

10 August 2023

US AID TO PAKISTAN (2001-2020): PUBLIC DIPLOMACY FAILURES AT THE BEHEST OF STRATEGIC GAINS

Author: Dr Tauseef Javed*

Key Points:

- After 9/11, the Pak-US relationship is a case of US public diplomacy failure in Pakistan.
- The US provided USD 10,744.63 million to Pakistan in economic aid over 20 years through USAID.
- Anti-Americanism remained explicitly high in Pakistan.
- The US must overhaul its approach to Pakistan, where 64 per cent of youth is below 30 years. It presents the US with the potential to mend its image in the eyes of the masses.

INTRODUCTION

Historically, Pakistan has remained one of the top United States (US) aid recipients. The country has secured American aid under several congressional laws. However, the economic assistance to Pakistan after 11 September 2001 (9/11) has certain interesting features. It has been observed that the US Agency for International Development (USAID) in Pakistan compromised the concept of development through aid assistance to seek strategic objectives of the US. The traditional donor of economic aid, the US, in the case of Pakistan, provides a glaring example of putting political goals ahead. The perspective paper focuses on US aid to Pakistan from 2001 to 2020. The scope of the paper only includes assistance provided during this period through the implementing agency USAID. The study is delimited to the geopolitical environment created by the 9/11 attacks and the US pursuit of the “War on Terror” linked to Pakistan’s inclusion in it. The US government has

given USD 10,744.63 million to Pakistan in economic aid via USAID over the last two decades. The Foreign Assistance Act of 1962, passed by Congress, made this help possible.¹ As a side note, the paper also looks at any correlation that exists between American aid and anti-Americanism in Pakistan.

GEOSTRATEGIC CONTEXT

The USAID’s assistance to Pakistan remains a development story linked with geostrategic objectives. The framework of mutual agreement over the disparate aspirations of the US and Pakistan has led to the point where the relationship has turned into a “donor-recipient” equation. Both sides remain unsuccessful in building the economic aid relationship into a mutually beneficial one over time. The failure in the story resulted from the primary perception of the transactional nature of the bilateral ties, which eclipsed economic aid as a viable instrument of public diplomacy. Therefore, it is relevant to have a background in the geostrategic environment of South Asia from 2001 to 2020. This section discusses the factors that fostered US-Pakistan

*Tauseef Javed works at the Center for Strategic and Contemporary Research (CSCR) as a Research Associate. He has completed his Ph.D. from Fujian Normal University in Fuzhou, China. His research focuses on US economic aid policy toward Pakistan, international relations, history, and area studies from an interdisciplinary perspective.

¹ “Foreign Assistance Act of 1962,” *US Government Information*, accessed November 14, 2022, <https://www.govinfo.gov/content/pkg/STATUTE-76/pdf/STATUTE-76-Pg255.pdf#page=1>.

bilateral cooperation after 9/11. During the timespan under study, the US-Pak relations were shaped around the following two major defining characteristics:

Afghanistan Conundrum

After 9/11, the US prioritised Pakistan and provided economic aid under the Foreign Assistance Act. It brought forward a comparison of Musharraf's alignment with the US to General Zia's in 1981 and Pakistan's costs. The bilateral relations remained victim to mutual dissatisfaction, disillusionment, and suspicion. The relationship evolved under stressful conditions, leading to mutually exclusive aspirations that brought the partnership back together after a decade of disengagement with the Foreign Assistance Act's economic assistance.

The Pakistan-US relations deteriorated again after the 9/11 attacks, and the consequent US-led invasion of Afghanistan was a critically important factor in it.² Ties between the two countries worsened, but when Pakistan joined the war against al-Qaeda and the Taliban, the divergent interests became even more apparent. For the first decade, from 2001 to 2010, the focus was on the Afghanistan conundrum, on which bilateral economic assistance depended.

realised that a trust deficit was present on the two sides. Both countries trapped themselves along tough and fractious lines where diplomatic trust was missing. This furthered an unequal relationship where the nature of bilateral relations turned transactional akin to where the US dictated to Pakistan to facilitate the former in achieving its objectives in Afghanistan in exchange for assistance and funds. This type of commitment compromised the potential of diplomatic engagement from both sides only to close the alley where everything around Pakistan-US relations was translated into the "War on Terror" and the recompense for Pakistan in terms of dollars.

