, to launch U2 flights over Soviet territory, and to base sensitive intelligence facilities to support clandestine monitoring and covert action in the region.

Pakistan’s reasons for allying with the U.S., however, were centrally focused on gaining the military aid necessary to challenge India and the diplomatic backing necessary to wrest control of Kashmir. Pakistan was under no illusion that it had sufficient resources to compel an acceptable settlement of Kashmir through bilateral negotiations with India, and Islamabad understood that the regional balance of power stood firmly in India’s favor. As Raju Thomas has argued, India’s emerging military preponderance in South Asia “provoked Pakistan into a constant search for arms and alliances.”

Pakistan’s keen understanding of U.S. geostrategic interests provided Islamabad a foundation for marketing itself for membership in a U.S. security alliance. Stephen Walt

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25 Kux, p. 45
26 The famous U2 flight of Gary Powers that was shot down over Sverdlovsk by Soviet anti-aircraft missiles in 1960 had departed from a covert airbase in Peshawar, Pakistan.
27 See McMahon, pg. 835, and Kux, p. 91-92
29 Ibid.
observes that several of Pakistan’s early overtures were apparently designed to play on U.S. fears of Soviet expansion in order to lure the U.S. toward engagement with Pakistan. In 1950, Pakistani Prime Minister Liaquat Ali Khan planned to visit Moscow to counter Indian Prime Minister Nehru’s planned visit to the United States. This maneuver impelled the U.S. to make overtures to Pakistan, at which point Liaquat canceled his Moscow trip and accepted an invitation to Washington instead. In post-Independence diplomacy, Pakistan routinely used its potential strategic importance for countering communism as a bargaining chip in its contacts with the United States. Robert McMahon observed that Pakistani leaders were “in effect offering a quid pro quo: alignment with the U.S. in return for an American commitment to underwrite Pakistan’s economy and guarantee its security.” To sell its case, Pakistan persistently “couched all appeals to the U.S. in a virulently anti-Soviet rhetoric.”

McMahon’s historical research has shown that, after several years of intensive deliberations on the cost and benefits of allying with Pakistan, the U.S. decided that the strategic advantages that Pakistan could confer in Western efforts to contain communism outweighed the damage that a U.S.-Pakistan alliance would cause to the prospect of someday bringing India into the pro-Western camp. Moreover, initial U.S. overtures toward post-Independence India had encountered a cold and neutral response from the non-alignment orientation in New Delhi.

Against this backdrop, the Eisenhower administration formally consummated the U.S.-Pakistan alliance with the signing of a mutual security agreement in May of 1954 along with the

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32 During this initial visit, the U.S. was mired in the Korean War, and understanding that Pakistan was pro-Western, Truman asked Liaquat if Pakistan could commit troops to the Korean effort. Liaquat pronounced that Pakistan was prepared to commit a full division of troops, but on the condition that the U.S. would guarantee Pakistan’s security against India. Truman, however, was not in a position at that time to extend such a commitment. Kux, p. 38
33 McMahon, p. 818.
34 Ibid.
35 For a definitive account of the deliberation see, McMahon (1988), and for a concise summary of the U.S Defense and State Departments view of the strategic advantages of a U.S.-Pakistan alliance, see McMahon, p. 835.
accompanying promises of U.S. military assistance. The alliance terms grew even stronger in September of that year when Pakistan joined the Southeast Asia Treaty Organization (SEATO) and in February of 1955 when Pakistan signed the Baghdad Pact—later known as the Central Treaty Organization (CENTO). By the late 1950s, it had become colloquial in Washington to refer to Pakistan as “America’s most allied ally in Asia.”

SEATO and CENTO were regional security alliances with multi country membership—modeled after NATO—the primary focus of which was on cooperative defense against Soviet expansion. These agreements paved the way for enormous U.S. military aid and arms transfers to Pakistan, while the bilateral U.S.-Pakistan military pact guaranteed Pakistan’s survival if attacked, among other benefits. On the latter commitment, the U.S. cautioned the Pakistanis that it was not allying with Pakistan against India and insisted that U.S arms were meant to defend against communist expansion not to bully New Delhi. However, in order to signal the alliance commitment to domestic and foreign audiences, the U.S. consistently issued a number of statements declaring U.S. support for Pakistan. These tandem messages constituted a calculated strategic ambiguity—as reflected in the alliance and deterrence literature—that sought to avoid over-commitment that will entrap the defender, while ensuring that enough commitment is communicated to preserve the deterrent value of the alliance.

Regardless of the strategic ambiguity, Indian Prime Minister Nehru held deep misgivings about the emergent U.S.-Pakistan alliance and clearly saw what we may in retrospect call a ‘moral hazard’ in the design of the U.S.-Pakistan alliance. Nehru conveyed to the U.S. that he feared an influx of American armaments might embolden Pakistani leaders to seek a military

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37 Ibid, Dennis Kux documents how this message was sustained by successive U.S. administrations.
38 Ibid., p. 51-215
solution to the Kashmir dispute. Nehru averred in diplomatic and public statements that the U.S.-Pakistan alliance was bringing the Cold War to India’s borders and he cautioned that the U.S.-Pakistan security link—as Howard Schaffer has argued—could make Pakistan “more aggressive in dealing with the Kashmir issue.”

Parts of the U.S. government appeared to also demonstrate a slight concern of what an emboldened Pakistani ally might do. A U.S. Embassy cable from Karachi in 1954 reveals that U.S. officials did not truly fear that U.S. aid would influence Pakistan to seek a military solution in Kashmir, but the Embassy acknowledged that, as a result of the alliance, “the Pakistanis feel they are in a better bargaining position” in the Kashmir dispute. A 1961 U.S. National Intelligence Estimate concluded that Pakistan may soon try to bring greater attention to the Kashmir issue, “perhaps even by provocation or agitation in the disputed area.”

**Case One: The 1965 Indo-Pakistani War**

The first case under examination constitutes the first attempt by Pakistan to alter the status quo in the Kashmir dispute by instigating war in the era of its formal alliance arrangements with the United States. Although the first official war between India and Pakistan occurred during the 1947 partition process, Pakistan was not yet allied with the U.S. and the question of whether or not Pakistan technically started the 1947 war remains a disputed topic. Therefore, the 1965 war is the first case that meets the independent variable selection criteria to test for a moral hazard dynamic in the U.S.-Pakistan security alliance.

