CONSOLIDATION OF US NATIONAL INTERESTS IN ASIA THROUGH ECONOMIC AND MILITARY AID AND ITS IMPACTS: CASE STUDY OF PAKISTAN, 1947-71

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ABSTRACT

After 1945, the United States of America (USA) was worried about any possible harm to its interests within the Continent of Asia due to the ongoing rapid expansion of the Union of Soviet Socialist Republics (USSR) and Peoples Republic of China (PRC) after 1917 and 1949 respectively. Therefore, as a result of its Russo-Sino-phobia, the USA made alliances with the Asian countries based on their mutual national interests. In those relations, the USA was mostly an economic and military aid donor while its allies were recipients of that US-aid. In return, the USA was utilizing the geo-strategic positions of its allies in Asia to counter the USSR and PRC. Pakistan came into being on August 14, 1947 with poor economic and military conditions at home having a conventional rival (India) on its eastern border. The USA offered friendship to it. Pakistan accepted the US-offer and the US started to utilize Pakistan's geo-strategic position against the USSR and PRC. In return, Pakistan got huge US-aid to improve its economic and military infrastructure. The central theme of this research paper is, 'how the US-aid played its role in economic and military development of Pakistan during 1947-71 and what were its impacts?'

Key Words: National Interests, Economic and Military Aid, Pakistan-US relations, SEATO, CENTO

INTRODUCTION

During the first half of the 20th century, the USA was keenly observing the developments in Asia, both militarily as well as politically. The emerging powers of Japan, USSR, and PRC within the Asiatic region multiplied the US worries. The US dealt with Japan by “bombing” it in August 1945 and was planning to deal with the USSR and PRC which had been emerged as anti-US Asiatic Global Powers after 1917 and 1949 respectively. Meanwhile, before 1947, India (located in south-eastern neighborhood of the USSR and the PRC) was in a political turmoil under Britain. One of its major political parties named the All India Muslim League (AIML) was demanding partition of Indian and creation of an independent Muslim state with the name of Pakistan. The USA was opposed to the AIML's idea because it was of the view that any balkanization in Asia might harm its interests in the region and the proposed Muslim State of Pakistan might go into the lap of USSR due to geographical proximity of both. But, since very beginning, Quaid-i-Azam Muhammad Ali Jinnah (President of the AIML) was tilted towards an alliance of the Muslim World and the USA against the USSR. In May 1947, he told the US *chargé d'affaires* in New Delhi that foreign policy of the proposed Pakistan would be oriented towards Muslim countries of the Middle East who would stand together against any possible Russian aggression and would be to the US assistance (Sattar 2013, 41).

Later on, Pakistan came into being on 14th August 1947 and Quaid-i-Azam Muhammad Ali Jinnah became its first Governor General under the Government of India Act, 1935. He appointed his closest friend, M. A. H. Ispahani as ambassador to Washington. On 8th September 1947, Ispahani presented his credentials to the US President Harry S. Truman (Sherwani 1980, 38). He explained Pakistan's need to ‘balance our economy, to industrialize our country, to improve health and

education and raise the standard of living (Sattar 2013, 41). Accepting Ispahani's credentials, Truman responded as under:

We are opening a new chapter in the relations between the East and the West and we stand ready to all appropriate ways which might mutually benefit our countries... (*The New York Times*, 8th December, 1947)

It shows that, like Pakistan, the USA also considered its relations with Pakistan as a landmark to bridge the East with the West through mutual assistance and benefits. In December 1947, it appointed Paul H. Alling as its ambassador in Pakistan who presented his credentials to Quaid-i-Azam Muhammad Ali Jinnah in late February 1948 (Sherwani 1980, 39).

Initially, the progress in Pakistan-US relations was slow. However, it improved at the beginning of 1950. The reasons behind the improvement were mutual national interests of both the countries. Since the end of the World War-Second (WW-II) in 1945, USA was much concerned about its national interests in Asia in respect of any possible expansion of socialist USSR and communist China towards South-West and South-East Asia respectively. On 14th February 1950, the USSR and China signed a '30-Years Treaty of Friendship, Alliance, and Mutual Assistance' which further added to the US worries in Asia. As a result, the Truman's administration decided to devise a strategy to contain communism in Asia (*Ibid.*, 39 and 41). It was reported that Washington was planning to do it primarily with economic and political means besides some military means too (*The New York Times*, 4th February 1950). In this regard, soon, the Americans realized the geo-strategic importance of Pakistan. It was expressed in a leading American journal as under:

We must realize what Britain and Russia have always understood: that the Eastern Mediterranean basin and the Middle East countries bordering it are parts of one political complex. This complex now extends as far as Pakistan; and a new line from Karachi north to Kabul must enter into calculations of Washington as it has for many years into those of Moscow and London (*The Atlantic Monthly*, March 1948)

