# THE UNITED STATES-PAKISTAN AID RELATIONSHIP: A GENUINE ALLIANCE OR A MARRIAGE OF CONVENIENCE?

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We are hoping for fidelity from those Who have no idea about fidelity

#### Introduction

While the US has been planning to reduce the number of its combatant forces in Afghanistan, the question is whether the US-Pakistan bilateral ties will remain intact and friendly as they were during most of the 'War on Terror' (WOT) period. During the last decade, though the alliance witnessed several ups and downs, the relationship never broke and the US continued to provide substantial economic and military assistance to its geo-strategically important South Asian ally. It is evident from Figure 1 to Figure 3, based on data obtained from United States Agency for International Development (USAID), that the US has allocated substantial economic and military aid to Pakistan at different points in time. What have been the motives for this sustained US bilateral aid? To what extent have the US political, security and geo-strategic orientations determined the provision of the US aid to this only Muslim state with nuclear

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capabilities? The rest of the paper discusses this issue over a long period of time covering extremely significant events dating back from 1947.

Figure 1
US economic aid to Pakistan (Constant 2008 US\$)

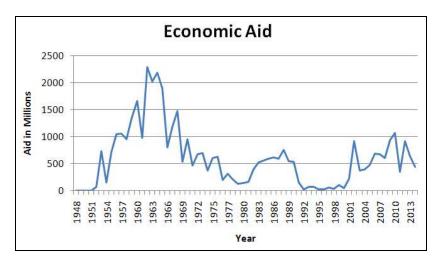


Figure 2
The US military aid to Pakistan (Constant 2008 US\$)

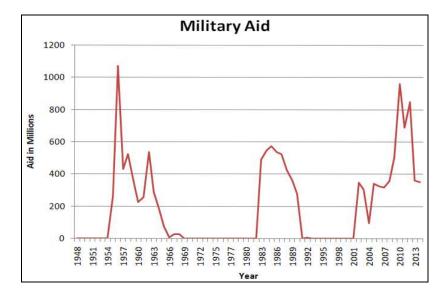
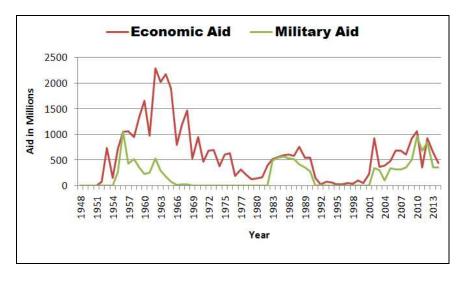


Figure 3

A comparison of the US economic and military aid to Pakistan over time (Constant 2008 US\$)



# Preliminary years of the Cold War and commencement of the US assistance

Most studies that have examined the US aid allocation criteria reveal that foreign policy goals of the US have played a key role in shaping its bilateral aid policies. The pioneering research on aid allocation not only examined the US aid programme but also British, French, and German foreign aid policies over the years 1960-70.<sup>2</sup> During these years and the continuing Cold War period, foreign assistance of major donors was driven by strategic and security concerns. The Cold War was a competition between two main rivals: the US and the Communist Bloc,<sup>3</sup> each player was trying its best to enhance and expand its influence over those who were not an active part of the game, such as the new states that had won independence during the 1950s and 1960s in Asia, the Middle East, Africa and Latin America. Throughout this period, "development aid was inextricably linked to the policies of the bi-polar world." One superpower was vying to increase its sphere of influence, the other was trying to contain that of the former, and enhance its own influence through different means including foreign aid.

Regarding the US aid relationship with Pakistan, there have been different trends at different time periods. Pakistan along with some other strategically important countries has been considered to be one of the "pivotal state(s)" nations whose fate determines the survival and success of the surrounding region and ultimately the stability of the international system. Therefore, Pakistan has mostly, but not always and all the time, remained a very close ally of the US. In the early years of its creation, Pakistan was given

considerable importance by the US after it became an independent country in 1947. In 1950, the visit of Pakistan's first prime minister to the US was a clear signal that both countries were planning to lay the foundation of a lasting relationship. In his trip, Prime Minister Liaquat Ali Khan showed interest in Pakistan's willingness to align itself with the US and to secure US arms purchase.<sup>6</sup> American policy-makers were also aware that due to its unique geostrategic location, Pakistan could play a vital role to stop the spread of communism in the region.<sup>7</sup> To this end, the Mutual Defence Assistance Agreement (MDA) was signed between the two countries in May 1954.8 Elsewhere, particularly in Eastern Europe, the expansion of Soviet influence rang alarm bells throughout Western Europe, resulting in the formation of the North Atlantic Treaty Organisation (NATO) as a bulwark against a possible Soviet aggression. To this end, in 1954, the US also established the Southeast Asia Treaty Organisation (SEATO), comprising Pakistan, Thailand, and the Philippines, with the military umbrella extended to Cambodia, Laos, and South Vietnam to prevent the swell of communism in the region.<sup>9</sup> In 1955, the USsponsored Baghdad Pact (in 1958 its name was changed to CENTO) was signed between Iran, Iraq, Turkey, Pakistan and Britain to contain Soviet influence. By means of these pacts and treaties in different parts of the world, US President Truman took practical steps to implement and accomplish George Kennan's theory of the containment of the Union of Soviet Socialist Republics (USSR).

There is no doubt that under MDA and other subsequent agreements, the US began to supply considerable military aid to Pakistan in the form of military weaponry and hardware as well as technical assistance (in the form of military training in the US and Pakistan). However, it must be noted that under the terms of agreement Pakistan had "agreed that the arms will not be used aggressively and has committed itself to cooperation with the United States" to contain Soviet influence. It is relevant to quote the actual wording mentioned in the MDA, the full text of which is given in Appendix IV. Article 2 of the MDA clearly states that:

The Government of Pakistan will use this assistance exclusively to maintain its internal security, its legitimate self-defence, or to permit it to participate in the defence of the area, or in United Nations collective security arrangements and measures, and Pakistan will not undertake any act of aggression against any other nation. The Government of Pakistan will not, without the prior agreement of the Government of the United States, devote such assistance to purposes other than those for which it was furnished.

It indicates that Pakistan was provided arms not to strengthen or show its military prowess viz-à-viz India but rather to safeguard the US interests in the region where the Soviet threat was looming. Whatever the conditions, the US started allocating substantial military assistance to Pakistan during these years (See Appendix I as well as Figure 1 to Figure 3 for US economic and military aid to Pakistan).

