

GENEROUS YET UNPOPULAR: DEVELOPMENTAL VERSUS POLITICAL ROLE OF POST-9/11 US AID IN PAKISTAN

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Introduction

During their alliance in the ‘war on terror’ era, the United States has provided Pakistan a total of over \$11 billion in economic assistance. Analyzing US aid data and projects funded by the United States Agency for International Development (USAID), the US government agency responsible for the delivery of majority of development aid to developing countries, this research shows that due to the political nature of US aid and on account of somewhat divergent foreign policy goals of the two countries, the developmental role of US aid in Pakistan has been rarely explored. The developmental significance of US aid has been mostly overshadowed by thorny bilateral issues related to the ‘war on terror’ such as unabated drone attacks inside Pakistani territory and the overt manipulation of foreign aid as a political tool to coerce Pakistan. Consequently, a large majority of Pakistanis believe that US aid has been least effective and has done nothing of value in the country. This research posits that although the US is not a popular donor in Pakistan, like China or Japan, the reality is that it is the largest aid-provider to the country and has carried out numerous projects in various sectors including health, education, energy, agriculture, economic growth, and post-conflict and post-disaster reconstruction. Contrary to the overall public perception—instead of China, Japan, Saudi Arabia, or any other donor—the US was the largest donor to Pakistan during three devastating natural and man-made disasters. These include the 2005 Kashmir earthquake that killed 74,000 people, the 2009 militants’ insurgency and humanitarian crisis in Malakand Division in which over 3 million people were displaced, and the

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unprecedented 2010 floods that affected 20 million people across the country. On these three occasions, the US played an active role in the rescue, relief, rehabilitation, and reconstruction efforts. It provided 17 per cent, 41 per cent, and 28 per cent of the total aid Pakistan received from the international donor community during Kashmir earthquake, Malakand Division militancy, and 2010 floods, respectively. The paper attempts at highlighting what USAID has done in various sectors in Pakistan and how US aid has played a critical role in enabling the victims to stand on their own feet. In view of its developmental vis-à-vis political role, the paper argues that if the US has not been able to win the hearts and minds of ordinary Pakistanis despite a generous aid programme, it is because of the overall US foreign policy towards Pakistan and also its role in the larger Muslim world, particularly the Middle East. The findings of the study and subsequent analysis could be of interest to academics, researchers, practitioners, and policymakers in diverse fields including international relations, politics, strategic studies, and development studies.

Birth of the alliance and the nature of US economic aid

Pakistan, since its independence in 1947, has mostly remained a close ally of the US. Therefore, it has also remained one of the largest recipients of US assistance from time to time. However, the relationship between the two countries has witnessed several ups and downs during the Cold War, the post-Cold War, and the ‘war on terror’ periods. The recent alliance has undergone similar ups and downs that are the hallmark of the US-Pakistan relations over the last more than six decades. During this honeymoon period, as USAID data in Table 1 illustrates, Pakistan became one of the largest US aid recipients. But instead of a smooth and cordial relationship, it has been a love-hate one. Time and again, the US has used aid as a veritable arm of foreign policy, threatening to cut it off in times of Pakistan’s non-compliance with its foreign policy objectives.

Before examining the impact of certain USAID programmes, it is important to briefly elaborate the twin objectives of US economic assistance to Pakistan. The very idea of foreign aid is political in nature: the US and other donors have utilized aid to make alliances with friendly countries to further their multifaceted foreign policy goals. Valentine foretold more than six decades ago that aid “shall be part of American foreign policy—a policy which is and must be primarily political.”¹ What Valentine stated decades back, former USAID administrator Andrew Natsios reiterated in the 21st century. The history of foreign aid clearly illustrates that “politics is part and parcel of aid delivery in all donor countries, in Europe as well as in America,” he said.² Hence, it must be acknowledged that the US foreign aid policy towards Pakistan has been guided by two objectives: achieving US geo-strategic goals, and helping Pakistan in addressing its developmental challenges. According to USAID, one of the key objectives of US foreign aid is “supporting U.S. geostrategic interests.” Interestingly, when USAID document mentions US geostrategic interests, it also mentions Pakistan.³ For example, “While it is vital that the U.S. government helps keep Pakistan allied with the United States in the war on terrorism, the

United States must also help Pakistanis move toward a more stable, prosperous, and democratic society.”⁴ USAID returned to Pakistan in 2002 with an overall mission “to tangibly improve the well-being of Pakistanis and to support the Government of Pakistan in fulfilling its vision of a moderate, democratic, and prosperous country...to address needs in economic growth, education, health, good governance, earthquake reconstruction assistance, as well as humanitarian assistance.”⁵

Hence, key motivations of US aid are both to further US interests as well as to support Pakistan in achieving its developmental goals. Instead of striking a balance between these two objectives, a series of events such as drone attacks inside Pakistani territory, the Raymond Davis incident, the US military operation inside Pakistan killing Osama bin Laden, the Salala incident (a Pakistani check-post attacked by US helicopters), and US threats of cutting off aid to Pakistan in case of reciprocal actions by the latter clearly reveal that US aid is often overtly political in its objectives. Time and again, the US has asked Pakistan to do more in the ‘war on terror’ and has questioned whether Pakistan is an ally or a foe. Thus, it mars the overall developmental impact of US aid in the country despite the fact that the US has provided a significant amount of aid (as shown in Table 1).