In December 1949, the US Assistant Secretary of State, Stator George McGhee, came to Pakistan and conveyed Truman's invitation to Pakistan's Prime Minister, Liaquat Ali Khan, to visit USA. On 4th May 1950, *The New York Times* reported that Washington felt that Pakistan's economic policies were more in line with American views; hence, there were more chances of US-aid to Pakistan. In May 1950, Liaquat Ali Khan visited USA which proved as a catalyst for strengthening Pakistan-US relations. He had two objectives. One was to bring Pakistan closer to USA politically and, second, to get US-aid to develop Pakistan's economy. He was successful in both of his objectives. After his visit, on 2nd February 1951, USA and Pakistan signed their first agreement which provided \$600,000 worth of US-aid to Pakistan (Sherwani 1980, 44-45). It was the beginning of US-aid to Pakistan for its economic development.

On 19th May 1954, Pakistan and USA signed 'Mutual Defence Assistance Agreement, 1954' which was the first ever defence agreement between the two countries. Under this agreement, US announced a limited military aid of \$29.5 million (Sattar 2013, 65). Later on, Pakistan also joined the US-sponsored defence alliances of SEATO (1954) and CENTO (1955) to counter the spread of communism towards the South-West and South-East Asia. The Central Intelligence Agency (CIA) reported that, after joining SEATO and CENTO, Pakistan provided land facilities (including the Badaber Air Base near Peshawar) for US installations which were considered as the 'best eyes and ears of US' against the nearby USSR and China in the region and, by then, US esteemed Pakistan as a 'bridge between the SEATO and CENTO' [*Papers of Lyndon Baines Johnson President, 1963-1969* (hereafter *Papers of LBJ*), Box No. 151, National Security File, Country File, "Maldives, Nepal, Pakistan", Folder No. 1, Vol. II, Cables 6/64-11/64 (1-75), Lyndon Baines Johnson Library and Museum, University of Texas at Austin, USA (hereafter, LBJ Library and Museum, UT Austin, USA)]. In return, Pakistan having a population of 76 million and an army of 200,000 got economic and military aid from USA to overcome its severe food shortage during 1950s and develop its army for deterrence against India (Sherwani 1980, 51). Furthermore, US increased its economic assistance to Pakistan to \$106 million for 1954 and military aid to \$50 million for 1955. Ironically, US did not allow any Pakistani to its Air Base at *Badaber* (a place near Peshawar) and used it secretly for its intelligence activities against USSR as well as China (Sattar 2013, 56 and 66). Hence, US-Pakistan nexus annoyed not only USSR and India but also PRC.

In October 1958, General Muhammad Ayub Khan assumed power by imposing first martial law in Pakistan. In 1959, he further strengthened Pakistan-US relations by concluding 'Bilateral Defence Cooperation Agreement, 1959'. It was a significant agreement in which the US ensured to assist Pakistan in preservation of its territorial integrity, political independence, and economic development. It further ensured that it would take any appropriate action including the use of its armed forces in case of any aggression against Pakistan. This agreement was the 'sheet anchor Pakistan's foreign policy'. Pakistan was much beneficiary out of this and its previous agreements with USA. However, in their response, the USSR put its powerful weight behind India both regionally as well as internationally. Regionally, the USSR strengthened India economically and militarily against Pakistan. Internationally, it fully supported India's view point against Pakistan, especially in United Nations Organization (UNO) (*Ibid.*, 56-57 and 64-65)

In 1961, J. F. Kennedy became the US President and Lyndon Baines Johnson (hereafter LBJ) as Vice President. Both of them continued the policy of their predecessors towards Asia. LBJ visited Pakistan in 1961 and reaffirmed US promise of assistance to Pakistan. In 1963, Kennedy was assassinated and LBJ became the US President. Ayub Khan had personal friendship with LBJ and, hence, he hoped for further strengthening of Pakistan-US relations. But, in the following years, the US tilts towards India as a result of the Sino-Indian War of 1962 which affected Pakistan-US relations adversely. USA was considering China as its main counterpart in the region and was supporting India against it. She immediately sanctioned \$120 million aid to India (Mahmood 2010, 525). In response, Pakistan came closer to China against its conventional counterpart, India. As a result, USA had concerns over developing Pakistan-China understanding. It created anti-US feelings in Pakistan. Under this sort of situation, the LBJ administration decided to adopt the 'Carrot and Stick Approach' to force both Pakistan and India to settle their mutual disputes and develop a Pakistan-India nexus against China in the region. In this regard, USA also decided to provide one billion US dollars' economic and military aid annually both to Pakistan and India. [For more details, see *Papers of LBJ*, Box No. 150, National Security File, Country File, "Maldives, Nepal, Pakistan", Folder No. 5, Vol. I, Cables 11/63-5/64 (1-68) available in LBJ Library and Museum, UT Austin, USA].