Along with military assistance, the US gave Pakistan substantial economic aid. It has been stated that nearly four-fifths of all the foreign aid Pakistan received during the years 1951-1960 came from the US.<sup>11</sup> More than 70 per cent of US aid was in the form of food aid comprising surplus agricultural commodities. It is interesting to note that shipping of all US wheat aid to Pakistan in American ships cost \$26 per ton as against \$12-14 per ton in a foreign ship.<sup>12</sup> Most of this aid was tied and Pakistan had to use the US vessels for transportation of these commodities. Whatever conditionalities and strings attached to the US aid programme to Pakistan, the fact remains that Pakistan was one of the largest recipients of both US economic as well as military assistance during this period. However, some later developments, particularly Pakistan's ill-calculated military intervention for the liberation of Kashmir, dealt a serious blow to the US-Pakistan alliance and subsequently the US assistance was also the casualty. In view of this, it is appropriate to quote Muzaffar Ahmed, former chairman Planning Commission of Pakistan, who in a meeting with Ayub Khan stated that "our foreign policy and our economic requirements are not fully consistent."13

# Indo-Pak wars and the US response: a dent in the alliance

While Pakistan and the US were enjoying quite warm bilateral ties, the Indian factor disturbed the honeymoon period of the alliance. The US-India arms deal and Pak-India wars of 1965 and 1971 really dealt a severe blow to the expectations Pakistan had from its powerful ally. Although the US neither helped India nor Pakistan in these testing times, the latter felt that being a close ally the US should not have let them down in both 1965 and 1971 wars with its powerful opponent India.<sup>14</sup> Pakistan was deeply frustrated over the US arms embargo after the war. Although the US imposed sanctions on both Pakistan and India, Pakistan suffered more because it was relying on weapons imported from the US, unlike India which was importing huge arms from USSR. As a result of the US arms embargo, Pakistan also responded by closing military bases on its soil used by the US for the surveillance of the USSR in the region. In the same context, former prime minister late Zulfikar Ali Bhutto wrote that the US enforced an arms embargo on Pakistan at a time when the country was struggling for its survival against its arch rival that was five times its size. 15 Whatever the repercussions of the war were for Pakistan itself as well as for the US-Pakistan alliance, later developments reveal that it was an ill-conceived strategy devised by Pakistan's military establishment. General Ayub's plan to liberate Kashmir from India by means of force through a covert military infiltration code-named Operation Gibraltar was not a calculated move as he failed to gauge the response of India. Pakistan's military strategists thought, quite naively, that the conflict would remain confined to Kashmir only and would not be stretched to Pakistan's borders.

However, to conclude that the US betrayed Pakistan and did not help it during this period is perhaps showing one side of the picture. The fact is that by sending Task Force-74 with the USS Enterprise into the Bay of Bengal during

the 1971 crisis, US President Nixon sent a clear signal to India not to stretch the war to Pakistan's western borders and attack the mainland West Pakistan. Nonetheless it is a common perception in Pakistan that the US did not overtly oppose or stop India from dismembering Pakistan as the USS Enterprise did not arrive in time to stop Indian aggression. In view of the kind of mutual ties between Islamabad and Washington during all these years, it is argued that the US could not offer enough help to Pakistan to save it from defeat at the hands of India. However, as mentioned above, although the US could not prevent India from cutting off the eastern wing of Pakistan to form the present-day Bangladesh, somehow the presence of US naval ship also deterred India from carrying out a full-fledged attack on Pakistan eastern borders. In his latest book, Small has narrated several instances where the US tried to convey to Pakistan that the former was trying to help the latter and save it from complete annihilation.<sup>16</sup> The author claims that Nixon was clearly "titling towards Pakistan" and that Kissinger advised Bhutto (on 11 Dec 1971) that "we want to preserve you."17 Moreover, there was even an implicit understanding between the US and China as Alexander Haig informed China's ambassador to the US, Haung Hua on 23 November 1971 that India had left its northern border with China exposed. In order to abstain India from further aggression and protect Pakistan, Nixon even gave his assent for Kissinger (on 8 December 1971) to convey a note to Chinese Premier Zhou Enlai that if China wants to save Pakistan, "this is the time." To sum it up, although the US did not play a more vital role Pakistan might have expected, to some extent the gestures given to India in the form of sending its naval fleet to the Bay of Bengal at least saved Pakistan from further humiliation and complete defeat at the hands of its arch rival.

In view of all this, the dominant perception in Pakistan was that it was let down by its close ally (US). As a result, security ties between the two countries did not remain as warm as these were during the previous decades. Consequently, these years witnessed a significant reduction in the US military assistance to Pakistan. Besides military aid, US economic aid also decreased considerably in these years. These trends in the allocation of the US aid to Pakistan are clearly visible in Figures 1-3. Despite these ups and downs, the US continued to provide significant aid to Pakistan in this period because of Pakistan's instrumental role in the Sino-US rapprochement. Pakistan played a vital role as it facilitated a secret trip of Henry Kissinger to China and thus worked as a mediator between the two countries. Thus, if on the one hand Pakistan-India wars created some fissures in the US-Pakistan alliance during this period, the China factor and Pakistan's role in the reconciliation of the US and China endeared Pakistan to US policymakers. However, after the military coup of General Zia in 1977, US economic aid shrank further and remained low until 1982, when Pakistan became an important geo-strategic ally against the Soviet forces in Afghanistan. This is discussed in the next section.

# The year 1979: a turning point in the US-Pakistan aid relationship

The year 1979 brought dramatic changes in US foreign aid policies towards Pakistan. The Islamic revolution in Iran deprived the US of one of its trusted allies — the pro-American Shah of Iran. The Soviet invasion of Afghanistan and revolution in Iran greatly enhanced Pakistan's geo-strategic significance. One western commentator has appropriately stated that:

"Overnight, literally, the situation changed dramatically with the Soviet invasion of Afghanistan in December 1979. President Carter and others saw...Pakistan, now a front-line state...an indispensable element of any strategy that sought to punish the Soviets for their action." <sup>19</sup>

There was no doubt that the Soviet invasion of Afghanistan dramatically transformed Pakistan's geopolitical significance for the US.<sup>20</sup> It is quite ironic to recall that due to factors like the trampling of democracy and human rights abuses by the military regime of General Zia and the country's pursuit for nuclear arms, Pakistan was a pariah state before 1979. To stop Pakistan from starting its nuclear development programme, US secretary of state Henry Kissinger visited Pakistan in August 1976 to persuade Islamabad to abandon its nuclear technology ambition. In a meeting with the then Prime Minister late Zulfikar Ali Bhutto, Henry Kissinger used both carrot and stick policy to persuade Pakistan to disband its nuclear technology programme. It has been stated that Kissinger threatened Bhutto that "we will make a horrible example of you," and added ominously that "when the railroad is coming, you get out of the way."21 When the US failed to dissuade Bhutto from its stance, Henry Kissinger visited Paris to stop it from supplying the required material for which it had already struck a deal with Pakistan.<sup>22</sup> Under the US influence, France cancelled the deal in 1978 which was "a huge blow to Pakistan which, once again, complained that the West was singling it out."23 Besides this, the Carter administration imposed Symington Amendment in April 1979 on Pakistan, thus cutting off all economic and military aid.<sup>24</sup>