ECONOMIC ASSISTANCE UNDER USAID (2001-2020)

The research focuses on the aid given under USAID over a period of 20 years, as shown in Figures 1 and 3. It is essential to mention here that this perspective paper limits the scope of the funding agency USAID under the category of economic aid. The paper does not bring defence assistance into the discussion. It focuses on economic aid administered under USAID from 2001 to 2010, in Figure 1, and then from 2011 to 2020, in Figure 3.³

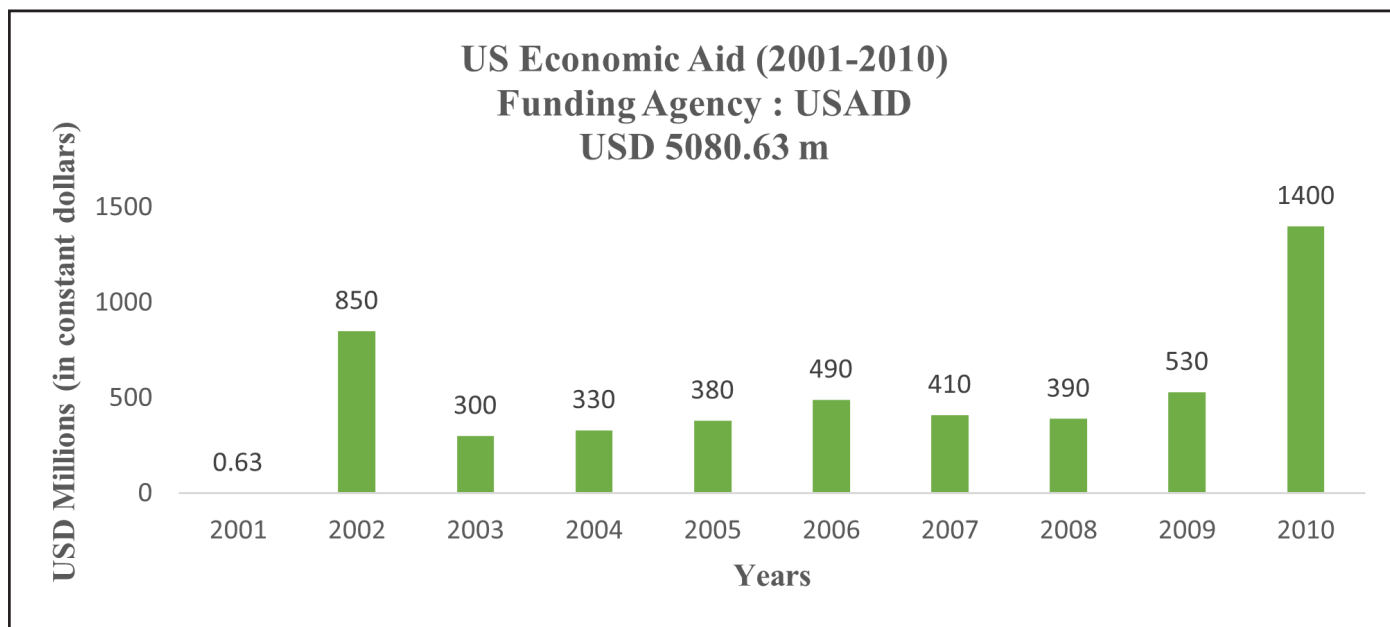


Figure 1: USAID (2001-2010)

Diplomatic close alley

Pakistan and the US were engaged in one of the most celebrated wars, the "War on Terror", but both soon

Figure 1 gives a detailed account of the US assistance to Pakistan in the first decade after 9/11. The total aid was USD 5,080.63 million during the first ten years.⁴ The average aid per year during the first decade was USD 508.063 million. Figure 1 reflects that the maximum

² "Timeline: U.S. War in Afghanistan," *Council on Foreign Relations*, accessed November 14, 2022, <https://www.cfr.org/timeline/us-war-afghanistan>.

³ "US Foreign Assistance by Country," *Foreign Assistance*, accessed November 14, 2022, <https://foreignassistance.gov/>.