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39 McMahon, p. 829
40 Schaffer, p. 46.
41 Embassy Karachi telegram 708 to the State Department, March 9, 1954, FRUS 1952-1954, XI, p. 1340
42 SNIE 32-61, “Prospects for Pakistan,” July 5, 1961, FRUS 1961-1963, XIX, p. 60
Conflict Overview

In the late summer of 1965, Pakistani military planners put into motion a war strategy aimed at inserting paramilitary soldiers into Indian-controlled regions of Kashmir to foment a rebellion that would destabilize the state, and then follow up by sending in a large contingent of regular troops amid the chaos to seize and hold the territory in a swift, short war.\textsuperscript{43}

Prior to the initiation of this conflict, India and China had fought a bloody and violent war in 1962 along the Sino-Indian border in which India had sustained a serious defeat. Although, this would have been a propitious time for Pakistan to initiate conflict with India while much of New Delhi’s military was sequestered to the Northeast, Pakistan instead heeded U.S. requests that it remain uninvolved.\textsuperscript{44} In the years after the Sino-Indian War, the U.S. provided arms to India as part of its broader campaign to prevent the expansion of communism into South Asia—in this case by communist China. In order to assuage Pakistani concerns about U.S. arms supplies to India, Pakistan sought and received renewed expressions of the U.S. alliance commitment to the preservation of Pakistan in the face of potential Indian aggression, along with a steady supply of Pakistan’s own U.S.-origin military equipment.\textsuperscript{45} Despite U.S. misgivings, Pakistan also began to develop warmer ties with China—securing what Islamabad interpreted as a tactical agreement for Chinese support in any future entanglement with India.

On the eve of the 1965 war, paramount in the mind of Pakistani military planners was the outcome of a recent skirmish with Indian forces along the Kashmiri Line of Control (LOC) near a checkpoint called the Rann of Kutch.\textsuperscript{46} During this brief low-intensity battle, the Pakistanis

\textsuperscript{43} Sumit Ganguly and Devin Hagerty, Fearful Symmetry: India-Pakistan Crises in the Shadow of Nuclear Weapons, (New Delhi: Oxford University Press, 2005), p. 29

\textsuperscript{44} Kux, p. 130

\textsuperscript{45} Kux, p. 132

\textsuperscript{46} For deeper insight in the Pakistani calculus in the Rann of Kutch affair, See Ganguly, pgs. 40-42 as well as Crawford, Pivotal Deterrence, p. 158-160
adeptly employed their recently acquired U.S.-origin weaponry against the numerically superior Indian military, forcing New Delhi into a tactical retreat and prompting their request to leave the Rann of Kutch disagreement to international arbitration. Pakistan extrapolated from the outcome of this skirmish three errant assumptions: 1) It’s weapons, tactics, training and command of the Kashmir terrain made it the superior force in that theater of conflict; 2) India lacked the will to fight an escalatory, conventional war; and 3) If Pakistan delivered a swift *fait accompli*, New Delhi would allow the broader Kashmir dispute to also be deferred to international arbitration.\textsuperscript{47} Given these strategic calculations, Pakistan perceived that a change of the status quo in its favor was obtainable through limited military maneuver, spurring a diplomatic intervention.

Much to Pakistan’s dismay, their ill-conceived summer war plan failed from the beginning, as the irregular forces disguised as local tribesman were quickly identified and arrested.\textsuperscript{48} Despite these initial failures and the loss of tactical surprise, the Pakistani Army did not abandon its planned sequence of events, and regular army units were quickly moved into the Kashmir Valley to seize the targeted positions. India did not hesitate to retaliate for the incursion by moving their land forces across the cease-fire line and engaging the Pakistani contingent. After weeks of attacks and counter-attacks, all making use of ground forces and extensive air support, the Indians concluded that Pakistan was indeed demonstrating an unexpected ferocity and warfighting acumen across the Kashmir terrain.

In order to ensure Pakistan did not gain the upper hand and seize any strategic chokepoints for Indian supply-lines, New Delhi decided to escalate the war horizontally by attacking across the international border and threatening to attack the Pakistani port city of Lahore. This attack had the effect of diffusing Pakistan’s forces away from the Kashmir theater.

\textsuperscript{48} Historical narrative adapted largely from Ganguly, Conflict Unending, p. 40-48
and eventually drawing the conflict to a stalemate. Multilateral efforts to adjudicate the conflict failed, but India and Pakistan agreed to a cessation of hostilities under the Tashkent Agreement. Despite this armistice, the Kashmir dispute remained unsettled once again.

**Pakistan’s Conflict Goals:**

The overarching principle of Pakistan’s strategy in 1965 was to deliver to India a *fait accompli* by securing more of the disputed Kashmir terrain and to hold those positions until international mediation ensued. Pakistan did not have the capacity to endure a protracted, attritional war with India, and therefore Pakistan’s conflict goals had to be limited in both territorial scope and temporal duration. In terms of military operational objectives, the 1965 war was to be a limited war, with limited goals akin to the 1947 conflict. However, Pakistan’s broader, strategic goals appeared to be to internationalize the Kashmir dispute by creating the conflict conditions that would necessitate international mediation.

**Pakistan’s Need of a U.S. Alliance:**

The political and military circumstances surrounding the 1965 war give strong reason to infer that the decisions by Pakistan’s leaders to begin and escalate the war were strongly tethered to estimates of what the U.S., and perhaps China would do to support it during the conflict and its aftermath. As Timothy Crawford argues, Pakistan had always believed that its survival “depended on international support” and that Pakistan could not “beat India in an unlimited one-on-one fight.”

Prior to the war, Pakistan had secured agreement from China to lend support in any future Pakistani conflict with India. China’s intervention along the Sino-Indian border was viewed to

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49 Ganguly, *Conflict Unending*, p. 31
51 Crawford, *Pivotal Deterrence*, p. 161
be an instrumental tactic to draw Indian forces and attention away from Pakistani engagement in Kashmir. The involvement of Chinese support in the military campaign—while potentially introducing its own moral hazard effect—was not a sufficient “insurance policy” to allow Pakistan to successfully endure the diplomatic aftermath of the war, indicating that the U.S. would need to play a critical support role for Pakistan to achieve its ultimate political goals. As Pakistani President at the time Mohammed Ayub Khan expressed, “it was the United States alone that had the requisite influence” to broker a resolution to the Kashmir dispute.52

**U.S.-Pakistan Diplomatic Signaling:**

The diplomatic communication between the U.S. and Pakistan before, during and after the 1965 Indo-Pakistani conflict strongly support the judgment that a moral hazard dynamic existed in the U.S.-Pakistan alliance and exerted a strong causal influence on Pakistan’s decision to initiate conflict. In the years leading up to the 1965 war, despite periods of discord, Pakistan had consistently extracted renewed statements of alliance commitment from the U.S. regarding its devotion to protect and preserve Pakistani security and survival.53 The terms of the U.S. security alliance—while not valid in the case of Pakistani initiated aggression against India—did, however, offer U.S. military support in the event that India attacked Pakistan.