However, the USSR invasion of Afghanistan later in 1979 compelled the US administration to overlook these factors and reverse policy decisions taken earlier about Pakistan. Now the US needed Pakistan's support to halt the march of Soviet forces within Afghanistan. Thus, Pakistan was viewed a front line state ally against Communism. In December 1979, within a few months of their imposition, Washington lifted all sanctions against Pakistan and offered it generous aid. By 1981, the US and Pakistan were discussing a US \$3.2 billion aid package. By 1985, Pakistan became the fourth largest recipient of the US bilateral military assistance, behind Israel, Egypt and Turkey. With the approval of the \$4.02 billion military and economic aid package in 1987, Pakistan emerged as the second largest recipient of American aid, after Israel. Pakistan emerged as the second largest recipient of American aid, after Israel. Data in Appendix I shows that the US not only allocated substantial economic aid in these years but it also sanctioned huge military assistance and sold arms worth hundreds of millions of dollars. In 1981, Section 620E was added to the

Foreign Assistance Act of 1961 that specifically dealt with the provision of the US economic and military aid to Pakistan during this period. The Act states that "assistance to Pakistan is intended to benefit the people of Pakistan by helping them meet the burdens imposed by the presence of Soviet forces in Afghanistan and by promoting economic development." The US aid data in Appendix I shows that economic assistance shot from US \$161 million in 1981 to US \$393 million and US \$525 million in 1982 and 1983 respectively, and it remained over US \$500 million a year throughout the 1980s. The case of military aid was similar; it was almost negligible in the entire 1970s, but it remained about US \$500 million a year throughout 1980s. It indicates that the US not only channelled huge military aid but also sanctioned massive economic assistance to further its foreign policy goals.

By the end climax of the Cold War, staged as it was in the backyard of Pakistan, the US was no longer concerned with the lack of democracy, human rights violations and Pakistan's nuclear programme. As discussed earlier, Pakistan was under a military regime infamous for gross human right violations that continued throughout the rule of General Zia (1977-1988). An extract from the 1985 Amnesty International report depicts the following picture:

Amnesty International continued to be concerned about the detention of prisoners of conscience. It is also concerned that hundreds of other political prisoners were tried before military courts whose procedures fell short of internationally accepted standards for a fair trial ... The organization also received reports of the deaths of criminal suspects in police custody, allegedly due to torture.<sup>29</sup>

Against this backdrop, the US pretended that "in authorizing assistance to Pakistan, it is the intent of Congress to promote the expeditious restoration of full civil liberties and representative government in Pakistan". 30 The reality is that the US support prolonged the military regime in Pakistan and bolstered "its military's praetorian ambitions.31 Regarding Pakistan's pursuit of nuclear technology, in 1985 the Pressler Amendment was added to Section 620E of the Foreign Assistance Act of 1961 dealing with the provision of US economic and military aid to Pakistan. The amendment stated that "no military assistance shall be furnished to Pakistan and no military equipment or technology shall be sold or transferred to Pakistan"32 unless the US president certifies in writing each financial year that Pakistan has not developed a nuclear explosive device. After the addition of the above amendment to Section 620E, from 1985 to 1989, the US president certified every year in which aid was approved that "Pakistan does not have a nuclear explosive device and that US assistance would reduce significantly the risk that Pakistan will possess a nuclear explosive device."33 However, after the year 1989, the US president did not certify as a result of which the US economic and military assistance to Pakistan were abruptly suspended. Why did the US president suddenly refuse to certify that Pakistan did not have a nuclear device? This is discussed in the following section.

# Collapse of the USSR and demise of another US-Pakistan alliance

After the withdrawal of Soviet forces from Afghanistan in 1989, the US attitude changed towards some of its closest Cold War allies. Pakistan, a frontline US ally during the Cold War and especially during the Afghan War in the 1980s, completely fell into disfavour on account of its nuclear programme. With the collapse of the USSR when Pakistan's assistance was no longer required, the US president would no longer certify that Pakistan had no nuclear explosive device. Consequently, the Pakistan-centred Pressler Amendment was swung into action in 1990 and sanctions were imposed on all kinds of aid to Pakistan.<sup>34</sup> With the imposition of the Pressler Amendment and accompanying sanctions, Pakistan was faced with a serious economic crisis. All the channels of US aid to Pakistan were shut down in a short time. It has been appropriately pointed out about USAID in Pakistan that "what had once been one of the largest US Agency for International Development (USAID) offices in the world, employing more than 1,000 staff around the country, shrank to almost nothing virtually overnight".35 This was later regarded in hindsight, by no other but Robert Gates himself, former US Secretary of Defence, as a grave mistake driven by some well-intentioned but short-sighted US legislative and policy decisions.<sup>36</sup> Thus, the US-Pakistan bilateral relationship dived to the level of indifference and covert hostility in the post-Cold War period.

The 1998 nuclear tests and the 1999 military coup by General Musharraf further deteriorated bilateral relations and consequently the US aid flows reduced to the lowest level ever. It is clear from the data in Appendix I that US economic aid lowered from well above US \$500 million a year in the 1980s to less than US \$100 million a year in the post-Cold War years of the 1990s. The fate of military assistance was not different as it became almost nothing in these years. Overall, while the US sanctioned more than US \$500 million annually in economic aid to Pakistan in the 1980s, in the entire next decade the country received a total of US \$598 million in the US economic assistance (in constant 2008 US\$). This was because Pakistan no longer had any geo-strategic significance for the US in the post-Cold War decade. There could be few starker examples where donors' aid allocation policies have witnessed such dramatic shifts on account of changing geo-strategic compulsions. However, this was not the end of the US-Pakistan alliance for good. Another reunion of the old allies was forced by another pressing global issue: the war against terrorism.

#### US-Pakistan alliance in the 'War on Terror'

The events of September 11, 2001, and Washington's subsequent war against terrorism changed the entire political and security paradigm of the globe. In its so-called 'War on Terror', the US declared that either the nations of the world are with them or against them.<sup>37</sup> Based on this authoritative rhetoric of belligerent President Bush, the US started to define countries categorically in terms of whether a country (such as Pakistan) is with the terrorists or with the US. As a result, new alliances came into existence and former friendly states became adversaries. For instance to explain this point further, prior to 9/11,

Pakistan was among the handful of countries (including Saudi Arabia and some other Gulf states) that had recognised the Taliban regime and had established diplomatic contacts with it. This was no longer the case after 9/11. Thus the 9/11 events "brought Pakistan to the centre stage of global politics" as Musharraf "was given a clear choice between the devil and the deep sea by the United States." Consequently, Pakistan made a complete U-turn on its Afghan policy and once again became a frontline US ally, this time in the campaign against terrorism. With the advent of the US-led 'War on Terror', terrorism filled the gap once occupied by communism as a grave threat to global peace and stability.