⁴ *Ibid.*

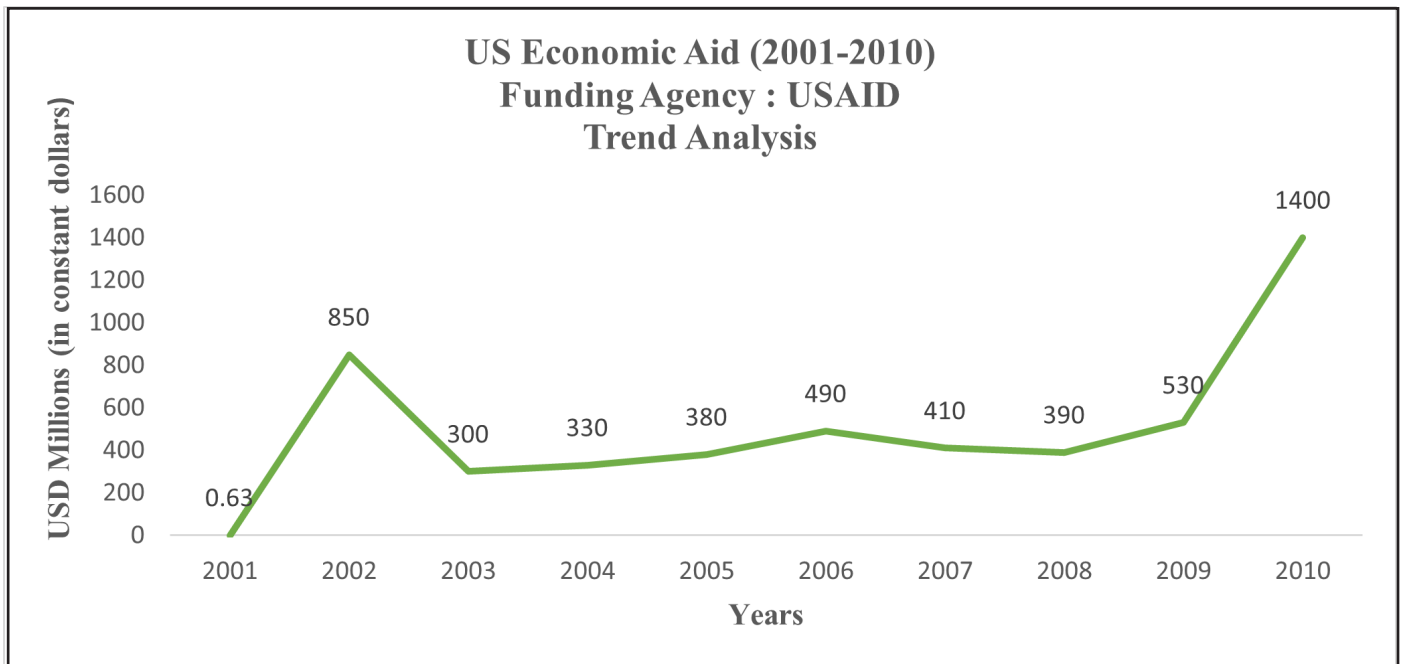


Figure 2: USAID (2001-2010)

amount was given in 2010, and the minimum was given in 2001 under USAID. Therefore, it can be inferred that the start of the twenty-first century was not as favourable for Pakistan in terms of economic aid until both countries, after the 9/11 attacks, decided to get into a marriage of convenience for their divergent interests.

Figure 2 presents a trend analysis of economic assistance from USAID during the first decade of the twenty-first century. The trend line points on FY 2002 and FY 2010 show that Pakistan received the highest amount during the mentioned years. However, the remaining years in the figure have seen a relatively low trend for the assistance provided. It can be attributed to the fact that the US was also involved in the Iraq war, so 2003 and 2004 received a lesser amount.⁵ The small amount received in 2001 reflects the US sanctions on Pakistan before September 2001. Following the 9/11 attacks, only when Pakistan ultimately agreed to support the US against the Taliban in Afghanistan were the sanctions on aid eventually lifted.⁶ Though the latter part of the decade received more assistance, bilateral relations remained eclipsed by the “do more” mantra of the US towards Pakistan.⁷ The US’ strategic failures in the “War on Terror” in Afghanistan and against Al-Qaeda were framed as synonymous with Pakistan’s inability to curb terrorism and save Afghanistan in Pakistan’s north and

northwestern border area.⁸

However, the Afghanistan problem that started after 9/11 morphed into a war of Pakistan against terrorism and cross-border infiltration through Afghanistan. From 2011 to 2020, not much changed in Pak-US relations. Figure 3 depicts the economic assistance directed to Pakistan during those years.⁹