Being a personal friend of LBJ, Ayub Khan was considering USA as a 'natural friend' of Pakistan. However, he had concerns over US aid to India. During 1964, there was a war-like situation between India and Pakistan. Ayub Khan predicted that India might use the US-aid against Pakistan in case of war between the two (Khan 1967, 133). On 6th September 1965, war broke out between India and Pakistan which created anti-US public opinion pointing out that India was doing exactly what President Ayub Khan was predicting i.e. using US supplied hardware against Pakistan. Those sentiments further strengthened when USA, unlike its earlier assurances, did not support Pakistan against India and imposed embargo on both as a result of their mutual war [*Papers of LBJ*, Box No. 151, National Security File, Country File, "Maldives, Nepal, Pakistan", Folder No. 5, Vol. IV, Cables 8/65-9/65 (1-62) in LBJ Library and Museum, UT Austin, USA].

The War of 1965 between Pakistan and India lasted for seventeen days. On 22nd September 1965, a ceasefire concluded between them when both the countries accepted the UN Security Council's Resolution passed on 20th September 1965. This war exposed the fact that the security pacts signed by Pakistan with its US-led western allies were of no use in time of aggression from India. This war came to its ultimate end when both India and Pakistan signed the Tashkent Declaration on 10th January 1966 (Ahmad 1996, 47). Interestingly, despite all sorts of problems in Pakistan-US relations, by 1965, Pakistan had received \$3 billion in economic aid and \$ 1.5 billion in military assistance from USA (Amin 2002, 61) which had enabled Pakistan to sustain a full-fledged war for seventeen days with India, an enemy much bigger than Pakistan both economically as well as militarily. R. W. Komer (an official of US National Security Council) reveals in declassified secret documents of US Department of State that, by 1965, Pakistan had become the third largest recipient of US-aid in Asia (after India and Korea) by getting \$3.1 billion along with \$1.2 billion in surplus food [*Papers of LBJ*, Box No. 152, National Security File, Country File, "Middle East-Pakistan", Folder No. 1, Vol. V, Cables 9/65-1/66 (1-69), LBJ Library and Museum, UT Austin, USA]. Hence, it may be said that it was essentially the quest for aid and arms which kept Pakistan to stick to USA (Amin 2002, 58).

After the War of 1965, Ayub Khan remained peaceful with India and he refrained himself from China at least for the time being. It was a sign of satisfaction for USA and, soon, Pakistan-US relations returned to normality. In April 1966, US Secretary of State, Dean Rusk, asked Pakistan to

play its role for normalization of relations between USA and China. However, Pakistan's Foreign Minister, Zulfikar Ali Bhutto, opposed Ayub Khan's retreat to the US camp. Hence, on 12th April 1967, USA announced termination of military assistance to Pakistan. Ayub Khan ousted Bhutto from his office. In 1967, Bhutto formed a party of his own with the name of Pakistan People's Party (PPP) and started anti-Ayub movement along with other political parties. It resulted in removal of Ayub Khan on 25th March 1969. As a coincidence, LBJ's presidential tenure also came to its end and was succeeded by President Richard Nixon in 1969 (Sattar 2013, 121).

Nixon had a policy towards Asia which was different from the policies of his predecessors. As a result of China's split with USSR towards the end of 1960s, he wanted friendly relations not only with Pakistan but was also in favor of melting ice between USA and China through 'back-door diplomacy' with Pakistan's assistance leaving USSR as the only counterpart in the region (Kissinger 1979, 685). For this purpose, he was trying to support Pakistan. Despite opposition from US Congress; he strongly recommended aid to Pakistan at the World Bank's consortium meeting held in May 1969 (Sattar 2013, 122). Nixon relaxed embargo on Pakistan to provide 300 armored personnel carriers, 4 maritime patrol aircrafts, and \$72 million for food (Aijazuddin 2002, 106-10). In return, Pakistan played the role of an intermediary for secret messages of good will between China and USA (Sattar 2013, 122-23). It also facilitated visit of Henry Kissinger (Nixon's National Security Advisor) to China on 9-11 July, 1971 (Afzal 1998, 233). It resulted in Chinese invitation to Nixon to visit China. Pakistan, China, and USA kept these entire developments top secret. However, after knowing about Pakistan's meddling role in the triangular power politics among China, USSR, and USA in the region, USSR decided to 'punish' Pakistan and humiliate China (Sattar 2013, 123). In this regard, on 9th August 1971, she concluded a Treaty of Peace, Friendship and Cooperation with India to ensure their mutual security against any attack or threat of attack. By signing this treaty, the USSR wanted to provide an umbrella to India to remove its fear of Chinese intervention against its design of dividing Pakistan into two for which India was operative in Pakistan since mid-1960s (Raina 1981, 49). Now, if China was supporting Pakistan against India then USSR was at India's back against Pakistan. It brought a balance of power in the region and, in this case, China was not in a position to interfere between India and Pakistan. Hence, it was to serve USSR's twin objectives of punishing Pakistan through India and humiliating China by deterring her not to interfere between India and Pakistan (Kissinger 1979, 767).