In the post-9/11 period, US foreign aid policies underwent some dramatic changes and from this perspective, the current US aid regime is a replay of the Cold War period, particularly in the context of Pakistan. The USAID data given in Appendix I and presented graphically in Figures 1-3 clearly shows that the US dramatically resumed substantial economic as well as military assistance to Pakistan in the post-9/11 period due to its alliance with the US in the 'War on Terror'. The US not only restarted economic aid to Pakistan but it also resumed military assistance. It is interesting to note that in the entire 1990s, the US allocated only US \$598 million in economic aid, mostly in humanitarian assistance. Military aid was a mere US \$7 million over the ten years period (See Appendix I for the related years). In comparison to this, the US channelled US \$8,490 million in economic and US \$5,814 million in military aid between 2002 and 2014 after Pakistan agreed to play the role of a frontline ally against terrorism. This implies that, as in the case of the provision of military aid, the US has strictly linked the allocation of economic assistance to geo-strategic, security and political urgencies. When US geo-strategic interests are at stake (as in most of the Cold War period and in the 1980s Afghan War), the US is likely to allocate more aid irrespective of poverty needs and democracy and human rights performance of the aid recipients. Contrary to this, if a country is not deemed vital to safeguard and promote US interests, it is unlikely for it to obtain US aid, regardless of the fact that the country in question has a nascent democracy which needs to be strengthened rather than to be undermined (as in the 1990s in the case of Pakistan).

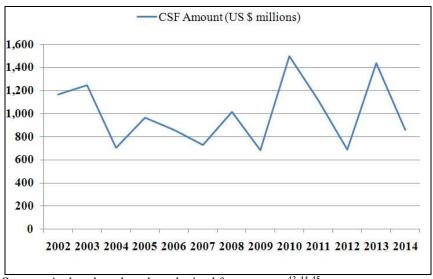
## A Summary of US aid to Pakistan since 9/11

There is no doubt that the US has provided substantial economic and military aid to Pakistan over the last decade. Alongside bilateral economic and military aid, the US has also provided considerable aid in other forms. One of the key types of assistance in this category is Coalition Support Fund (CSF). With the advent of the 'War on Terror', at the request of Bush Administration, Congress started appropriating billions of dollars to reimburse close allies for their logistic and operational support to US-led counterterrorism actions. According to the US Department of Defence, CSF is a programme to reimburse allies for logistic, military and other expenses incurred in backing up US military operations in the 'War on Terror'. The US Department of Defence has stated that "since October 2001, the United States has reimbursed Pakistan approximately US\$ 5.6 billion for operations in support of Operation Enduring

Freedom."<sup>40</sup> According to latest figures shown graphically in Figure IV below (Detailed annual data is given in Appendix II), since 2002 Pakistan has been reimbursed over US\$ 12,986 million in CSF.<sup>41</sup> This amount equals roughly one-fifth to one-quarter of Pakistan's total military expenditures during this period.<sup>42</sup> Also, it has been stated that nearly all reimbursed funds have been for Pakistan Army expenses while Pakistan Navy and Air Force expenses account for only about 2 per cent of claims received under the CSF head. According to the Department of Defence, CSF payments have been used to support a number of military operations undertaken by Pakistan armed forces in the country's restive tribal belt bordering Afghanistan. Thus, all this amount is besides economic and military assistance provided to Pakistan which has already been discussed. The reimbursement process of funds under CSF is quite rigorous as the Pakistan first spends this money for food, ammunition and transportation; all the expenses and bills are approved after due process of verification by the US Department of Defence.

Figure IV

Coalition Support Fund to Pakistan since 9/11



**Source:** Author, based on data obtained from sources<sup>43</sup>, <sup>44</sup>, <sup>45</sup>

Besides US bilateral economic and military aid as well as CSF, the US has played a vital role in convening and coordinating the Paris Club and Aid-to-Pakistan Consortium, a group of both bilateral and multilateral donors comprising Canada, Japan, Australia, Germany, the United Arab Emirates (UAE) as well as the World Bank, the International Monetary Fund (IMF), the Asian Development Bank (ADB) and the European Union (EU). Formerly known as Aid-to-Pakistan Consortium and renamed as Pakistan Development Forum (PDF), the US played a major role in convincing bilateral donors to allocate aid funds to Pakistan in a more coordinated way to make it more

effective in sustainable development. During most of the 'War on Terror' period, PDF was a key annual meeting between donors and Pakistan which gave an opportunity both to the Pakistan government and its partners to discuss the overall performance of the country's economy and intended plans and strategies. At the forum, both sides used to communicate their priorities related to aid and its allocation to different sectors. Between 2001 and 2010, Pakistan has held eight PDFs with donors. Among all bilateral donors, the US was the largest bilateral aid donor to Pakistan, providing more than half of all bilateral commitments.

Similarly, to get an enhanced aid package for Pakistan, the US spearheaded another forum named Friends of Democratic Pakistan (FODP) which was launched in September 2008. Former Pakistani President Zardari and the top diplomats of the United Arab Emirates, Britain, and the United States were joined by foreign ministers from Australia, Canada, France, Germany, Italy, Japan, and Turkey, and representatives of China, the European Union, and the United Nations. Substantial commitments were made and all partners agreed to work jointly in close partnership with Pakistani government to combat religious extremism and develop a comprehensive strategy for economic and social development. In April 2009, 31 countries and 18 international institutions sent representatives to a FODP/Donors' Conference in Tokyo. During the conference, then US ambassador to Pakistan late Holbrooke announced the Obama administration's intent to provide a total of US\$1 billion in assistance to Pakistan over the 2009-2010 period, bringing the total to more than US\$5 billion offered by the international community in addition to the \$11.3 billion that the International Monetary Fund package first arranged in late 2008. In another FODP summit meeting in New York in September 2010 that was co-chaired by President Obama, former President of Pakistan Zardari, and former British Prime Minister Gordon Brown, the forum reiterated its central goals concerning their continued support to Pakistan in the form of aid and policy reforms.

Similarly, it was because of US support that Pakistan entered into a debt rescheduling agreement for its entire stock of US\$ 12.5 billion owed to the Paris Club creditors in December 2001.<sup>46</sup> As a result, the country was able to obtain very generous terms for this rescheduling. This agreement granted a repayment period for 38 years (with 15 years as grace period), meaning that the first payment of the restructured amount will be made in May 2017 (end of the grace period). To sum it up, besides US bilateral aid to Pakistan, the US has played an important role to support Pakistan at the international level at various forums.

# US accusations regarding Pakistan's double game in the 'War on Terror'

As this paper has illustrated, the US-Pakistan aid relationships have kept fluctuating during the course of history covering a period of more than six decades. In the 1980s and 90s, on account of Pakistan's perceived nuclear links with countries including Iran, Libya and North Korea, the country was in violation of US legislation on nuclear proliferation. Consequently, Pakistan was

under US sanctions and ineligible for any kind of US economic and military assistance. Over the course of their current alliance since 2001, although the US has been allocating substantial aid in different forms, the two allies have not always had a smooth sailing as several issues severely threatened their ties. It is important to discuss those key issues as these are very relevant to the question of US aid to Pakistan. Among various ups and downs during the last decade, the key issue affecting the US-Pakistan alliance was accusations of double game and Pakistan's reluctance to target Afghan Taliban inside Pakistani territory. While these kinds of blames were heard from time to time during the course of their current alliance, these became louder following the killing of Osama bin Laden in Pakistan in May 2011, and then reiterated by none other but the then Joint Chiefs of Staff Admiral Mike Mullen before a US Senate panel. These two events, along with the Salala incident (a Pakistani check post attacked by US helicopters in the border area), are discussed in some detail below, and illustrate that the US-Pakistan alliance is fraught with suspicions and mutual distrust.