Pakistan’s sustained pressure on the U.S. during the years leading up to the 1965 war sought to encourage a U.S.-led resolution of the Kashmir dispute. As long as the Kashmir issue was on the UN agenda and Pakistan could press its case forward with Western backing, Pakistan had a clear reason to refrain from military escalation with India. According to Howard Schaffer,

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52 Ganguly, *Conflict Unending*, p. 36
53 Even during the weaker points of the U.S.-Pakistan alliance during the Kennedy years, the U.S. continued to issue renewed assurances that its promises to “help Pakistan in case of an Indian attack” were credible. This effort included sending the Chairman of the JCS, General Maxwell Taylor to Pakistan to determine the specific “measures which [the U.S] could take that might reassure Pakistan about our support.” See State Department telegram to Embassy Karachi, October 10, 1963, FRUS, 1961-63, Vol. 19, 679
the Kennedy administration made a diligent effort to promote negotiations over Kashmir—believing that India’s conflict with China would make it more willing to conciliate its border tensions with Pakistan. However, the negotiations had broken down by 1963 and Kashmir was off the UN Security Council agenda. During the Johnson administration’s first term, Pakistan mounted a sustained diplomatic offensive to draw the U.S. back to the frontlines in coercing India to revisit the failed plebiscite negotiations, but to no avail.

During the days of the conflict, Pakistan’s diplomatic signaling to the U.S. demonstrated a strong belief that the U.S. would come to Pakistan’s aid, diplomatically and militarily. When India crossed the international border into Pakistani territory, Pakistan’s leaders implored the U.S. to fulfill the terms of the U.S.-Pakistan bilateral security agreement. Pakistan reminded U.S. leaders that this agreement stated that the U.S. would “view any threat to the security, independence, and territorial integrity of Pakistan with the utmost gravity and would take effective action to assist Pakistan to suppress aggression.” To Pakistan’s dismay, however, the U.S. responded that it would fulfill that commitment by supporting immediate UN action to end hostilities, however it did not agree that these circumstances truly constituted an act of Indian aggression. The distinction as to who technically began hostilities was an important point in determining if the conflict circumstances meet the terms that could invoke the 1959 bilateral security agreement. In Pakistan’s view, the area in which it had engaged India was “disputed territory” and India was the first to cross the international boundary.

Assessment of the 1965 Moral Hazard Dynamic:

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54 Schaffer, *The Limits of Influence*, p. 5
55 Ibid, pgs. 65-96
56 Schaffer, *The Limits of Influence*, p. 112
57 Ibid.
58 Crawford, *Pivotal Deterrence*, p. 162
The empirical record demonstrates that a moral hazard dynamic was clearly in effect in U.S.-Pakistani relations, but that the causal influence of this factor was buttressed by several additional factors, such as Pakistan’s beliefs about its technological combat advantages and a separate moral hazard dynamic that appeared to emanate from Pakistan’s newly forged alliance with China. Pakistan’s “false optimism” about the military support it would receive from China and the diplomatic support it would receive from the U.S. emboldened Pakistan to incite a bloody, conventional war in Kashmir with the goal of delivering India a *fait accompli*, followed by a territorial settlement on Islamabad’s terms.\(^5^9\) Pakistan’s belief about the prospects of U.S. intervention were predicated on a misreading of the alliance terms and what the U.S. would interpret as “Indian aggression.” Pakistan’s misjudgment was an important component of the moral hazard dynamic in the U.S.-Pakistan alliance in the 1965 conflict.

**Case Two: The 1971 Bangladesh War**

The war fought between India and Pakistan in 1971 is a unique case among the conflict events selected for this study in that the war was not initially fought over the Kashmir dispute and because India is viewed as having technically started the war. However, this paper aims to examine the influence of the U.S.-Pakistan alliance on Pakistan’s decisions to initiate or ‘escalate’ conflict with India in a general sense, and not simply over a direct vie for territorial gain in Kashmir. With that caveat in mind, it is noteworthy that one of India’s underlying motivations for aiding the insurrection that was growing in East Pakistan in 1971, according to Sumit Ganguly, was to foment the disaffection of the Bengali Muslim citizenry of East Pakistan and thereby undermine Pakistan’s claims to be the putative home for all of South Asia’s

\(^{59}\) Sumit Ganguly has argued that throughout its history Pakistan has demonstrated a “false optimism” about the support it could rely on from international alliances, including that with the U.S., see Ganguly, *Conflict Unending*
Muslims—particularly those in Kashmir. Therefore, the 1971 war offers an important case demonstrating how Pakistan, when faced with India’s asymmetric assistance to rebel groups, decided to escalate to a full-scale conventional war with an expectation of U.S. intervention.

Conflict Overview

After the 1947 partition, the territory that became Pakistan was separated into two halves—West and East Pakistan. West Pakistan—which now constitutes modern day Pakistan—was an amalgam of different ethnic groups from Western India, but predominantly Punjabi. The capital of the state remained in West Pakistan and the official language of government and business was Urdu. East Pakistan, on the other hand, had always been considered the lesser side of the state—dominated by Bengali people, very few of which spoke Urdu, but who numerically constituted the largest single ethnic group within the broader state population. When East Pakistan’s Bengali dominated political groups won the majority seats of the 1970 election, West Pakistani politicians—led by Zulfiqar Ali Bhutto—refused to recognize the electoral results. This gesture fueled the already brewing instability in East Pakistan which had increasingly grown disaffected by government programs which sought to purge Bengali society of its traditional culture and Bengali language in place Urdu-based language use.

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60 Ganguly, Conflict Unending, p. 52
Eventually the Punjabi-dominated Pakistani military was ordered to crack down on protests and calls for secession among the Bengali citizenry of East Pakistan. This harsh episode incited a massive refugee flow into northeastern India on the order of ten million refugees within two months. As the refugees increasingly flowed into India, international attention centered on the Punjabi-dominated Pakistan Army’s inhumane crackdown of its beleaguered Bengali citizens of West Pakistan.

India’s response was to provide material support, training, basing, and occasional cover fire for the Mukti Bahini rebel group that was driving the armed insurrection in East Pakistan. India’s support of the rebel groups is cited as the basis for attributing war initiation to India. However, as Sumit Ganguly points out, the war “formally started with Pakistan’s Israeli-style pre-emptive air strike” on India’s northern air bases on December 3rd, 1971. Pakistan had grown weary of India’s support of the insurgent groups in East Pakistan who were making serious gains in fending off the Pakistan Army, and decided to escalate.

Meanwhile, in West Pakistan, the Army decided that it would engage Indian troops along the border. Given that West Pakistan is over a thousand miles away from the East Pakistan

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61 Ganguly/Hagerty, Fearful Symmetry, p. 32
62 Ganguly, Conflict Unending, p. 67
conflict theater, it is somewhat bewildering that the Pakistani Army followed a policy that “defense of the East, lies in the West.”\textsuperscript{63} Although the basis for this war did not center initially on Kashmir, the Pakistan Army saw an opportunity to secure territorial gains within Indian-controlled Kashmir amid the 1971 chaos. The Army launched an offensive into Kashmir in the precise same location that it had launched its 1965 incursion.\textsuperscript{64} However, Indian forces quickly and decisively dampened this attempt and Pakistan was unable to acquire further territorial gains.