Table 1:

US economic assistance to Pakistan in the post-9/11 years

Year	Economic assistance (constant 2008 \$)
2002	921.41
2003	371.75
2004	399.32
2005	482.47
2006	681.94
2007	678.8
2008	605.36
2009	930.7
2010	1,068.5
2011	2,117.2
2012	767.7
2013	743.5
2014	955.4
2015	678.8
Total	11,402.8

Source: USAID. 2016. *Foreign Aid Explorer: Country Detail Pakistan 2016*.⁶

Where have the billions gone? Perceptions in Pakistan about the impact of US aid

As shown by the USAID data, although the US has allocated substantial aid to Pakistan, the overall developmental role of USAID in the country is not visible to most Pakistanis. It is commonly pointed out that though the US has been allocating billions of dollars in aid, it has not produced tangible or visible impacts. Even laymen argue that they are unable to see any noticeable impacts of US aid in Pakistan in the form of a modern hospital, university, dam, road, or industry that has been built with US money. This perception has been summarized by Farrukh Saleem. In an August 2010 newspaper column, he wrote about the impacts and results of recent US aid in Pakistan. An extract from his write-up is reproduced:

“Where have all the billions gone? ..92 percent of all USAID projects go to US NGOs [non-government organizations]. Research Triangle Institute, one of American government’s favourite aid recipients, consumed \$83 million for the education-sector reform. Impact on the ground: near zero. Chemonics International got \$90 million to ‘Empower Pakistan’. Development Alternatives Inc was furnished a \$17 million purse for ‘Pakistan Legislative Strengthening Project’. Winrock International is spending \$150 million on ‘Community Rehabilitation Infrastructure Support Programme’ (whatever that means!). Where have all the billions gone? Has anyone heard of the Maternal & Child Health Integrated Programme or Pakistan Health Management Information Systems Reform Project or Pakistan Initiative for Mothers and Newborns [PAIMAN] or Reproductive Health Response in Conflict? Does anyone know who has really benefited from all the billions doled out? Imagine; the US Agency for International Development’s \$150 million initiative called FATA Livelihood Development Programme. For \$150 million they trained two-dozen truck drivers to read road signs. For \$150 million they transported cattle from central Punjab to improve the breed in FATA. Imagine; for \$150 million they distributed 278 Ravi Piaggio motorcycles, 10 tractors, 12 threshers, nine reapers, 10 trolleys, six MB Ploughs, six cultivators, 210 spray pumps and 20 auto sprayers. Imagine; with a \$3.3 million wallet Pakistan HIV/AIDS Prevention and Care Project, according to its own Pakistan Final Report, has ‘provided services to 78 HIV-positive individuals and their 276 family members.’”⁷

A few days later, USAID’s clarification was also published by the same newspaper sent by its Mission Director. The rebuttal contradicted most of what the columnist had reported:

“The fact is that Pakistani organisations received more than 70 percent of USAID funding from 2002 to 2008—including more than half directly to the government of Pakistan. The op-ed ironically singled out USAID’s successful PAIMAN project as ‘unheard of’

when, in fact, the programme has trained more than 10,000 health workers—82 percent women—to the benefit of more than 12 million women and children around the country. Skilled birth attendance is up 33 percent, and utilization of obstetric facilities by 50 percent – and this project helped make it happen...We are aware that the visibility and popularity of US assistance are not as high as all of us would like, but we beg to differ that our programmes have made no discernible positive impact on millions of Pakistanis.”⁸

Similar opinions were expressed by numerous USAID officials interviewed by the first author in 2009-10 and again in 2014-15. It was pointed out that impact could be measured at the micro-level but it would take time to get the actual impact regarding what benefits or changes USAID has brought. A USAID official working in the health sector stated that maternal mortality rate (MMR) or child mortality rate (CMR) could not be decreased in a short time.⁹ For example, at the concluding ceremony of the US-funded PAIMAN, a six-year (2004-10) \$93 million project in the health sector, USAID Senior Deputy Mission Director claimed that the initiative had reduced neonatal mortality by 23 per cent in the targeted areas.¹⁰ The USAID news release pointed out that the programme achieved these results by focusing on training health workers and upgrading basic health facilities.