Figure 3 gives a detailed account of US assistance to Pakistan in the twenty-first century’s second decade, from 2011 to 2020. The total aid was USD 5664 million during this period.¹⁰ Thus, the average assistance during the second decade was USD 566.4 million. Figure 3 reflects that the maximum amount of aid was given in FY 2011 and FY 2012, which amounted to USD 1000 million yearly, and the minimum was provided in 2020 under USAID, which amounted to 84 million. It can be seen from the comparison of both decades that Pakistan received more aid in the second decade compared to the first decade under study. Still, the US and Pakistan were trying to get out of the bilateral arrangement due to the changing dynamics within Afghanistan.¹¹

Besides, the mutual scepticism grew so strong that the US kept asking Pakistan to “do more.” At the turn of the first decade, the US assassinated Osama Bin Laden in Pakistan; this action was interpreted as a violation of Pakistan’s sovereignty.¹² The geostrategic interest

⁵ “The Iraq War,” *Council on Foreign Relations*, accessed June 26, 2023, <https://www.cfr.org/timeline/iraq-war>.

⁶ “Timeline: History of US-Pakistan Relations,” *DAWN*, June 04, 2012, <https://www.dawn.com/2012/07/04/timeline-history-of-us-pakistan-relations/>.

⁷ “Pervez Musharraf on U.S.–Pakistan Relations,” *Carnegie Endowment*, October 26, 2011, <https://carnegieendowment.org/2011/10/26/pervez-musharraf-on-u.s.-pakistan-relations-event-3416>.

⁸ “US Foreign Assistance,” *Foreign Assistance* accessed May 22, 2023, <https://foreignassistance.gov/>.

⁹ *Ibid.*

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² “Pakistan’s Sovereignty and the Killing of Osama Bin Laden,” *ASIL*, accessed November 29, 2022, <https://www.asil.org/insights/volume/15/issue/11/pakistans-sovereignty-and-killing-osama-bin-laden>.

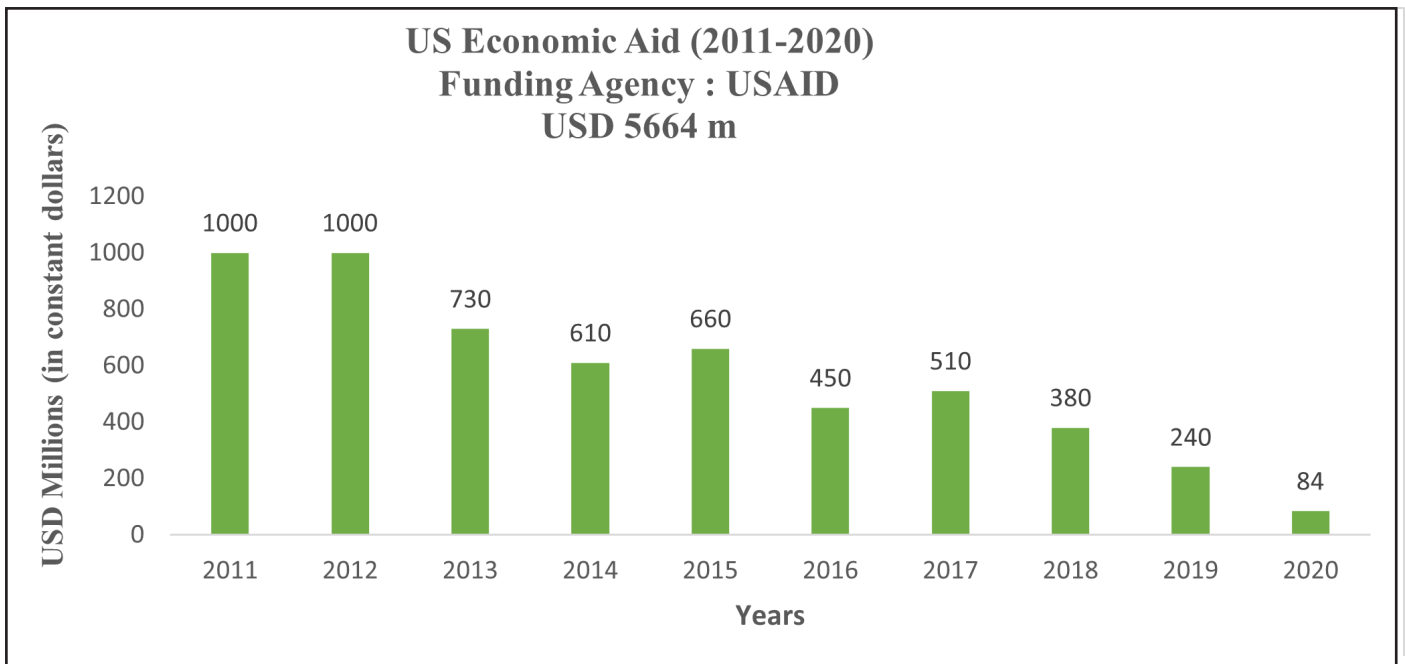


Figure 3: USAID (2011-2020)