After two weeks of fierce battle, the Indian military decisively routed Pakistani forces in both the West and East Pakistan theaters of conflict. Pakistan implored the U.S. for assistance in resolving the conflict, and Washington responded by pressuring the Soviets to reign back Indian aggression and by sending the \textit{U.S.S. Enterprise} into the Bay of Bengal to signal U.S. resolve to not allow India to dismantle West Pakistan.\textsuperscript{65} Under mounting U.S. and Soviet pressure, the Indian government—after capturing the East Pakistan capital of Dacca—ordered a unilateral ceasefire on 16 December.\textsuperscript{66}

The aftermath of the war resulted in the severance of East Pakistan and the creation of the state of Bangladesh, followed by an agreement to reposition troops back to their former positions before 1971 along the LOC in Kashmir. Four days after the war ended, the Pakistani political establishment replaced its president, swearing in Zulfiqar Ali Bhutto to lead negotiations. Although a settlement of the Kashmir dispute was broached at the negotiations after the 1971 war, Pakistani President Bhutto was emphatic that any capitulation on Kashmir after the

\textsuperscript{63} Haqqani, \textit{Between Mosque and Military}, p. 78

\textsuperscript{64} Schaffer, \textit{The Limits of Influence}, p. 121

\textsuperscript{65} Kux, \textit{Disenchanted Allies}, p. 201

devastating war that had just transpired would be political suicide, and thus the two states remained in their perpetual stalemate.\textsuperscript{67}

\textit{Pakistan’s Conflict Goals:}

Pakistan’s aim in the 1971 war was to suppress Indian support of an armed insurrection that was erupting in the eastern wing of the state. As distinct from other conflicts and crises, Pakistani goals in this conflict did not reflect premeditated designs on making territorial gains inside Kashmir, although Pakistan did make an ad hoc attempt to push its forces into Kashmir at one point during the war.

\textit{Pakistan’s Need of a U.S. Alliance:}

Most likely, Pakistan could not have achieved its goal of suppressing Indian support to Bengali rebels without some form of outside support. Pakistan saw itself facing an existential crisis in its eastern wing, and India’s support for the rebels made it exceedingly difficult for the Pakistan Army to route their forces and dampen the uprising. However, the continued repression of the Bengali civilians of East Pakistan was a policy of choice, not necessity. By offering political concessions such as recognition of the election results or some form of referendum on improved East Pakistan representation in the central government, Pakistan’s leaders could have overturned the underlying conditions driving the uprising. Instead, Pakistan chose to execute a hard-line military solution to its internal political crisis.

Pakistani President Yahya Khan also faced growing international pressure to cease the inhumane repression of East Pakistan. Hussain Haqqani—renowned scholar of South Asian affairs and the current Pakistani Ambassador to the U.S.—has written that Yahya would have likely succumbed to this international pressure, thus preventing the need for a broader war.

\textsuperscript{67} Ganguly, \textit{Conflict Unending}, p. 71
However, Haqqani argues that the Nixon Administration’s decision to “tilt” in Pakistan’s favor leading up to the 1971 war made it easy for Yahya to “ignore international pressure.”

Continuing the harsh crackdown of Bengalis was creating an international backlash as well as a destabilizing refugee flow that India could not ignore. From Haqqani’s assessment, we may infer that Yahya’s willingness to accept the risk that his provocative actions would spur—from both India and the international community—were predicated on Yahya’s assurances of support from the Nixon administration.

**U.S.-Pakistan Diplomatic Signaling:**

The diplomatic signaling between the U.S. and Pakistan leading up to the 1971 war supports the inference that a moral hazard dynamic likely existed. In Pakistan’s view, despite the sour feelings over the U.S. withholding of support in the 1965 war, the election of Richard Nixon in 1969 signaled a rejuvenation of the U.S.-Pakistan alliance. As Eisenhower’s Vice President, Nixon had been one of the chief architects of the U.S.-Pakistan security alliance, and was known to be a hard-line critic of India. Most importantly, one of the Nixon administration’s first engagements with Pakistan involved a request that Pakistan play a critical intermediary role in Nixon’s secret effort to forge a rapprochement with China. Pakistan’s role as a linchpin in one of the Nixon administration’s most important and historic foreign policy endeavors signaled the increased importance that Pakistan would now hold for U.S. interests.

Hussain Haqqani argues that as the crisis in East Pakistan grew, the U.S. ignored proposals to pressure Yahya’s regime to seek a political reconciliation. According to Haqqani, Pakistan’s generals interpreted the U.S. “tilt” in Pakistan’s favor during the crisis as a “guarantee

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68 Haqqani, *Between Mosque and Military*, p. 80
69 McMahon, *U.S. Cold War Strategy*, p. 837
70 Kux, *Disenchanted Allies*, p. 181-184
71 Haqqani, *Between Mosque and Military*, p. 82
of U.S. intervention on behalf of Pakistan” in the event of a conflict.  

Haqqani assesses that President Yahya, emboldened by his role as secret intermediary between the U.S. and China, ignored the international condemnation of Pakistani atrocities against its Bengali citizens. Haqqani further notes that this belief in the prospect of U.S. intervention was not only in Yahya’s mind, but also permeated through the ranks of the Pakistani government—particularly after Pakistan’s role in Sino-American rapprochement was made public in June 1971. 

Senior Pakistani Diplomat Hassan Zaheer observed:

“Although no one was very clear how the new development was going to help Pakistan extricate itself from the mess, the Army’s faith in the omnipotence of U.S. support was reinforced. The [Pakistani] Foreign Office expected to be rewarded for services rendered, and started dreaming of a Washington-Islamabad-Beijing axis against the evil designs of its neighbor.”

**Assessment of the 1971 Moral Hazard Dynamic:**

The empirical record of the 1971 war suggests that a moral hazard dynamic was present in the U.S.-Pakistan alliance and that Pakistan’s perception of the prospect of U.S. intervention was a contributing factor in Pakistan’s decision to escalate a full-scale war against India. The specific actions that Pakistan undertook—ignoring international pressure, forcing refugee flows into India, and launching a full-scale assault against Indian air bases—were each tied to Pakistani President Yahya Khan’s belief that the U.S. would support his decisions both diplomatically and militarily when push came to shove. Although the record does not explicitly suggest that Pakistan in 1971 was focused on U.S. intervention to mediate the Kashmir dispute specifically, Pakistani beliefs in U.S. intervention to support Pakistan in the event of war was a key determinant in Pakistan’s willingness to accept the risk of its provocative behavior.

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72 Ibid.
73 Ibid., p. 83
The Interwar Years: 1972-1989

Pakistan’s failed attempts in 1965 and 1971 to extract diplomatic and military leverage out of the U.S.-Pakistan alliance beyond Washington’s agreed commitments demonstrated to Pakistan the limitations of its “insurance policy.” Although Pakistan was appreciative of Nixon’s dispatch of the *U.S.S. Enterprise* to bolster a credible deterrent against possible Indian incursions into West Pakistan, the Pakistani Army noted the absence of concrete military support against Indian forces. According to Hussain Haqqani, although the Pakistani military and political leaders remained convinced of a need to seek U.S. economic and military aid after the 1971 war, the failure of U.S. to help save Pakistan’s unity was interpreted as a betrayal and led to the view that Pakistan should neither depend on or trust the U.S.\(^75\)

In the 1971 post-war resolution—known as the Simla Agreement—India and Pakistan agreed, among many things, to negotiate any future Kashmir settlement bilaterally, obviating Pakistan’s expectation of U.S. intervention. Not surprisingly, the following two decades saw no attempt by Pakistan to provoke a U.S. intervention in an armed Kashmir incursion. Pakistan, suffering from the disunity of its civil war, turned inward during the 1970s, seeking ways to further promote ‘Islam’ as the unifying principle of statehood, and thereby prevent any future ethno-sectarian splintering among the mosaic of factional groups that comprise Pakistan’s population.