In Pakistan, however, the opinion expressed by the columnist quoted earlier is a dominant perception. A number of academics, independent analysts, and members of different Islamabad-based think tanks interviewed by the first author stated that US aid was less effective, and that its impacts and results were not known or visible in comparison to the works of other donors (such as China and Japan). For instance, in its survey about the impact of US aid on perceptions in Pakistan, Pew Research Center found that nearly four-in-ten Pakistanis believed that American economic and military aid was actually having a negative impact on their country, while only about one-in-ten thought the impact was positive.¹¹ Keeping aside the political role of the US or its overall foreign policy, this paper challenges the dominant assumption concerning the impact of US aid in Pakistan and argues that this is somewhat unfair to say that all US aid to Pakistan has been least effective and has achieved nothing. Key USAID interventions and their role in socio-economic development in Pakistan are examined below.

USAID in education sector

Since its return to Pakistan in 2002, USAID has provided substantial funds for the education sector including basic, secondary, and higher education. Between 2002 and 2009, USAID invested \$404 million to reform and revitalize Pakistan's education system.¹² During this period, more than 600,000 children and 60,000 teachers benefited from various USAID-funded education programmes. Since the approval of the Kerry-Lugar-Berman Act in 2010, in collaboration with Higher Education Commission (HEC), USAID has provided more than 15,400 scholarships, which include 7,354 for deserving temporarily

displaced students, to enable them to attend Pakistani universities.¹³ Similarly, USAID is financing the construction of 17 Faculty of Education buildings (several of these have been completed) across Pakistan. Besides providing financial assistance to students within the country, USAID has been offering various scholarship opportunities to Pakistani students for obtaining higher education from US universities. Moreover, the agency, in consultation with the government of Pakistan, has built or repaired over 1,000 schools across Pakistan that had been destroyed or damaged in various man-made and natural disasters including the 2005 earthquake, the 2009 militancy in Malakand Division, and the 2010 floods.

USAID in energy sector

The US government has invested more than \$800 million in Pakistan's energy sector. With the financial and technical assistance of USAID, major repairs and renovations have been undertaken in Jamshoro Power Station, Tarbela Dam, and Mangla Dam. Similarly, with the help of over \$80 million, Gomal Zam Dam in South Waziristan Agency has been completed, which is a multipurpose dam generating electricity as well as storing and providing water for irrigation.¹⁴ According to a USAID fact sheet on energy sector in Pakistan, more than 2,400 MW electricity has been added to the national grid with the help of various projects carried out with US assistance.¹⁵ This includes 1,013 MW from new or rehabilitated dams and thermal power plants, and 1,447 MW from improvements in the existing transmission and distribution system. According to the same USAID report, over 28 million people have benefited from USAID interventions in energy sector since 2011.

The 2005 earthquake in Kashmir and role of USAID in post-disaster reconstruction

The October 2005 earthquake in Kashmir was a natural disaster of unprecedented proportion in Pakistan's history. In no time, 74,000 people were killed, 70,000 injured, and more than 2.8 million people became homeless in the earthquake.¹⁶ Due to the enormity of the situation, the response of the international community was swift and generous. Over 85 bilateral and multilateral agencies, and more than 100 international NGOs participated in the rescue, relief, and reconstruction phase. The list of top ten donors (given in Table 2) shows that the US was the largest donor providing over 17 per cent of the total aid (over \$200 million) Pakistan received following the earthquake.

Table 2:
Top ten donors following the 2005 Kashmir earthquake

Donor	Amount of aid (in \$ million)	Per cent of total aid
US	204	17.4
Private (individuals & organisations)	194	16.6
United Kingdom	111	9.5
Funds from Red Cross/Red Crescent	70	6.0
Turkey	66	5.7
European Commission	63	5.4
Norway	58	5.0
Japan	42	3.6
The Netherlands	34	2.9
Germany	32	2.8

Source: UNOCHA, 2016, *Pakistan Emergencies for 2005: Total Humanitarian Funding per Donor in 2005 as of 2016*.¹⁷

Based on primary data collected during fieldwork and interaction with a large number of government officials in different departments as well as local beneficiaries in the affected areas, there is no doubt that USAID has funded a number of reconstruction initiatives. It has rebuilt numerous education and health facilities in the earthquake affected districts of Mansehra in Khyber-Pakhtunkhwa (KP) province of Pakistan, and Bagh in Azad Jammu and Kashmir (AJK). Robert Macleod, Team Leader of USAID Reconstruction Unit, stated in an interview that spending over \$200 million, USAID has built 56 High Schools, 19 health facilities including 15 Basic Health Units (BHUs), three regional health centres (RHCs), and one district headquarters hospital.¹⁸ Similarly, according to a USAID report, it has established classroom libraries, and science and computer laboratories in all government-run schools it has reconstructed. About 18,000 students, both boys and girls, from 556 villages having a population of 800,000 people are benefiting from these new educational facilities.¹⁹ The same report adds that health units rebuilt with US funds serve more than 300,000 people in disaster-affected areas. These facts and figures indicate that contrary to common public perceptions, USAID played a critical role in post-earthquake rehabilitation and reconstruction efforts.