constrained the bilateral relations to a point where the US only saw Pakistan as an unreliable partner. Therefore, the trend analysis of the economic assistance during the second decade reflects a gradual decline in the US financial assistance to Pakistan. From 2011 to 2020, aid declined from USD 1000 million to 84 million. Figure 4 confirms that though the public diplomacy instrument

sentiment of an ordinary Pakistani in America’s favour. It can be inferred from such a pattern that America remained unsuccessful in swaying the public opinion of the Pakistani masses in its favour.

PAK-US RELATIONS (2001-2020)

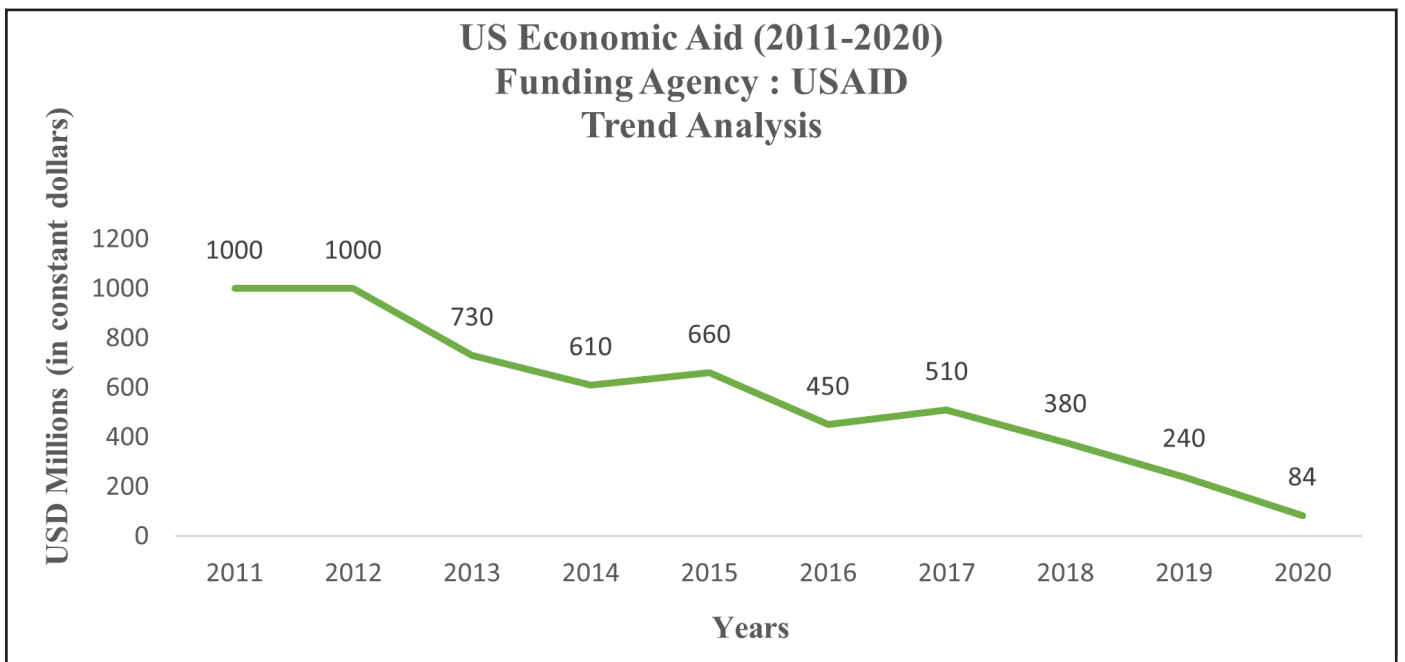


Figure 4: USAID (2011-2020)