During the 1980s, after the Soviet Union invaded Afghanistan, the U.S. and Pakistan once again found common cause for a renewal in their security alliance. Pakistan and the U.S. joined forces to orchestrate a covert effort to arm and train the Mujahideen resistance fighters seeking to eject Soviet forces from Afghanistan. Hussain Haqqani notes the correlation between the renewal of U.S.-Pakistan security ties in the 1980s, and Pakistan’s initiation of its own

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\(^75\) Haqqani, *Between Mosque and Military*, p. 86
separate, covert campaign to support, train and arm a variety of insurgencies taking place inside India.\textsuperscript{76} According to Haqqani, Pakistan President Zia ul-Haq had learned the lesson of previous wars and was determined not to embroil India in a direct, conventional war again.\textsuperscript{77} Simultaneously, however, Zia was now emboldened again to take greater risks in Pakistan’s security competition with India now that he had once again garnered renewed U.S. support.\textsuperscript{78} Zia’s regime sought to foment discord by aiding India-based insurgencies—particularly in Kashmir and Punjab—with the expectation that this covert approach would confer enough plausible deniability to avoid a direct military confrontation.

Parallel to these efforts, Pakistan began immediately after the 1971 war to begin a crash program to develop nuclear weapons. President Bhutto is known to have remarked at one time that Pakistan “would eat grass” if it had to in order to match India’s pursuit of the atomic bomb.\textsuperscript{79} With India’s 1974 nuclear test, Pakistan began an unbridled program to acquire the necessary infrastructure to enrich weapons grade uranium for a nuclear device.\textsuperscript{80} As both Pakistan and India moved along the nuclear continuum throughout the 1980s and 90s, nuclear calculations and uncertainty about one another’s intentions and capabilities would become an important feature of all subsequent wars and crises.

**Case Three: The 1990 Kashmir Crisis**

As the Cold War came to an end, and tectonic shifts were taking place in the global balance of power, the tremors of this process were beginning to be felt in South Asia. In the

\begin{itemize}
\item \textsuperscript{76} Ibid., p. 265-273
\item \textsuperscript{77} Ibid., p. 266
\item \textsuperscript{78} Ibid.
\item \textsuperscript{79} Kux, *Disenchanted Allies*, p. 212
\item \textsuperscript{80} A seminal account of this effort is provided in, Gordon Corera, *Shopping for Bombs: Nuclear Proliferation, Global Security, and the Fall of A.Q. Khan*, (Oxford University Press: London, 2006)
\end{itemize}
winter and spring of 1990, India and Pakistan became embroiled in the first crisis of their nuclear era. The 1990 Kashmir crisis is considered a seminal event that bridged the Indo-Pakistani rivalry from its pre-nuclear to its nuclear era. As Sumit Ganguly and Devin Hagerty have argued, 1990 marked the moment in time when Kashmir and nuclear weapons were “inextricably and irretrievably bound together.” Although neither India nor Pakistan were overtly declared nuclear weapons states at the time, the 1990 crisis was a political crisis between two hostile adversaries who had a long history of conflict and were secretly developing nuclear weapons. The case offers a unique window into understanding how the U.S.-Pakistan alliance affected Pakistani conflict behavior as it entered the nuclear era.

**Crisis Overview**

During the 1980s, Pakistan demonstrated an increased unwillingness to accept the dormancy of the Kashmir dispute. A major point of disagreement that came to the fore in the 1980s was India and Pakistan’s differing interpretations of the Simla Accord—negotiated after the 1971 war. India believed that the Simla Accord supplanted the previous post-partition UN resolutions on Kashmir. Pakistan, however, maintained that while Simla pledged that neither side would “alter the territorial status quo unilaterally,” it didn’t rule out the possibility of external mediation if India and Pakistan wished. This disagreement left the issue in stalemate. Pakistan—having learned that overt military insertions for land grab can end in calamity—devised an asymmetric approach to Kashmir in the 1980s, modeled after the covert campaign in Afghanistan to eject the Soviets. When Kashmir erupted into chaos from an organic rebellion

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81 Ganguly/Hagerty, Fearful Symmetry, p. 83
82 Ibid.
83 Ibid., p. 85
84 Kux, Disenchanted Allies, p. 305
among disaffected Kashmiri’s in the late 1980s, this offered Pakistan the opportunity to put its covert scheme into action.

Although the initial inflammation of Kashmiri discord in the late 1980s naturally stemmed from grassroots dissatisfaction with Indian-rule, Pakistan was more than content to quickly insert itself into the mix to propel the rebellion to its fullest potential.\(^{85}\) Many scholars identify a number of factors that fueled discord in Indian-administered Kashmir in the late 1980s—rampant corruption and election rigging, lack of job opportunities, and excessive heavy-handed suppression tactics by Indian security personnel are among a few examples.\(^{86}\) This growing resentment to Indian rule led to a violent and chaotic rebellion among Kashmiri Muslims who engaged in armed assaults on Indian security forces, kidnapping, and attacks on government buildings and officials. Pakistan saw this as an opportunity to promote its long-held position of “self-determination for Kashmir.”\(^{87}\) As Dennis Kux observes, the “support, supply, and training system that had been developed for the war in Afghanistan was redirected to aid the Kashmiri struggle against Indian rule.”\(^{88}\)

As the volatility of the Kashmiri uprising increased and India grew more aware of the extent of Pakistani covert support to the Kashmiris, New Delhi reinforced its military and security forces in the region.\(^{89}\) In order to dampen the rebellion, India asserted state authority—beginning a sustained crackdown of curfews and house-to-house searches, imprisoning or killing as many insurgent leaders as possible.\(^{90}\) The augmentation of Indian military assets in the Kashmir region prompted a corresponding deployment of Pakistani forces along the Pakistani

\(^{86}\) Ibid., p. 84-86
\(^{87}\) Kux, *Disenchanted Allies*, p. 305
\(^{88}\) Ibid
\(^{89}\) Ibid
\(^{90}\) Ganguly/Hagerty, *Fearful Symmetry*, p. 88
side of the border. The tension brought by these provocative military maneuvers were exacerbated by inflammatory rhetoric by both sides, each seeking to demonstrate resolve and shore up domestic political capital for their commitment to their countries’ claim to Kashmir.