Role of USAID in post-militancy restoration of economy

Pakistan was faced with another serious humanitarian crisis in 2009 when the Taliban continuously challenged the writ of the government in Swat and other parts of Malakand Division in KP. Under the leadership of Mullah Fazlullah, the Taliban continued to strengthen their position during the government of Muttahida Majlis-e-Amal (MMA), a coalition of religious parties that ruled KP from 2002 to 2007. After the end of the MMA government, the Taliban carried out numerous acts of violence to intimidate and terrorize local population between 2007 and 2009. In April 2009, they moved to neighbouring

Buner district, which was portrayed by national and international media “as being on the verge of a siege of Islamabad.”²⁰ Eventually, under heavy pressure from the international community, Pakistan’s army started an intense operation against militants in the following month. After launching the military offensive, about three million people from Malakand Division (comprising Buner, Chitral, Dir Lower, Dir Upper, Malakand, Shangla, and Swat districts) fled their homes and became internally displaced persons (IDPs), leading to one of the biggest humanitarian crises in the history of Pakistan.²¹

The militancy crisis and subsequent military operation affected every segment of the society in the affected area. For example, “More than 400 hotels and restaurants were shut down after the militants moved into the district in 2007.”²² As a result, tourism in Swat “ceased entirely because of security concerns.” It affected not only those directly dependent on the tourism industry but also the ones whose livelihood was linked to tourism indirectly such as transporters, shopkeepers, farmers, and fruit growers.²³ During the crisis, public infrastructure was also severely affected. About 664 schools, 63 health facilities, and 58 bridges were destroyed or damaged in the Malakand region.²⁴ According to the post-conflict survey conducted by the Asian Development Bank (ADB) and the World Bank (WB) in collaboration with the government of Pakistan, the Malakand region suffered more than one billion US dollars in losses due to militant insurgency.²⁵

After the end of the military operation in July 2009, most of the IDPs started returning to their homes. To address their immediate needs as well as to restore their confidence in the government, the government of Pakistan spearheaded an early recovery process by facilitating the return of the IDPs through provision of Rs.25,000 cash grants, transport, and basic food and non-food items. As the data in Table 3 shows, among a host of bilateral and multilateral donors, the US was once again the largest donor and provided over 41 per cent of the total aid Pakistan received during the humanitarian crisis. Besides this early emergency cash assistance, with the aid funds provided by the US as well as other donors (such as Saudi Arabia and the UAE) in the form of the Multi-Donor Trust Fund (MDTF), the government of Pakistan also provided assistance to the IDPs in resettlement. Under this plan, the government of Pakistan provided a uniform package to all the affected house-owners consisting of Rs.400,000 for completely damaged, and Rs.160,000 for partially damaged housing units.²⁶ As mentioned earlier, the cash grant enabled the affected population to reconstruct houses keeping in view their own needs and priorities. It was a “homeowner-driven reconstruction through a cash grant-based, homeowner-driven model,” putting the homeowners in full command to rebuild or repair their houses where and how they wanted.²⁷ Hence, the funds provided by the US and other donors played an important role in enabling the people to resettle and restart their lives after they had been displaced during the crisis.

Table 3:
Top ten donors during the 2009 humanitarian crisis

Donor	Amount of aid (in \$ million)	Per cent of total aid
US	328	41.9
United Arab Emirates	101	13.0
European Commission	72	9.2
United Kingdom	32	4.2
Japan	28	3.7
Germany	27	3.5
Norway	24	3.1
Canada	23	3.0
Australia	21	2.7
Central Emergency Response Fund (CERF)	17	2.2

Source: UNOCHA, 2014, *Pakistan emergencies for 2009: Total Humanitarian Funding per Donor in 2009 as of 2014*.²⁸

The 2010 floods, its aftermath, and response of the international donor community

Among various natural disasters, floods have been the most recurring hazard in Pakistan. However, the 2010 floods broke all the previous records as these were the worst in the history of the country. The unprecedented torrential rains and flash floods of July and August 2010 not only resulted in the loss of numerous precious lives but also caused significant destruction to livestock, crops, and infrastructure throughout the country. Across the country, the floods affected 20 million people, damaged 1.6 million homes, and rendered 7.3 million people homeless.²⁹ While the overall loss of life was nearly 2,000, destruction of property, livelihood, and infrastructure was far worse. The disaster caused heavy losses to agriculture, and extensive damage to roads, bridges, irrigation, railways, electricity, and gas pipelines. It also severely damaged facilities related to education, health, water, and sanitation. Submerging around 160,000 square kilometres of land, about one-fifth of Pakistan's total land area,³⁰ the floods surpassed the physical destruction ever caused by any disaster in Pakistan.³¹