The discovery and killing of Osama bin Laden in a compound in the garrison city of Abbottabad, hardly a couple of kilometres away from the country's prestigious Pakistan Military Academy (PMA), created a vast fissure between Washington and Islamabad. The relationship touched the lowest possible level since 9/11. Such was the level of mistrust between the two allies that the US did not share any kind of prior information with Pakistan concerning the midnight operation in which the Al-Qaeda chief was targeted. Following this, the Obama administration questioned the rationale behind the continuity of US aid to Pakistan. On the second day after the incident, several US senators raised the issue in a congressional session and asked that US aid to Pakistan be suspended immediately.<sup>47</sup> The US lawmakers, both Democrats and Republicans, questioned the willingness of Pakistan in the fight against Al-Qaeda and asked that no assistance should be given before Pakistan shows determination in the 'War on Terror'. For domestic public consumption, Pakistan also showed resentment that the US violated the country's sovereignty through the unilateral military action inside Pakistan's territory. Thus, there was much furore from both sides, but more so from the US who alleged that some elements within Pakistan's government machinery, particularly in the military, must have been aware of Bin Laden's presence. To build more pressure on Pakistan, a group of senators wrote a letter to the US Secretary of State and Defence Secretary to review aid to Pakistan. 48 All the threats were followed by a joint press conference by Robert Gates, then US Defence Secretary, and Mike Mullen, former Chairman of the Joint Chiefs of Staff. They clearly stated that there was no evidence that Pakistan knew of Bin Laden and that US aid to Pakistan should continue as the US has considerable interests in that country.<sup>49</sup> This was followed by a visit to Pakistan by Mike Mullen and Hillary Clinton. Once again, the US officials asked Pakistan to renew its pledge and 'do more' in the fight against militants.

In the post-Osama period, the cordiality of the US-Pakistan alliance swiftly diminished. Pakistan's premier spy agency arrested some of the informants working for the US Central Intelligence Agency (CIA), including a Pakistani Army major, who had assisted the US for months in carrying out the

hunt for Osama.<sup>50</sup> While this move annoyed Washington, the US was further angered by Pakistan's expulsion of more than a hundred US military trainers and refusal of visas to new officers, primarily aimed at regaining the lost ego bruised by the Osama debacle. Consequently, in July 2011, the US suspended about US\$800 million in military aid, US \$300 million of which was to reimburse Pakistan for some of the costs incurred in carrying combat operation and the rest was for military training and hardware.<sup>51</sup> Similarly, in May 2012, Dr. Shakil Afridi, a physician who had worked for the CIA to collect DNA samples near Bin Laden's compound in a fake vaccination campaign, was convicted by a Pakistani court of treason and jailed for 33 years. Again, several US Congress representatives reacted and strongly approved an amendment to the FY2013 State and Foreign Operations Appropriations bill that resulted in withholding US\$33 million (\$1 million for each year of the sentence) of the sanctioned US military aid to Pakistan.<sup>52</sup> Also, several members of the Congress once again asked for a complete termination of all kinds of foreign assistance to Pakistan until the charges are dropped and Afridi released. Due to these developments, the US-Pakistan relationship was constantly on decline.

Another serious blow to the alliance came in the wake of the statement by Mike Mullen regarding Pakistan's links with the Taliban. Hardly a week before his retirement on September 22, 2011, Admiral Mike Mullen, Joint Chiefs of Staff, accused Pakistan's premier intelligence agency, Inter-Services Intelligence (ISI) of supporting the Haqqani Network in Afghanistan.<sup>53</sup> Appearing before the Senate panel, the senior-most US military officer alleged that Pakistan's spy agency had assisted the Haqqani group in carrying out the attack on the US embassy in Kabul earlier that month. Pakistan took a strong notice of Mullen's remarks and asked Washington to stop scapegoating Pakistan for its own failures in Afghanistan. Once again, the Senate panel voted for linking the provision of both US economic as well as military assistance to Pakistan's willingness to fight militants including the Haqqani Network. In response, then Prime Minister Gilani convened the All Parties Conference that issued a joint resolution and refuted all US allegations regarding the Haqqani Network and sought to revisit Pakistan's policy towards the 'War on Terror.'54 Even former President Musharraf, the closest US ally, termed Mullen's statement as irresponsible and stated that the US was using Pakistan as a scapegoat for their failures in Afghanistan. A few days later, Siraj Haqqani, the leader of the Haggani Network, told the BBC Pashto service that his network had no links with Pakistan's spy agency, the ISI.55 He added that during the Soviet occupation of the 1980s, they had contacts with the intelligence agencies of Pakistan as well as other countries, but all these have ended with the US invasion. Whatever the facts are, all these instances illustrate that both the US and Pakistan have had unrealistic expectations from each other and both feel that one partner has been doing its best but not the other. However, from time to time, there have been serious allegations that Pakistan's military have links with a number of terrorist groups, although these terrorist groups have been banned by a resolution in the UN Security Council. It has been pointed out that in 2001-02, there were more than 60 religious political parties and over 20 well-armed

military groups, largely known as '*jihadi*' groups with strong support base across the country. <sup>56</sup> Although many such groups were banned by Musharraf in 2002, a number of groups continued to operate either with their previous names or changed their names. According to Gul et al., these networks got enormous significance following the US invasion of Afghanistan and Iraq as they skilfully exploited "Al Qaeda's anti-western jargon to recruit foot-soldiers and also enlist support within the society." <sup>57</sup> A list of various domestic and transnational terrorist outfits is given in Appendix III. <sup>58</sup>

Another significant incident, known as Salala incident or Salala attack, took place in late 2011 and once again jolted the alliance. On Saturday November 26, 2011, US-led NATO forces fired two military check posts manned by Pakistani security forces. The US forces had intruded about 2 km into Pakistan's border area of Salala in Mohmand Agency at 2 a.m. local time from across the border in Afghanistan and opened fire at two border checkposts, killing up to 24 Pakistani soldiers and wounding 13 others. <sup>59</sup> Pakistan was outraged by the attack and masses reacted with nationwide protests. While the US offered condolences over the loss of lives, Pakistan's demand for official apology was not granted. In response, Pakistan asked for the vacating of Shamsi Airfield and the closure of NATO supply routes passing through Pakistan. Besides, Pakistan also boycotted the Second Bonn Conference on Afghanistan. Once again, the US-Pakistan alliance touched the lowest point and the relations were at the brink of collapse. The NATO supply routes remained closed for seven months. Finally, when the Obama administration offered formal apology for the deaths of Pakistani troops, Pakistan reopened NATO supply lines. Also, it was reported that reopening of NATO supply lines would bring the country US\$ 365 million annually in additional transit fee. 60 This incident was once again a grim reminder that the US-Pakistan long-term strategic partnership and alliance was more a relationship of convenience motivated by short-term foreign-policy and geo-strategic goals.