Because both India and Pakistan were believed to have likely crossed the enrichment threshold to make weapons-grade uranium by 1990, many feared that a conventional conflict between the two nations could eventually lead to a nuclear exchange. In April of 1990, the U.S. decided to intervene in the military standoff and dissuade the two nations from escalating further. In May, then Deputy National Security Advisor Robert Gates traveled to the region to meet with officials in both countries. As Sumit Ganguly and Devin Hagerty have highlighted, while in Pakistan, Gates delivered the Pakistani leaders a message consisting of three central points: 1) Washington had war-gamed every possible conflict scenario, and Pakistan was the loser every time; 2) In the event of a war, Islamabad could expect no assistance from Washington; and 3) Pakistan should refrain from supporting terrorism in Kashmir and avoid provocative military deployments and inflammatory rhetoric. Gates gave India a similar message—refrain from actions that could induce a spiral to war. Soon after the visit, both nations recalled their troop buildups and agreed to engage in confidence-building measures to reduce future military tensions.

_Pakistan’s Conflict Goals:_

For the purposes of this case study, we should divide Pakistan’s goals into two categories: 1) goals in engaging in the brinksmanship that led to a crisis, and 2) goals in supporting the Kashmiri uprising. For the first goal, it is not clear that Pakistan actually had a

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91 Ibid., p. 90
92 Ibid., p. 86-94
93 Ibid., p. 98-103
94 Ibid., p. 97
clear objective in engaging in brinksmanship along the border. Having experienced heightened
tensions during previous instances of Indian troop maneuvers, Pakistan was likely deploying its
forces as means of deterrence against a feared Indian incursion. The Indian leadership, on the
other hand, believed that Pakistan’s military strategy during this crisis was to destabilize India by
fanning the flames of violence, and if successful, deploy a limited military intervention to
consolidate gains made by the insurgents.\textsuperscript{95}

As for the second goal, Pakistan during the late 1980s had decided that forcing India out
of Kashmir would be viewed as a vital national interest and a centerpiece of military policy.\textsuperscript{96}
According to Hussain Haqqani, Pakistan’s decision to support covertly the Kashmir militancy in
fighting India had two primary goals: 1) make Kashmir ungovernable for the Indians and raise
the costs of Indian occupation to an unbearable level; and 2) “internationalize” the Kashmir issue
once gain by drawing in international attention to the cause of Kashmiri self-determination.\textsuperscript{97}
In Pakistan’s view, the U.S. and Western nations couldn’t ignore the emerging jihad against India
in Kashmir so soon after supporting such a similar struggle against the Soviets in Afghanistan.\textsuperscript{98}
Haqqani, who was a senior official in the Pakistan government at the time, argues that Pakistan
reasoned that if the Mujahideen in Afghanistan were recognized as freedom fighters, then
“Kashmiri Mujahideen” could gain similar recognition.\textsuperscript{99}

\textit{Pakistan’s Need of a U.S. Alliance:}

Although Pakistan could have pursued its goal of covertly making Kashmir ungovernable
for India without relying on U.S. security assurances, it is unlikely that Pakistan would have been
as willing to accept such a risky program without some belief that Washington—its ally in

\textsuperscript{95} Ibid., p. 93  
\textsuperscript{96} Haqqani, \textit{Between Mosque and Military}, p. 262  
\textsuperscript{97} Ibid., p. 289  
\textsuperscript{98} Ibid.  
\textsuperscript{99} Ibid.
fighting the Soviets in Afghanistan—would come to its aid. As for the secondary goal of internationalizing the Kashmir dispute, Pakistan had a clear need for its U.S. alliance to ensure that once the Kashmir dispute reached the U.N. again, the U.S., with its Security Council veto and international clout could shepherd along a resolution favorable to Pakistan’s goals.

As for Pakistan’s willingness to engage in military brinksmanship along the border in 1990, it is questionable that Pakistan would have truly been as willing to accept the risks of a full-scale conventional war with India without security assurances from the U.S. However, Pakistan’s pursuit of a nuclear deterrent had afforded it the ability to exercise ‘strategic ambiguity’ about the level of nuclear progress it had made. Pakistan made vague statements to India that if New Delhi dragged Pakistan to war it “would find that Pakistan has the full capability of meeting the Indian invasion by mobilizing all its national resources.” Therefore, it is reasonable to infer that while Pakistan needed the U.S. alliance to achieve its broader political aims of Kashmiri self-determination, Pakistan’s actual engagement in crisis brinksmanship may have been just as emboldened by Islamabad’s nascent, existential deterrent as it was by U.S. security assurances.

U.S.-Pakistan Diplomatic Signaling:

Upon entering the 1980s, Pakistan’s renewal of its security alliance with the U.S. came with Islamabad’s request for a renewal of U.S. security guarantees in the event of war. When the two nations began their joint campaign to support the Afghan Mujahideen, Pakistani President Zia ul-Haq asked President Carter for assurances against either a Soviet or Indian attack. Carter’s national security advisor, Zbigniew Brezinski, publicly reassured Pakistan that the U.S. would stand behind them in the face of aggression, and reiterated the terms of the 1959 U.S.-

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100 Ganguly/Hagerty, Fearful Symmetry, p. 93
Pakistan mutual defense treaty. However, Brezinski conveyed plainly that the U.S. could not guarantee support in the event of an Indian attack.

During the Reagan years, the issue that could have driven the greatest potential wedge in U.S.-Pakistani relations was concern over Pakistan’s growing nuclear program. However, given the priority of the joint campaign against the Soviets in Afghanistan, U.S. Secretary of State Alexander Haig told Pakistani officials that U.S. reservation over Pakistan’s nuclear program “need not become the centerpiece of the U.S.-Pakistan relationship.” According to Haig, the U.S. “could live with Pakistan’s nuclear program as long as Islamabad did not explode a bomb.”

Pakistan perceived that, under this umbrella of U.S. acquiescence, it could pursue its dual strategy of cultivating a network of militant jihadists to pressure India, while advancing its nuclear capability up to the weaponization redline with relative impunity. As the Afghan resistance was coming to a close, and the Soviets were exiting Afghanistan in 1989, an emboldened Pakistan turned its sights more squarely on Indian-controlled Kashmir. At this time, according to Hussain Haqqani, Pakistani Army Chief Aslam Beg had great confidence in U.S. support of Pakistan. According to Beg, the U.S. couldn’t afford to ignore its only ally in a turbulent region, and in particular the U.S. would not abandon a nuclear-armed Pakistan. In fact, Beg believed, a demonstrated nuclear capability could become the new reason for continued U.S. interest in supporting Pakistan’s role in the region. However, during Gates’ visit to Pakistan during the Kashmir Crisis of 1990, he spelled out U.S. assessments of Pakistan’s bleak chances for enduring an Indian attack and affirmed U.S. unwillingness to intervene further. Now realizing

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101 Haqqani, Between Mosque and Military, p. 186
102 Ibid., p. 188
103 Ibid.
104 Ibid., p. 200
105 Ibid.
the extent of its ‘insurance’ and the ‘risk’ it was facing, Pakistan pulled back its forces and restrained its covert campaign in Kashmir.