This was the second major natural disaster in Pakistan following the 2005 earthquake. Although the loss of life was lower in it as compared to the 2005 earthquake, women and children were exposed to high health risks by floods because of large scale destruction of infrastructure throughout the country. Despite the fact that Pakistan is vulnerable to a range of natural hazards, the country lacks an effective and efficient disaster risk management system. That is why "the extensive damages in both these disasters are being partly attributed to poor disaster risk management."³² This is one of the reasons that the floods caused unparalleled damage to infrastructure and affected almost every sector of the economy. The education sector was one of the worst hit, as 10,348 schools,

23 colleges, and 21 vocational training centres were fully or partially damaged.³³ Consequently, nearly seven million school-going children were affected, for whom temporary tent schools were established. To sum it up, the floods inflicted a damage of \$10 billion on the country's economy.³⁴

In such a situation, the need for aid was acute and the response of the international donor community was swift and generous. A number of bilateral and multilateral donors provided substantial aid both in grants as well as in terms of relief items including tents, water filtration plants, food items, medicine, and blankets. More than 80 bilateral and multilateral donors provided a total of \$3.042 billion in aid; both in in-kind assistance as well as in grants either directly to the government of Pakistan or through UN agencies and other organizations.³⁵ As data in Table 4 shows, the US was the largest donor once again.

Table 4:

Top ten donors after the 2010 floods

Donor	Amount of aid (in \$ million)	Per cent of total aid
US	911	28.8
Private (individuals & organizations)	357	11.3
Japan	335	10.6
United Kingdom	251	7.9
European Commission	234	7.4
Saudi Arabia	200	6.3
Australia	98	3.1
Canada	90	2.8
United Arab Emirates	77	2.4
Germany	60	1.9

Source: UNOCHA, 2014, *Pakistan emergencies for 2010: Total Humanitarian Funding per Donor in 2010 as of 2014*.³⁶

During the 2010 humanitarian crisis, numerous aircraft were sent by donors containing various kinds of relief items. A total of 316 aircraft containing a variety of food and non-food items were received by Pakistan from a number of international donors.³⁷ Similarly, more than 96 helicopters and 23 aircraft took part in the post-floods rescue and relief operations, including 24 US helicopters and five aircraft.³⁸ Engaging over 60,000 military personnel along with innumerable volunteers and workers of national and international organizations, a total of 1.4 million people were rescued, besides providing the affected people with 409,000 tonnes of foods rations, 488,000 tents, and 1.9 million blankets.³⁹ According to officials in the National Disaster Management Authority (NDMA) in Islamabad and the Provincial Disaster Management Authority (PDMA) in Peshawar, the role of the international community was commendable in the early rescue, relief, and recovery phase, as it helped the government of Pakistan in

responding to the crisis, which would not have been possible without its assistance.

Direct cash transfer: an effective reconstruction initiative and the role of USAID

Pakistan's government started various initiatives to rehabilitate the affected population, restore their means of livelihood, and enable them to stand on their own feet. While the successful example of aid package in the form of cash grants during the 2009 militancy crisis was in the mind of the government, it was decided to launch a similar initiative under the Citizens' Damage Compensation (CDC) scheme. In the first phase, the government provided cash assistance through Watan Cards to all heads of the flood-affected households. In order to enable the flood victims "to meet their immediate livelihood requirements," the government transferred Rs.20,000 (around \$200) to each household, a total of 27.7 billion rupees (around \$227 million) to 1.6 million households.⁴⁰ Alongside this early assistance, under the CDC programme for the reconstruction of houses damaged during the floods, the government offered Rs.100,000 (around \$1000) each for the 913,307 completely damaged and Rs.50,000 (around \$500) each for 697,878 partially damaged houses—a total of Rs.126 billion (around \$1.26 billion).⁴¹ All the cash grants were "distributed through Watan Cards to family heads, based on verification by provincial governments and authentication by the National Database and Registration Authority (NADRA) to ensure transparency."⁴²

With a total funding of \$580 million under the CDC, among over 80 donors, the US was the main contributor to this programme for which the UK's Department for International Development (DFID) and the Italian government also provided funds.⁴³ The US directly provided \$190 million to the government for this scheme. According to a USAID report, money disbursed to the government-run CDC sponsored 400,000 families affected by the 2010 floods.⁴⁴ Another USAID report titled *USAID in Pakistan: Strengthening our Partnership, Continuing our Progress* adds, "In Pakistan, more than half of USAID-funded programs are implemented directly by Pakistani government institutions or Pakistani private sector organizations—more than any other USAID mission in the world."⁴⁵ USAID claims that a total of \$4,135 million was disbursed under the Kerry Lugar Act between 2009 and 2013, while \$549 million was given in cash transfers for different programmes launched by the government of Pakistan such as the Benazir Income Support Programme (BISP), CDC, and cash support for IDPs.⁴⁶ An analysis of the overall US aid data and the way most aid has been channelled reveals that not all but a significant amount of US aid has been disbursed and utilized via government departments in programmes launched by the government of Pakistan. As mentioned earlier, a total of over three billion US dollars were provided by various donors led by the US, Japan, UK, Saudi Arabia, Australia, Canada, Germany, and the UAE. Out of more than 80 bilateral and multilateral donors, the US provided the largest amount of aid in cash grants during the rehabilitation and reconstruction phase.