#### Conclusion

The paper has given a thorough overview of the US-Pakistan aid relationship during three distinctive time periods that span over six decades. It sums up that the relationship between the two countries has always remained oscillated between engagement and estrangement. At times, Pakistan was the largest recipient of US economic assistance in the world (years during 1955-1968). However, there are intervals when the US attitude has been completely opposite as there have been negligible or no US aid to Pakistan. The US has always raised issues such as lack of democracy and nuclear programme of Pakistan when its geo-strategic significance had little worth for the US, as in the post-Cold War period of the 1990s. Contrary to this, the US has conveniently ignored these issues regarding Pakistan when the latter is required by the US for the safeguard and promotion of its foreign policy goals, as in the Cold War and post-9/11 period. To put it more candidly in the words of a Western academic: "Washington embraced Pakistan when it judged it useful and then, like a used tissue, discarded it when it no longer required its assistance." For example, to

demonstrate its long-term development commitment to Pakistan, the US Senate's Foreign Relations Committee passed the Enhanced Partnership with Pakistan Act, known as the Kerry Lugar Bill (KLB), subsequently signed by President Obama into a law on October 15, 2009. Under the KLB, the US committed to provide Pakistan US\$ 1.5 billion annually in aid, a total of US\$ 7.5 billion from 2010 to 2014. It was aimed at building "mutual trust and confidence by actively and consistently pursuing a sustained, long-term, multifaceted relationship between the two countries, devoted to strengthening the mutual security, stability, and prosperity of both countries."62 Although a visible symbol of longterm US aid commitment, certain strings and conditionalities attached with the KLB such as Pakistan's role in the 'War on Terror' also marred its overall goodwill gesture. 63 Based on all this, if past is a guide to the future, one can expect a similar trend in US aid to Pakistan once US forces withdraw from Afghanistan and Pakistan's services are no longer required. However, any such move could prove a serious long-term blow not only to economic and development interests of Pakistan but also to US foreign policy goals in the region.

It has been appropriately remarked about the US-Pakistan aid relationship that these cycles of unprecedented aid and abandonment as well as the manner in which aid was politicised had disastrous consequences.<sup>64</sup> The tortuous history of US bilateral aid to Pakistan has also contributed to the common Pakistanis' perception of the US as an unreliable ally. Keeping in view the empirical data from USAID and historical facts concerning the US-Pakistan aid relationships, it can be assumed that the US befriends Pakistan not because of some innate interests in the latter's development, but due to global political obligations and ulterior motives. Historically significant events such as the containment of communism during the Cold War and the US 'Global War on Terror' have proved this relationship nothing more than a 'marriage of convenience.' As discussed in the beginning of this paper, the US has started its withdrawal (at least partially) from Afghanistan. The question is whether US will abandon this strategically important nuclear power after the logical end of 'War on Terror' as it did in the post-Cold War years? History has shown that the abandonment of Pakistan in the post-Cold War period was a grave mistake, which harmed not only Pakistan politically and financially but also dealt serious blows to the US interests in the region (for example, the emergence and establishment of the Taliban regime in Afghanistan and the strengthening of Al-Qaeda, both extremely hostile to US interests). In Pakistan, the US post-Cold War policy attitude was regarded as a betrayal and stab in the back after the former was used in the Afghan war. Hence, perhaps the US has little alternative this time to repeat the mistake of the past. There is a need for greater engagement and collaboration not only in terms of military-to-military ties but in other fields like education, health, energy, business and infrastructure in order to have a lasting impact for the people of Pakistan.

 $\underline{\textit{Appendix I}}$  US economic and military aid to Pakistan

Year	Economic aid (constant 2008 \$, millions)	Military aid (constant 2008 \$, millions)
1948	0.76	0.00
1949	0.00	0.00
1950	0.00	0.00
1951	2.85	0.00
1952	73.18	0.00
1953	737.37	0.00
1954	154.69	0.00
1955	722.06	261.98
1956	1,049.23	1,069.75
1957	1,062.43	430.62
1958	952.64	524.55
1959	1,344.91	360.64
1960	1,662.15	226.61
1961	973	256.12
1962	2,295.30	539.77
1963	2,031.99	287.39
1964	2,185.20	184.38
1965	1,897.63	76.12
1966	802.81	8.26
1967	1,192.98	25.89
1968	1,476.12	25.54
1969	532.7	0.49
1970	951.28	0.85
1971	465.97	0.72
1972	680.84	0.41
1973	702.66	1.22
1974	375.01	0.94

1976         632.72         1.26           1976TQ         194.26         0.3           1977         313.48         0.9           1978         211.13         1.49           1979         126.53         1.17           1980         135.17         0.00           1981         161.44         0.00           1982         393.96         1.18           1983         525.24         491.41           1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1997         56.33         0.00           1998         35.8         0.00           1999	1975	603.63	0.9
1977         313.48         0.9           1978         211.13         1.49           1979         126.53         1.17           1980         135.17         0.00           1981         161.44         0.00           1982         393.96         1.18           1983         525.24         491.41           1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1997         56.33         0.00           1998         35.8         0.00           1999         100.71         0.22           2000         45.06         0.00           2001	1976	632.72	1.26
1978         211.13         1.49           1979         126.53         1.17           1980         135.17         0.00           1981         161.44         0.00           1982         393.96         1.18           1983         525.24         491.41           1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1997         56.33         0.00           1998         35.8         0.00           1999         100.71         0.22           2000         45.06         0.00           2001         224.74         0.00           2002	1976TQ	194.26	0.3
1979       126.53       1.17         1980       135.17       0.00         1981       161.44       0.00         1982       393.96       1.18         1983       525.24       491.41         1984       558.57       546.62         1985       597.1       573.76         1986       613.06       536.63         1987       589.26       525.79         1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2004       399.32       95.65	1977	313.48	0.9
1980         135.17         0.00           1981         161.44         0.00           1982         393.96         1.18           1983         525.24         491.41           1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1996         22.43         0.00           1997         56.33         0.00           1998         35.8         0.00           1999         100.71         0.22           2000         45.06         0.00           2001         224.74         0.00           2002         921.41         347.63           2004	1978	211.13	1.49
1981       161.44       0.00         1982       393.96       1.18         1983       525.24       491.41         1984       558.57       546.62         1985       597.1       573.76         1986       613.06       536.63         1987       589.26       525.79         1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2004       399.32       95.65	1979	126.53	1.17
1982       393.96       1.18         1983       525.24       491.41         1984       558.57       546.62         1985       597.1       573.76         1986       613.06       536.63         1987       589.26       525.79         1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2004       399.32       95.65	1980	135.17	0.00
1983         525.24         491.41           1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1997         56.33         0.00           1998         35.8         0.00           1999         100.71         0.22           2000         45.06         0.00           2001         224.74         0.00           2002         921.41         347.63           2003         371.75         304.18           2004         399.32         95.65	1981	161.44	0.00
1984         558.57         546.62           1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1996         22.43         0.00           1997         56.33         0.00           1999         100.71         0.22           2000         45.06         0.00           2001         224.74         0.00           2002         921.41         347.63           2003         371.75         304.18           2004         399.32         95.65	1982	393.96	1.18
1985         597.1         573.76           1986         613.06         536.63           1987         589.26         525.79           1988         756.99         423.89           1989         550.88         361.26           1990         539.24         278.87           1991         147.23         0.00           1992         26.74         7.09           1993         73.05         0.00           1994         67.35         0.00           1995         22.76         0.00           1996         22.43         0.00           1997         56.33         0.00           1998         35.8         0.00           1999         100.71         0.22           2000         45.06         0.00           2001         224.74         0.00           2002         921.41         347.63           2003         371.75         304.18           2004         399.32         95.65	1983	525.24	491.41
1986       613.06       536.63         1987       589.26       525.79         1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1984	558.57	546.62
1987       589.26       525.79         1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1985	597.1	573.76
1988       756.99       423.89         1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1986	613.06	536.63
1989       550.88       361.26         1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1987	589.26	525.79
1990       539.24       278.87         1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1988	756.99	423.89
1991       147.23       0.00         1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1989	550.88	361.26
1992       26.74       7.09         1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1990	539.24	278.87
1993       73.05       0.00         1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1991	147.23	0.00
1994       67.35       0.00         1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1992	26.74	7.09
1995       22.76       0.00         1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1993	73.05	0.00
1996       22.43       0.00         1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1994	67.35	0.00
1997       56.33       0.00         1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1995	22.76	0.00
1998       35.8       0.00         1999       100.71       0.22         2000       45.06       0.00         2001       224.74       0.00         2002       921.41       347.63         2003       371.75       304.18         2004       399.32       95.65	1996	22.43	0.00
1999     100.71     0.22       2000     45.06     0.00       2001     224.74     0.00       2002     921.41     347.63       2003     371.75     304.18       2004     399.32     95.65	1997	56.33	0.00
2000     45.06     0.00       2001     224.74     0.00       2002     921.41     347.63       2003     371.75     304.18       2004     399.32     95.65	1998	35.8	0.00
2001     224.74     0.00       2002     921.41     347.63       2003     371.75     304.18       2004     399.32     95.65	1999	100.71	0.22
2002     921.41     347.63       2003     371.75     304.18       2004     399.32     95.65	2000	45.06	0.00
2003     371.75     304.18       2004     399.32     95.65	2001	224.74	0.00
2004 399.32 95.65	2002	921.41	347.63
	2003	371.75	304.18
2005 482.47 341.41	2004	399.32	95.65
	2005	482.47	341.41