In

of economic assistance was used to attain geostrategic objectives, the sentiments of the Pakistani masses did not incline in favour of the US despite the two decades of assistance.¹³ Though during 2011, Pakistan received a high level of economic aid, it failed to assuage the

September 2002, George W Bush’s Administration released its National Security Strategy, which outlined its goals and objectives and served as a yardstick for assessing how this period of the Pak-US relationship

¹³ Uzair Sattar, “Anti-Americanism in Pakistan,” *Stimson Center*, May 10, 2022, <https://www.stimson.org/2022/anti-americanism-in-pakistan/>.

would contribute to its successes and failures.¹⁴ The first and most important goal was to disrupt and destroy global terrorism without making any deals with or distinctions between terrorists and their supporters. Although other parts of the policy related to Pakistan and South Asia, this objective centred on relations with Pakistan.¹⁵ Therefore, Pakistan and the US built their relations around this objective till the end of the first decade.

On the other hand, stopping terror infiltration through the border was nearly impossible since the Durand line is a porous border. Although al-Qaeda and the Taliban were initially considered the enemy, the network of terrorist groups that comprised the enemy grew more complicated and multi-layered, with some groups being considered allies in Pakistan but foes in the US.¹⁶ However, as the US continued to provide aid to Pakistan due to its strategic interest, it resulted in a mix of conflict and cooperation. Al-Qaeda was widely recognised as a common enemy and had been significantly disrupted, if not completely eliminated, allowing the US to claim some victory.

Yet, the US failed otherwise due to many factors, including overestimating its power and influence. The American Administration, including the Parliament and the Department of Defence, should be blamed for making the Afghan campaign larger and more complicated than needed by treating al-Qaeda and the Taliban as a single enemy and ignoring the advice of more experienced Pakistanis that they conscripted as allies. At the end of 2008, the US realised it needed to distinguish between the two and accommodate the more moderate Taliban. The Bush Presidency understood Pakistan's importance in the Afghan conflict but seemed to think they could force it with threats and inducements like financial aid.¹⁷ Because they knew they relied on Pakistan, they were neglectful in not paying more attention to it and being more open about what it could and could not deliver. Even though Musharraf's immediate agreement for Pakistan to become a part of the "War on Terror" surprised them, they should have been more explicit about their reliance on it.¹⁸ The American Government's inability to keep an

eye on the Northern Alliance's takeover of Kabul and the importance of its leaders in the new administration made Pakistan less likely to give up on the Taliban and more likely to work with the US selectively.

American strategy was thrown into disarray, and the Obama Administration also had to figure out how to withdraw American troops from Iraq as Afghanistan was a "more important terrorist front for the US forces".¹⁹ His "Af-Pak" strategy, including economic assistance and partnership-building measures, was meant to expand US-Pakistan cooperation.²⁰

Though Pakistan received the highest assistance of the decade in 2011 and 2012, these were also the years when anti-Americanism peaked in the country. Pakistan's equation with America started unravelling with incidents like the arrest of Raymond Davis, a spy of the Central Intelligence Agency (CIA) in the capital of Pakistan, on an espionage mission (January 2011). The discovery of the operative was enough to turn the sentiments against America within Pakistan.²¹ The following year, an assassination attempt was made on Malala Yousafzai, a teenage education activist, by Tehrik-i-Taliban Pakistan (TTP), which led to country-wide and global protests against terrorist brutality.²² On top of it, the Western voices, particularly American ones that highlighted Malala's incident, fuelled anti-American sentiment in Pakistan as some considered the incident fabricated.²³ Nonetheless, Afghanistan's future stability appeared uncertain as militant attacks continued and the Kabul government failed to control a significant portion of the country. As a result, the Obama Administration's goal of withdrawing troops by 2014 appeared in jeopardy.²⁴

The second half of the relations between the two countries was different in the way that a democratic-civilian government ruled Pakistan. Apparently, this change was appreciable for the US to interact with Pakistan. Still, both countries were gripped by the same reservations and distrust about bilateral relations. However, assistance to Pakistan remained a consistent

¹⁴ Ivo H. Daalder, James M. Lindsay, and James B. Steinberg, "The Bush National Security Strategy: An Evaluation," *Brookings*, October 1, 2002, <https://www.brookings.edu/research/the-bush-national-security-strategy-an-evaluation/>.

¹⁵ "National Security Strategy 2002," *National Security Strategy Archive*, March 23, 2012, <https://nssarchive.us/national-security-strategy-2002/>.