US funded KP Reconstruction Programme

Another major donor-funded reconstruction package implemented in Malakand Division was USAID-funded KP Reconstruction Programme. The main objective of the project was to revitalize and rebuild key public infrastructure damaged during the 2009 conflict, and 2010 floods. The aim was “to enhance the stabilization and development of Khyber-Pakhtunkhwa by rebuilding public infrastructure for education, health, water and sanitation, and increasing the capacity of the provincial government.”⁴⁷ Working closely with the Provincial Reconstruction, Rehabilitation and Settlement Authority (PaRRSA)/PDMA, a key disaster management body of the government of KP, this programme has played a tangible role in rebuilding government infrastructure throughout the Swat Valley, and the rest of Malakand Division.

Under this programme, USAID provided \$65 million (equalling around Rs.6.5 billion) for compensating the households whose houses had been destroyed or damaged by the 2010 floods. Flood victims were provided a uniform compensation of Rs.400,000 (around \$4,000) for fully damaged houses and Rs.160,000 (around \$1,600) for partially damaged houses in the already conflict-affected areas of KP. An official of the PDMA based in Swat stated during an interview with the first author that nearly all the amount had been disbursed, enabling more than 20,000 households to rebuild their houses damaged during the floods.⁴⁸

In the education component of this project, USAID provided funds to rebuild schools damaged during the conflict and floods in Malakand Division. A total of 117 schools have been reconstructed with the financial assistance of USAID. Amongst these, 79 were selected from Swat out of which 50 were completed, and 29 were in the final stage, particularly those in the far-flung hilly areas.⁴⁹ After the completion of work, nearly 16,000 children are going to receive education in these newly rebuilt educational facilities.⁵⁰ Besides the restoration of education, the KP Reconstruction Programme also targeted tourism sector in the Swat Valley. As discussed earlier, like education, health, and communication infrastructure, tourism was also badly affected during militancy and floods. While the sector had revived the hopes of the local population after peace was restored in the area following the military operation against militants in 2009, the 2010 floods dealt a severe blow to tourism, as rains completely washed away 24 hotels in Kalam and Madyan along with the destruction of roads and bridges. For the revival of the hotel industry in Swat, in close coordination and collaboration with the PDMA, USAID provided \$5.2 million in direct financial assistance, technical assistance, and in-kind support to tourism businesses affected during the conflict and floods. To this end, 239 hotels, and 22 fisheries were supplied with furniture, equipment, and other essential material along with financial assistance. As a result, according to a USAID report, these US-supported businesses increased revenues of the local hotel industry from \$454,000 in 2010 to \$4.8 million in 2012, generating over 2,000 new jobs.⁵¹ To sum it up, this programme played an important role in post-conflict post-disaster reconstruction efforts of the government, and helped the affected population in resettling and restarting their normal lives.

Factors overshadowing and undermining developmental impact of US aid

There is no doubt that the US has been allocating significant economic aid to Pakistan since 9/11 and USAID has funded numerous activities in various sectors, but on account of various divergent issues, the US-Pakistan alliance has witnessed several upheavals. These factors, discussed below, undermine the overall developmental role of US aid in Pakistan.

Unpleasant past and competing objectives behind US aid allocation

One of the key factors behind negative perceptions about the US or its unpopularity is its unpleasant past dealings with Pakistan, and its overt manipulation of development aid as a tool to pursue its foreign policy goals. During the course of the current alliance, the US has made it explicitly clear to suspend or cut off aid to Pakistan on several occasions. For instance, during the crisis created as a result of the Raymond Davis incident, following the killing of Osama bin Laden, and when Pakistan closed NATO supply lines passing through the country following the Salala attack. On all these occasions, a number of US officials made public threats that aid to Pakistan could be cut off if some US senators introduced a bill to this effect in the US Congress. Such statements underscore how US aid is clearly linked with geo-strategic and security interests in Pakistan, and how the US has been using aid as a foreign policy tool to accomplish those objectives. All this indicates that aid to Pakistan is linked with the country's compliance to do Washington's bidding in the 'war on terror'. In such a situation, the common perception among the majority of Pakistanis is reinforced that the way the US imposed sanctions on Pakistan in the 1990s after the withdrawal of Soviet forces from Afghanistan, it would again abandon its old ally once its mission in Afghanistan is accomplished. Concerning that particular desertion, even a report of the Congressional Research Service concurs that it "left a lasting effect on Pakistani perceptions of the United States,"⁵² because "like a used tissue," Pakistan was discarded when it no longer had geo-strategic significance for the US.⁵³