Assessment of the 1990 Moral Hazard Dynamic:

The empirical record suggests that a moral hazard dynamic existed in the U.S.-Pakistan alliance leading up to the 1990 Kashmir crisis. While other factors, such as domestic pressure and confidence in an existential nuclear deterrent likely exerted an influence on Pakistan’s decision to engage in conventional brinksmanship with India; Pakistan’s perception of the prospect of U.S. intervention in a future Kashmir dispute appeared to influence Islamabad’s willingness to engage in a covert campaign to inflame instability in Indian-controlled Kashmir.

Based on Pakistan’s historical experience in receiving limited outside military support during wars with India, combined with Washington’s re-articulation of its unwillingness to become entangled in an Indo-Pakistani war, Pakistan determined that it could accept a more moderate level of risk by undertaking covert efforts to undermine India’s resolve in the Kashmir dispute. The level of ‘risk’ that Pakistan was initially willing to accept in this case was commensurate with the level of ‘insurance’ it believed it could receive from its alliance with the United States. As Pakistan developed greater nuclear deterrence leverage, its risk-acceptance grew even greater and influenced its willingness to engage in crisis brinksmanship. However, Pakistan’s key lesson from the 1990 Crisis was that nuclear weapons conferred a strategic advantage both in terms of their deterrent value, as well as in their utility as tools for diplomatic bargaining—in particular as a mechanism to draw in U.S. intervention.106

Case Four: The 1999 Kargil War

The 1999 Indo-Pakistani war—fought on the glacial peaks of the Kargil district of Kashmir—represents the first instance of war between the two nations after they each had overtly demonstrated their nuclear weapons capabilities in 1998. Like previous instances of conflict, Pakistan acted upon its revisionist claims to Kashmir in order to upset the status quo dormancy of the Kashmir dispute. This case offers the first opportunity to examine Pakistan’s view of the utility and prospects of U.S. intervention during South Asia’s overt nuclear era.

Conflict Overview

In the summer of 1999, India and Pakistan fought their fourth and bloodiest war since partition. The battle erupted without any formal declaration of hostilities and once again the *casus belli* was a Pakistani decision to act on its irredentist claim to Kashmir. The war was unforeseen by many observers since India and Pakistan had been experiencing warming relations during the preceding years—marked by hopes for a renewed bilateral effort to settle the Kashmir question. However, despite the fact of Pakistan’s political leadership extending olive branches to the Indian government, the Pakistani military had alternative plans. When the Pakistani military command briefed Prime Minister Sharif about their proposal to conduct a limited probing and reconnaissance mission to the abandoned Siachen Glacier, Sharif acquiesced. Little did he know that the military chiefs were merely feigning chain-of-command protocol by proposing this operation, when in actuality the military had already launched their mission.

The Kargil operation began with an insertion of Pakistani commandos into the northern Kargil district during the Winter months of 1999, when both the Pakistani and Indian forces where expected to abandon their forward posts near the cease-fire lines until warmer weather.

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107 Ganguly/Hagerty, *Fearful Symmetry*, p. 149
came in the spring. By the time the Indian military had a confident assessment that Pakistani soldiers had infiltrated their terrain, the Pakistanis had already seized at least 70 Indian, fortified positions along the Line of Control.108

The initial Indian response was exactly what the Pakistani’s must have been hoping for—a clumsy charge up the mountain side whereby the Pakistanis could use their high-ground advantage to inflict mass casualties on the vulnerable and exposed Indian troops. However, the second phase of the Indian response defied Pakistani expectations. Instead of accepting a \textit{fait accompli} and requesting outside mediation, the Indians decided to launch a large-scale conventional offensive including artillery brigades and extensive air operations to militarily evict the Pakistani’s from their glacier posts.109

At the sign of attrition stalemate, Pakistani Prime Minister Sharif traveled to Washington to implore President Clinton to intercede.110 Clinton, however, rebuffed Sharif’s plea and, unlike in many of the wars and crises before, the U.S. refused to mediate between the two parties until Pakistan retreated from Kargil. In the face of escalating military losses and no diplomatic solution in sight, Sharif was forced to withdraw Pakistani forces.111 The ripple effects of the Kargil Conflict—India and Pakistan’s first war of their nuclear era—are still shaping South Asian security dynamics to the present day.

\textbf{Pakistan’s Conflict Goals:}

Pakistan’s overarching goal in the Kargil War was to deliver India a territorial \textit{fait accompli}, forcing a renewal of negotiations over the Kashmir dispute. The underlying principle of this operation was based on two assumptions. First, Pakistan needed to take and hold India’s

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108 Ganguly, \textit{Conflict Unending}, p. 116
109 Ibid. p. 117
110 Ibid. p. 119
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fortified positions atop the glacier, which the Pakistani military believed would allow it to suppress any Indian effort to launch a meaningful retaliation. Second, after Pakistan had delivered this *fait accompli*, it believed that international intervention would be forced to enter the fray to mediate the dispute.\(^\text{112}\) Under these conditions, Pakistan would have more favorable grounds on which to shape a new status quo on the Kashmir question.

**Pakistan’s Need of a U.S. Alliance:**

In order for Pakistan to achieve its conflict aims of internationalizing the Kashmir dispute to bring about a shift in the status quo, it did not need a formal U.S. alliance arrangement *per se*. In previous conflicts, beliefs about U.S. commitments to demonstrate reliability in protecting its Cold War protégés colored Pakistan’s beliefs about the prospect of intervention. However, during the 1990s, with the U.S. emerging as the unipolar steward of international stability, Pakistan was confident it could achieve intervention by making Kashmir a nuclear flashpoint that American and Western leaders could not ignore. As Paul Kapur has argued, Pakistani leaders believed that the international attention their Kargil operation would attract would likely lead to third-party mediation, resulting in a settlement that would be “superior to any that Pakistan could have secured on its own.”\(^\text{113}\)

**U.S.-Pakistani Diplomatic Signaling:**

Despite friction over Pakistan’s advancing nuclear program, Dennis Kux argues that Pakistan and the U.S. enjoyed relatively cordial relations during the 1990s.\(^\text{114}\) While contentious episodes erupted around U.S. calls for Pakistan to rollback its nuclear program and Islamabad’s

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\(^{114}\) Kux, p. 327-351
disquiet about its stalled bid to purchase F-16s, Pakistan sustained its efforts to foster strong bilateral ties with the U.S.