2006	681.94	324.72
2007	678.8	319.37
2008	605.36	358.09
2009	930.7	505.22
2010	1,068.5	964.23
2011	349.4	690.53
2012	919.7	849.23
2013	640.5	361.13
2014	440.4	353.27
Total	41,140.87	13,849.65

TQ: In 1976, the US government changed the fiscal year from July-June to October-September. The Transition Quarter (TQ) reports the 3-month adjustment period.

Source: US Overseas Loans and Grants (Greenbook).

 $\underline{\textit{Appendix II}}$  Coalition Support Fund to Pakistan since 9/11

Year	Amount (in US\$ millions)
2002	1,169
2003	1,247
2004	705
2005	964
2006	862
2007	731
2008	1,019
2009	685
2010	1,499
2011	1,118
2012	688
2013	1,438
2014	861
Total	12,986

Sources: Adopted from S. B Epstein and K. A. Kronstadt, Pakistan: US Foreign Assistance<sup>39</sup>, Kronstadt, Direct Overt U.S. Aid Appropriations for and Military Reimbursements to Pakistan, FY2002-FY2016,<sup>41</sup> and A. Ibrahim, US aid to Pakistan - US taxpayers have funded Pakistani corruption.<sup>42</sup>

## Appendix III

### Terrorist Groups/Networks in Pakistan

#### **Domestic Organisations**

- 1. Tehreek-e-Taliban Pakistan (TTP)
- 2. Lashkar-e-Omar (LeO)
- 3. Sipah-e-Sahaba Pakistan (SSP)
- 4. Tehreek-e-Jaferia Pakistan (TJP)
- 5. Tehreek-e-Nafaz-e-Shariat-e-Mohammadi (TNSM)
- 6. Lashkar-e-Jhangvi (LeJ)
- 7. Sipah-e-Muhammad Pakistan (SMP)
- 8. Jamaat-ul-Fuqra
- 9. Nadeem Commando
- 10. Popular Front for Armed Resistance
- 11. Muslim United Army
- 12. Harkat-ul-Mujahideen Alalami (HuMA)

#### **Transnational Organisations**

- 1. Hizb-ul-Mujahideen (HM)
- 2. Harkat-ul-Ansar (HuA, presently known as Harkat-ul-Mujahideen)
- 3. Lashkar-e-Toiba (LeT)
- 4. Jaish-e-Mohammad Mujahideen E-Tanzeem (JeM)
- 5. Harkat-ul-Mujahideen (HuM, previously known as Harkat-ul-Ansar)
- 6. Al Badr
- 7. Jamait-ul-Mujahideen (JuM)
- 8. Lashkar-e-Jabbar (LeJ)
- 9. Harkat-ul-Jehad-al-Islami (HUJI)
- 10. Muttahida Jehad Council (MJC)
- 11. Al Barq
- 12. Tehrik-ul-Mujahideen
- 13. Al Jehad
- 14. Jammu & Kashmir National Liberation Army
- 15. People's League
- 16. Muslim Janbaz Force
- 17. Kashmir Jehad Force
- 18. Al Jehad Force (combines Muslim Janbaz Force and Kashmir Jehad Force)
- 19. Al Umar Mujahideen
- 20. Mahaz-e-Azadi
- 21. Jammu & Kashmir Students Liberation Front
- 22. Ikhwan-ul-Mujahideen
- 23. Islamic Students League
- 24. Tehrik-e-Hurriat-e-Kashmir
- 25. Tehrik-e-Nifaz-e-Figar Jafaria
- 26. Al Mustafa Liberation Fighters
- 27. Tehrik-e-Jehad-e-Islami
- 28. Muslim Mujahideen
- 29. Al Mujahid Force
- 30. Tehrik-e-Jehad
- 31. Islami Inquilabi Mahaz

Source: South Asia Terrorism Portal (2015).