The role and influence of the US in Pakistan's internal politics

Another factor making the US unpopular is its role and influence in Pakistan's internal affairs. While other donors have normally tended to avoid getting overtly involved in the internal affairs of Pakistan, the case of the US is altogether different. Constrained by its geo-strategic and security compulsions, the US has mostly maintained good ties with military dictators in Pakistan in contrast to democratically elected rulers. For example, the US has provided Pakistan \$781 million in economic aid annually during military regimes, but during civilian rule the amount is \$297 million per year.⁵⁴ Consequently, it is rightly argued that US foreign aid policy has "influenced the internal dynamics of Pakistan negatively, bolstering its military's praetorian ambitions."⁵⁵ It is a dominant perception that "military coups in Pakistan are rarely, if ever,

organized without the tacit or explicit approval of the US embassy.”⁵⁶ Numerous documents released by WikiLeaks, the whistle-blower website, reveal that the US exercises enormous amount of leverage and power in Pakistan’s domestic affairs. In light of the foregoing, whether exaggerated or real, the US does influence internal policy-making to safeguard its foreign policy goals, and it is one of the factors of its unpopularity despite it being the largest aid-provider to Pakistan.

US drone strikes inside Pakistani territory and its impact on public perceptions

Another key factor that overshadows US developmental role is its policy of carrying out airstrikes inside Pakistan using unmanned air vehicles (UAVs) or drones. While the US aims to target Al-Qaeda and Taliban operatives inside Pakistani territory, these strikes have resulted in human losses to innocent civilians. Although Pakistan has deployed over 100,000 troops along the Pak-Afghan border and has carried out a number of military operations against militants, it has not been able to completely defeat them and clear all areas of the tribal belt so far. The US argues that cross-border infiltration emanating from the tribal belt of Pakistan has been a matter of grave concern as the Taliban ambush US and NATO forces in Afghanistan from there. Pakistan, on the other hand, perceives the US policy of using drones to hit targets inside Pakistani territory a violation of its sovereignty and argues that due to a significant number of innocent tribal people being killed, it leads to more and more domestic extremism and anti-Americanism.

There are conflicting claims and reports regarding the actual number of drone strikes, the resulting casualties, and the number of terrorists vis-à-vis innocent civilians killed. According to figures based on media reports compiled by the South Asia Terrorism Portal (SATP) since 2005, there have been a total of 322 attacks by US drones inside Pakistani territory, killing 2,808 people.⁵⁷ Bureau of Investigative Journalism, a London-based organization, claims that so far a total of 2,499 to 4,001 people have been killed in 373 drone strikes in Pakistan, including 424 to 966 civilians and 172-207 children.⁵⁸ Pakistani officials and media reports claim that besides high value Al-Qaeda and Taliban figures, a large of number civilians also get killed in these strikes. For example, it was reported that of the 1,184 persons killed by US drones in 124 attacks in 2010, around 59 per cent were innocent civilians, while the remaining 41 per cent were terrorists belonging to various militant groups.⁵⁹ On the other hand, a report by the New America Foundation claims that of the 114 drone strikes inside Pakistani territory from 2004 to 2010, between 830 and 1,210 people have been killed.⁶⁰ The report says that of these, around 550 to 850 were militants, averaging two-thirds. In this way, these authors put the overall civilian casualty rate at about 32 per cent.

Whatever the level of precision, the fact is that drone attacks are extremely unpopular among Pakistanis. The country has repeatedly argued that such counter-terrorism strategies contribute to turning public opinion against the US and undermining Pakistan’s role in defeating extremism at home. According

to Gallup surveys, these are among the important causes of anti-Americanism in Pakistan. A majority of Pakistanis view them as a violation of national sovereignty, as only 9 per cent consider these to be effective in counterterrorism.⁶¹ Drone attacks get high coverage in Pakistani print and electronic media and undermine the efforts of the US to placate public sentiments through the provision of development aid. Only those people are aware of the role of USAID who are either intended primary beneficiaries of USAID or linked with USAID as employees or civil society. On the other hand, however, a huge majority of Pakistanis are aware of drone attacks and their repercussions. People believe that deteriorating law and order situation, and frequent bomb blasts and suicide attacks by the Taliban militants are consequences of Pakistan's role in the 'war on terror', and of US drone attacks. As a result of this, irrespective of the fact that the US has provided Pakistan billions of dollars in aid, a majority of Pakistanis think that the US-Pakistan alliance has done more harm to the country than good.