Although Pakistan did not appear to seek U.S. alliance guarantees against an Indian attack during the 1990s, Islamabad did petition the U.S. to take a more active role in settling the Kashmir dispute.\(^{115}\) When India tested a nuclear device in 1998, the U.S. feared that Pakistan would follow suit and sent a U.S. delegation to Islamabad to encourage “restraint and maturity.”\(^{116}\) Immediately after the Indian test, Pakistani President Nawaz Sharif expressed two possible conditions that could bring forth Pakistani restraint: 1) A U.S. commitment to a sustained effort at resolving Kashmir,\(^{117}\) and 2) A U.S. security guarantee against any form of Indian attack.\(^{118}\) However, Bruce Shaffer notes that the U.S. viewed the request for Kashmir mediation as too politically risky and very unlikely to succeed.\(^{119}\) As for the security guarantee, Clinton personally told Nawaz Sharif that America could not make such a guarantee, but that he would “cut through the knot” of U.S. laws blocking aid to Pakistan in order to provide “the tools you need to defend your country.”\(^{120}\) This was not sufficient for Sharif, who was experiencing enormous domestic pressure to match the Indian test. Soon after the U.S. delegation arrived back from their shuttle trip to Islamabad, Pakistan detonated six nuclear devices in the remote mountains of Baluchistan.\(^{121}\)

U.S. signals of interest in containing a heightening of Indo-Pakistani tension after they crossed the nuclear threshold, likely reinforced Pakistan’s perception that nuclear brinksmanship alone could guarantee Islamabad the international attention to Kashmir that it desired. Once the

\(^{115}\) Ibid.
\(^{116}\) Schaffer, *The Limits of Influence*, p. 154
\(^{117}\) Ibid., p. 155
\(^{118}\) Kux, *Disenchanted Allies*, p. 346
\(^{119}\) Schaffer, *The Limits of Influence*, p. 155
\(^{120}\) Kux, *Disenchanted Allies*, p. 346
\(^{121}\) Schaffer, *The Limits of Influence*, p. 155
nuclear deterrent was established, Pakistan didn’t need a U.S. security guarantee to prevent India from seizing territorial gains across the Pakistani border. In Pakistan’s calculus, the introduction of nuclear deterrence would ensure that conflict was contained and the prospect of a conventional war going nuclear would guarantee that resolving the Kashmir issue was once again prioritized on the international agenda.

Assessment of the 1999 Moral Hazard Dynamic:

The empirical record of the 1999 Kargil War indicates that a moral hazard dynamic existed in U.S.-Pakistani relations, but this dynamic had clearly evolved from its previous forms. Beliefs about the prospect of U.S. intervention based on the terms of the U.S.-Pakistan security alliance were supplanted by beliefs about intervention on the basis of U.S. interest in staving off nuclear conflict. Security guarantees were not necessary to embolden Pakistan to undertake aggressive, risky behavior vis-à-vis India, but rather the uncertainty of brinksmanship under the nuclear umbrella made the Pakistani Army confident in its ability to match Indian forces in Kashmir. However, this case also shows that Pakistani perceptions of its capacity to orchestrate a resolution of Kashmir by drawing in the international community based on their nuclear anxieties was an inflated miscalculation.

Overview of Findings

The structured examination of four key conflict events—the 1965, 1971, and 1999 Indo-Pakistani wars and the 1990 Kashmir Crisis—demonstrate that Pakistan’s view of the prospect of U.S. intervention is a contributing factor in Islamabad’s decisions to initiate or escalate conflict with India. In terms of moral hazard theory expectations, Pakistan’s beliefs about the ‘insurance’ of U.S. patronage emboldened Pakistan to engage in ‘riskier’ behavior than it otherwise would—especially when it could accept this risk through ‘hidden actions’ such as paramilitary incursions
and covert support to militant networks. As documented in a wide array of scholarship, many
other factors account for Pakistan’s conflict behavior, such as advancements in Pakistan’s
military technological prowess, exigencies of domestic politics, and jingoistic nationalism.
However, this paper demonstrates that Pakistan believed its alliance with the U.S. afforded it
certain advantages that were necessary—though not entirely sufficient—to achieve its ultimate
political objectives in each conflict.

The foregoing analysis indicates that a moral hazard dynamic has existed in U.S.-
Pakistani relations when Pakistan perceived that it could rely on U.S. alliance commitments to
ensure Pakistan’s national survival and support its diplomatic quest for greater territorial
inclusion of the Kashmir province. The analysis further suggests that Pakistan’s risk-acceptance
was calibrated in accord with the strength of its belief in the prospect of U.S. intervention.
However, after Pakistan crossed the nuclear rubicon, beliefs about the prospect of U.S.
intervention were less important in Pakistan’s military calculations, but they remained an
important variable in the diplomatic arena. Although Pakistan’s nuclear deterrent gave it
confidence in its own ability to stave off Indian conventional military preponderance, Islamabad
continued to covet U.S. diplomatic mediation in the Kashmir dispute. Pakistan’s Kashmir
strategy during the nuclear era entailed provocative brinksmanship with India in order to make
the Kashmir dispute a ‘nuclear flashpoint’ that it believed the U.S. could no longer ignore.

Implications of Findings

The foregoing examination suggests a number of insights for how scholars and
practitioners of international security can conceptualize the effects of alliances on the “war-
promeness” of states. First, the cases illustrate the requisite conditions under which a moral
hazard might arise when great powers extend alliance commitments to smaller revisionist states.
Even when defender states communicate the terms of the alliance, the protégé may misperceive the alliance commitments through “false optimism” about the extent of its security guarantees.

Secondly, as moral hazard theory posits, there is a greater chance of a moral hazard dynamic taking place when the opportunity for ‘hidden action’ presents itself. Pakistan’s willingness to undertake risky, provocative actions in Kashmir, in each case, started with an asymmetric penetration by paramilitary forces or proxy militants—which in Pakistan’s mind conferred it a measure of plausible deniability.

Lastly, the case studies demonstrate the utility of the moral hazard theory framework for capturing the perverse incentive structures that can exist within security alliances and extended deterrence arrangements. While the works of scholars such as Alan Kuperman and Timothy Crawford have demonstrated the efficacy of moral hazard theory in capturing the unintended consequences of sub-state actor beliefs about the prospect of humanitarian intervention, this examination of the U.S.-Pakistan alliance demonstrates the efficacy of transferring that conceptual framework to the interstate level. Most interestingly, during South Asia’s overt nuclear era, Pakistan’s beliefs about U.S. intervention were apparently more predicated on Islamabad’s view of the U.S. as the unipolar steward of international stability rather than on any particular concrete alliance arrangements. This expectation takes the form of an international norm—analogous to Kuperman’s emphasis on the ‘norm of humanitarian intervention’—suggesting that the perception of the U.S. role in the international system shaped Pakistan’s view of the prospect of intervention more than its view of U.S.-Pakistan relations per se.

**Outlook**

Pakistan’s historical reliance on international alliances to achieve parity with India suggests that India’s emergence as a great power in the coming decades will present Islamabad
with a diplomatic security dilemma. Pakistan will be eager to countervail growing Indian clout, with a preference for stronger ties with Washington. However, given the strengthening of U.S.-Indian relations and Pakistan’s wariness toward the continuity of U.S.-Pakistan relations, Islamabad will likely look increasingly toward its “all weather friend” China to bolster its global position. Beijing, however, may begin to see the costs of its Pakistan alliance as outweighing the benefits, and may be inclined to elevate the terms of the relationship more in Beijing’s favor. If this dynamic unfolds, Beijing will be in a position to drive a greater wedge between Washington and Islamabad. Regardless of how these dynamics play out, the region appears primed for instability in the years ahead, and Kashmir will likely continue to remain a fulcrum for conflict in South Asia.
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