In December 1970, first ever general elections held in Pakistan followed by a political deadlock between East and West Pakistan. General Yahya Khan (the then Chief Martial Law Administrator and President of Pakistan) tried to melt the ice of political deadlock between the two wings of the country but in vain. Time and again, transfer of powers was delayed tactfully to East Pakistan based Awami League which was majority winning party in general elections of 1970. Hence, on 23rd March 1971, it proposed that Pakistan should be made a confederation. Violent demonstration broke out in East Pakistan against West Pakistan. It, ultimately, resulted in Yahya Khan's orders of a military operation (Operation Searchlight) in East Pakistan at mid-night at the end of 25th March 1971 (Lieven 2012, 59). It was foolish to hope that 42,320 West Pakistani troops could suppress 75 million East Pakistani civilians who were highly aggrieved and fully supported by India in their revolt against West Pakistan's army (Salik 1977, 101). A civil war broke out in East Pakistan which provided an opportunity to India to intervene within the internal strife of Pakistan and fulfill its long awaiting wish to break up Pakistan into two. Nixon was aware of the Indian designs. But US State Department was swept off its feet by US public opinion which had been turned against Pakistan by US media for its military crackdown in East Pakistan. At the same time, India remained successful in maligning Pakistan for its military crackdown in East Pakistan at international level and camouflaging its interference in East Pakistan by crying of East Pakistani refugees' problem. As a result, US provided an aid of \$350 million to India to ease its refugees' problem and imposed embargo on delivery of arms to Pakistan (Sattar 2013, 125-8). From 21st to 26th November 1971, Indian regular army was visibly operative in East Pakistan. On 2nd December 1971, Pakistan asked US to assist her against the Indian aggression under their 'Bilateral Defence Cooperation Agreement of 1959'. But, US flatly refused which was against of all of its previous defence agreements assuring Pakistan of her assistance in case of 'any Indian aggression' (Kissinger 1979, 895-6). On the other hand, USSR was fully supporting India, both militarily as well as diplomatically. On 4th December 1971, it vetoed UN Security Council's Resolution asking for a ceasefire and withdrawal of forces. In such a situation, the only

thing which US did was dispatching its 'eight-ships' fleet' from Pacific to Bay of Bengal on 9th December 1971. Furthermore, on 12th December 1971, Nixon warned USSR to pressurize India for immediate ceasefire. By this time, realizing gravity of the situation, USSR sent its envoy to India on 13th December 1971 to persuade her for a ceasefire. It worked positively and, on 16th December 1971, India offered unconditional ceasefire but it was too late for Pakistan as, on the same day, it surrendered before the Indian army at Dacca and East Pakistan became an independent state of Bangladesh. Though, US could not assist Pakistan to stop civil strife and Indian aggression in East Pakistan, however, its eleventh hour diplomacy of deterrence against India via USSR was remained successful in stopping the ongoing Indian aggression against the West Pakistan. At the ceasefire, India had seized 5,139 square miles territory in West Pakistan along with more than 93,000 Pakistani prisoners of war (Sattar 2013, 132-34). In jubilation of her victory, Indian Prime Minister Indira Gandhi went on an extreme point by declaring before her parliament that she defeated Pakistan and took revenge of centuries old Hindus' humiliation at the hands of sultans and emperors in India. In return, members of the parliament gave her a 'thunderous ovation' (Longer 1988, 215).

CONCLUSION

From above discussion, it may be concluded that the period from 1947 to 1971 was a significant era of Pak-US relations. Pakistan was considering USA as her 'natural friend' while USA was considering Pakistan as its 'most relied ally' in Asia. Both were eager to consolidate their national interests through mutual cooperation on reciprocal basis. USA was availing Pakistan's geo-strategic position to counter the communism in Asia. In return, Pakistan was receiving US-aid to develop its economy and its military in order to counter its poor conditions at home and its conventional rival, India, at broad. However, their mutual cooperation disturbed under the theory of international relations which is, 'the enemy of my enemy is my friend and vice versa'. Their relations affected adversely as a result of their respective divergent interests in the region.

As a whole, on the chess-board of international politics, Pakistan played its role responsibly and consolidated its national interest with US-aid. Economically, it brought 'Green Revolution' in Pakistan which was mainly based on developments in agriculture sector and agro-based industrialization. Militarily, Pakistan improved to the extent that it sustained a seventeen-day's full-fledged war of 1965 with its conventional rival, India. However, it could not sustain its same capability in its war with India in 1971 not just because of that India was stronger than Pakistan but also due to its own follies in East Pakistan.

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