Overall cost-benefit analysis of the current alliance

Although the US cannot be blamed for all the internal security challenges, it is also a fact that Pakistan has paid a heavy price for joining the US-led 'war on terror'. It has suffered much more than what it has received from the US and the overall international community during the ongoing conflict. After the escalation of the conflict at the domestic front in Pakistan, more than 61,000 people have died in terrorist violence.⁶² Similarly, the war has cost Pakistan over \$118 billion, as it has affected Pakistan's exports, prevented the inflows of foreign investment, caused expenditure overruns owing to additional security spending, affected tourism industry, destroyed physical infrastructure, and resulted in migration of thousands of people from conflict affected areas.⁶³ Although alongside the \$11 billion in economic aid, the US has also provided Pakistan over \$7 billion in military aid and more than \$13 billion in Coalition Support Fund (CSF),⁶⁴ human and financial cost of the conflict has been too much for Pakistan. There has hardly been a city in the country which has not been targeted by terrorists during the ongoing conflict. People of all ages, professions, genders, and ethnicities have suffered. A dominant perception is that if Pakistan had not joined the US-led 'war on terror', the country would not have experienced such destruction.

Conclusion

The analysis of post-9/11 US aid illustrates that the US gave the largest amount of aid to Pakistan on three critical occasions when the country was faced with humanitarian crises. Overall, the US has assisted Pakistan's education, health, and energy sectors, and has helped it in post-conflict and post-disaster reconstruction initiatives. Therefore, although the common man fails to see tangible impacts of US aid in the form of large-scale public infrastructure such

as a rail transit system, a highway, or a dam, the reality is that USAID has sponsored a number of development initiatives in various parts of the country.

However, owing to unpleasant past experience with the US, its meddling in Pakistan's internal affairs, consistent violation of Pakistan's sovereignty on its part through airstrikes by drones, and also due to the fact that Pakistan has suffered enormously in this conflict, majority of Pakistanis believe that the total amount of US aid is insignificant in contrast to what the country has lost as a result of its alliance with the US. On account of these factors, the US is not viewed favourably in Pakistan, as it is believed that the US itself is part of the problem and a cause of militancy and extremism in the country. The presence of US and NATO troops in Afghanistan is often perceived "as part of a global offensive against Islam led by the US"⁶⁵ resulting in the deaths of countless innocent civilians, which in turn has resulted in the upsurge of militancy in Pakistan. Similarly, the overall US foreign policy towards Pakistan or in the broader Muslim world is also considered anti-Muslim. In this context, US foreign policy towards the Middle East and particularly its role in the Israel-Palestine conflict is severely criticized. While Israel's belligerence is not a secret and it has been extremely infamous on account of the Palestine conflict, the Muslim world, including Pakistan, considers the US equally responsible, as it has always supported the Jewish state materially and politically at all levels. Pakistan has openly criticized Israel's policies in the region, particularly its occupation of the Palestinian territories, and gross human rights violations.

In view of all this, US aid has failed to alter public perceptions in Pakistan. For example, according to a public opinion survey by the United States Institute of Peace (USIP), about 64 per cent of Pakistanis doubt that the US can be a trusted ally.⁶⁶ In relation to cooperation on security and military matters between the two countries in the last few years, only one in four (27 per cent) Pakistanis thinks that it has brought any benefits to Pakistan. Overall, the survey shows that only 6 per cent in Pakistan believe that the US-Pakistan alliance has mostly benefited their country. In another survey four years later, Pew Research Center found that roughly three in four Pakistanis (74 per cent) consider the US an enemy rather than a trusted ally, up from 69 per cent in 2011 and 64 per cent in 2008.⁶⁷ This also indicates that majority of Pakistanis do not perceive the US as an ally because they fail to see a visible and tangible impact of US aid in the country in contrast to the losses it has suffered. Thus the impact of US aid is neither markedly visible in terms of socio-economic development nor in winning public support because the US engagement in Pakistan is overtly aimed at gaining political and security objectives, while development taking the back seat. The relationship has been myopic and very issue-specific: the main goal being the accomplishment of geo-strategic objectives. At the same time, however, to say that all US aid has been ineffective and has done no good in the country is unfair. In various sectors of the economy, US aid has contributed significantly and its role needs to be acknowledged in that context, rather than in the overall US foreign policy framework. To be viewed more favourably, the US needs to depoliticize its foreign aid policy and disconnect its development aid from the security and political objectives that are the hallmark of the overall US

foreign policy. For example, a recent audit report released by the Office of Inspector General USAID has stated that USAID failed to achieve the intended development outcomes in interventions funded under the Enhanced Partnership with Pakistan Act (EPPA).⁶⁸ The report states that about 30 per cent of EPPA-funded projects did not meet intended goals, while another 55 per cent did so only partially. According to the report, the key reason of the failure is that “the State Department and USAID/Pakistan had competing priorities, and ultimately USAID/Pakistan had to integrate its long-term objectives with the State’s shorter-term priorities.”⁶⁹ Therefore, the reason for the failure of US-funded development initiatives in Pakistan is the entanglement of security and development policies that has led to a myriad of obstacles for development programmes. To be effective developmentally as well as in winning the hearts and minds of the common man, the US engagement with Pakistan needs to go beyond the ‘war on terror’.

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