#### Appendix IV

#### US-Pakistan Mutual Defence Agreement, 19 May 1954

The Government of the United States of America and the Government of Pakistan:

Desiring to foster international peace and security within the framework of the Charter of the United Nations through measures which will further the ability of nations dedicated to the purposes and principles of the Charter to participate effectively in arrangements for individual and collective self-defence in support of those purposes and principles;

Reaffirming their determination to give their full co-operation to the efforts to provide the United Nations with armed forces as contemplated by the Charter and to participate in United Nations collective defence arrangements and measures, and to obtain agreement on universal regulation and reduction of armaments under adequate guarantee against violation or evasion;

Taking into consideration the support which the Government of the United States has brought to these principles by enacting the Mutual Defence Assistance Act of 1949, as amended, and the Mutual Security Act of 1951, as amended;

Desiring to set forth the conditions which will govern the furnishing of such assistance;

Have agreed:

### ARTICLE I

- 1. The Government of the United States will make available to the Government of Pakistan such equipment, materials, services or other assistance as the Government of the United States may authorize in accordance with such terms and conditions as may be agreed. The furnishing and use of such assistance shall be consistent with the Charter of the United Nations.
  - Such assistance as may be made available by the Government of the United States pursuant to this Agreement will be furnished under the provisions and subject to all the terms, conditions and termination provisions of the Mutual Defence Assistance Act of 1949 and the Mutual Security Act of 1951, acts amendatory or supplementary thereto, appropriation acts thereunder, or any other applicable legislative provisions. The two Governments will, from time to time, negotiate detailed arrangements necessary to carry out the provisions of this paragraph.
- 2. The Government of Pakistan will use this assistance exclusively to maintain its internal security, its legitimate self-defence, or to permit it to participate in the defence of the area, or in United Nations collective security arrangements and measures, and Pakistan will not undertake any act of aggression against any other nation. The Government of Pakistan will not, without the prior agreement of the Government of the

- United States, devote such assistance to purposes other than those for which it was furnished.
- Arrangements will be entered into under which equipment and materials furnished pursuant to the Agreement and no longer required or used exclusively for the purposes for which originally made available will be offered for return to the Government of the United States.
- 4. The Government of Pakistan will not transfer to any person not an officer or agent of that Government, or to any other nation, title to or possession of any equipment, materials, property, information, or services received under this Agreement, without the prior consent of the Government of the United States.
- 5. The Government of Pakistan will take such security measures as may be agreed in each case between the two Governments in order to prevent the disclosure or compromise of classified military articles, services or information furnished pursuant to this Agreement.
- 6. Each Government will take appropriate measures consistent with security to keep the public informed of operations under this Agreement.
- 7. The two Governments will establish procedures whereby the Government of Pakistan will so deposit, segregate or assure title to all funds allocated to or derived from any programme of assistance undertaken by the Government of the United States so, that such funds shall not, except as may otherwise be mutually agreed, be subject to garnishment, attachment, seizure or other legal process by any person, firm, agency, corporation, organization or government.

#### ARTICLE II

The two Governments will, upon request of either of them, negotiate appropriate arrangements between them relating to the exchange of patent rights and technical information for defence which will expedite such exchanges and at the same time protect private interests and maintain necessary security safeguards.

#### ARTICLE III

- The Government of Pakistan will make available to the Government of the United States rupees for the use of the latter Government for its administrative and operating expenditures in connection with carrying out the purposes of this Agreement. The two Governments will forthwith initiate discussions with a view to determining the amount of such rupees and to agreeing upon arrangements for the furnishing of such funds.
- 2. The Government of Pakistan will, except as may otherwise be mutually agreed, grant duty-free treatment on importation or exportation and exemption from internal taxation upon products, property, materials or equipment imported into its territory in connection with this Agreement or any similar Agreement between the Government of the United States and the Government of any other country receiving military assistance.

3. Tax relief will be accorded to all expenditures in Pakistan by or on behalf of, the Government of the United States for the common defence effort, including expenditures for any foreign aid programme of the United States. The Government of Pakistan will establish procedures satisfactory to both Governments so that such expenditures will be net of taxes.

#### ARTICLE IV

- The Government of Pakistan will receive personnel of the Government of the United States who will discharge in its territory the responsibilities of the Government of the United States under this Agreement and who will be accorded facilities and authority to observe the progress of the assistance furnished pursuant to this Agreement. Such personnel who are United States nationals, including personnel temporarily assigned, will, in their relations with the Government of Pakistan, operate as part of the Embassy of the United States of America under the direction and control of the Chief of the Diplomatic Mission, and will have the same privileges and immunities as are accorded other personnel with corresponding rank of the Embassy of the United States who are United States nationals. Upon appropriate notification by the Government of the United States the Government of Pakistan will grant full diplomatic status to the senior military member assigned under this Article and the senior Army, Navy and Air Force officers and their respective immediate deputies.
- 2. The Government of Pakistan will grant exemption from import and export duties on personal property imported for the personal use of such personnel or of their families and will take reasonable administrative measures to facilitate and expedite the importation and exportation of the personal property of such personnel and their families.

### ARTICLE V

- 1. The Government of Pakistan will:
  - (a) join in promoting international understanding and good will, and maintaining world peace;
  - (b) take such action as may be mutually agreed upon to eliminate causes of international tension;
  - (c) make, consistent with its political and economic stability, the full contribution permitted by its man-power, resources, facilities and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;
  - (d) take all reasonable measures which may be needed to develop its defence capacities; and
  - (e) take appropriate steps to insure the effective utilisation of the economic and military assistance provided by the United States.

- 2.(a) The Government of Pakistan will, consistent with the Charter of the United Nations, furnish to the Government of the United States, or to such other governments as the Parties hereto may in each case agree upon, such equipment, materials, services or other assistance as may be agreed upon in order to increase their capacity for individual and collective self-defence and to facilitate their effective participation in the United Nations system for collective security.
  - (b) In conformity with the principle of mutual aid, the Government of Pakistan will facilitate the production and transfer to the Government of the United States, for such period of time, in such quantities and upon such terms and conditions as may be agreed upon, of raw and semi-processed materials required by the United States as a result of deficiencies or potential deficiencies in its own resources, and which may be available in Pakistan. Arrangements for such transfers shall give due regard to reasonable requirements of Pakistan for domestic use and commercial export.

#### ARTICLE VI

In the interest of their mutual security of the Government of Pakistan will co-operate with the Government of the United States in taking measures designed to control trade with nations which threaten the maintenance of world peace.

#### ARTICLE VII

- 1. This Agreement shall enter into force on the date of signature and will continue in force until one year after the receipt by either party of written notice of the intention of the other party to terminate it, except that the provisions of Article I, paragraphs 2 and 4, and arrangements entered into under Article 1, paragraphs, 3, 5 and 7, and under Article II, shall remain in force unless otherwise agreed by the two Governments.
- 2. The two Governments will, upon the request of either of them, consult regarding any matter relating to the application or amendment of this Agreement.
- 3. This Agreement shall be registered with the Secretariat of the United Nations.

Done in two copies at Karachi the 19th day of May one thousand nine hundred and fifty four.

### **Notes and Reference**

- <sup>1</sup> "US Overseas Loans and Grants (Greenbook)," USAID, <a href="http://gbk.eads.usaidallnet.gov/query/do">http://gbk.eads.usaidallnet.gov/query/do>.
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- <sup>15</sup> Z. A Bhutto, *Pakistan and alliances*, (Lahore1972).
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- <sup>17</sup> Ibid., 11.

- Ibid. As mentioned earlier, the writer has narrated numerous other instances where the US tried to convey to Pakistan (and also to India) that it wanted to preserve Pakistan's sovereignty and save it from utter destruction.
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- <sup>33</sup> Ibid., p.315.
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