¹⁶ "Al Qaeda, The Taliban, And Other Extremists Groups in Afghanistan and Pakistan," *US Government Information*, accessed November 29, 2022, <https://www.govinfo.gov/content/pkg/CHRG-112shrg67892/html/CHRG-112shrg67892.htm>.

¹⁷ *Ibid.*

¹⁸ Claude Rakisits, *Pakistan's Musharraf: Playing a Balancing Act* (Barton: Australian Strategic Policy Institute, 2005): 1-10, <https://www.jstor.org/stable/resrep03839>.

¹⁹ "1999 – 2021: The U.S. War in Afghanistan," *Council on Foreign Relations*, accessed July 19, 2023, <https://www.cfr.org/timeline/us-war-afghanistan>.

²⁰ "Obama's AF-PAK Strategy: The Change and the Continuing Challenge," *Wilson Center*, accessed November 14, 2022, <https://www.wilsoncenter.org/article/obamas-af-pak-strategy-the-change-and-the-continuing-challenge>.

²¹ Mark Mazzetti, "How a Single Spy Helped Turn Pakistan Against the United States," *The New York Times*, April 09, 2013, <https://www.nytimes.com/2013/04/14/magazine/raymond-davis-pakistan.html>.

²² Naomi Blumberg, "Malala Yousafzai," *Britannica*, July 08, 2023, <https://www.britannica.com/topic/l-Am-Malala>.

²³ Michael Kugelman, "Why Pakistan Hates Malala," *Foreign Policy*, August 15, 2017, <https://foreignpolicy.com/2017/08/15/why-pakistan-hates-malala/>.

²⁴ "Troop Withdrawal Raises Questions," *POLITICO*, accessed November 29, 2022, <https://www.politico.com/story/2013/02/obama-to-announce-withdrawal-of-34000-troops-087508>.

force to pursue Pakistan per US's interest.

Evaluation of the effectiveness of this US assistance becomes essential given the significant financial investments made by the US in aid to Pakistan.²⁵ US policy circles have raised questions about its efficacy. From the Pakistani side, the goals of US aid assistance have been questioned—the sense on both sides about the role of aid sprouts from different perspectives attached to it. Pakistan wants US aid without any conditions attached to it, and the US sees aid as a tool for attaining US geostrategic goals. This difference of perspectives has compromised the due input of the aid in the development of Pakistan. It has compounded into the failure of American public diplomacy. The American policies during the period of the Bush Administration inherently encompass strategic failure of public diplomacy that persisted during incoming US Presidencies. This continued cognitive slumber of the US government has fuelled anti-Americanism despite their economic assistance to Pakistan.²⁶

RECOMMENDATIONS

American geostrategic interests in South Asia have eclipsed US assistance under USAID. The post-9/11 scenario has explicitly shown that the US economic support under the USAID agency was linked with the US strategy of attaining its geostrategic goals in Afghanistan. This approach has made the domain of foreign aid susceptible to the point that people in Pakistan consider it a political tool of the US government strategy. It is indicative of the American failure of public diplomacy in Pakistan. To eradicate such a mindset from in the country, it is pertinent for the US to consider the following points when it comes to bilateral cooperation and aid assistance:

- American public diplomacy vis the South Asian country in the future should be designed around Pakistan's geoeconomic approach, given the latter's recent emphasis on geoeconomics in its national security policy.
- Being aware of the geostrategic limitations, Pakistan and the US must shift the focus of their bilateral relations to economic diplomacy, where comparative advantage should be the basis of ties.
- Public opinion weighs more than a tactical bargain in a country where the youth bulge is 64 per cent.²⁷

²⁵ Zainab Ahmed and A. Kharal, "Pak-US Relations Post 9/11: Impact of Aid, Irritants and Regimes in Pakistan (2001–2013)," *Journal of Politics and International Studies* 1, no. 1 (2015): 14–23.

²⁶ Touqir Hussain, "Why Anti-Americanism Continues to Thrive in Pakistan," *DAWN*, January 13, 2023, <https://www.dawn.com/news/1732150>.

²⁷ Shakeel Ahmad, "Unleashing the Potential of a Young Pakistan," *Human Development Reports*, July 24, 2018, <https://hdr.undp.org/content/unleashing-potential-young-pakistan>.

These statistics present the US with the potential to mend its image in the eyes of the masses. Therefore, the US must overhaul its existing approach to Pakistan.