

# Aid Kills

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Between October 20 and 22, Pakistan and the United States held their third ministerial-level Strategic Dialogue this year. Ostensibly co chaired by U.S. Secretary of State Hillary Rodham Clinton and Pakistani Foreign Minister Mahmoud Qureshi, it was the [Chief of Army Staff, Gen. Ashfaq Kayani](#) [3] that garnered the most media attention. This lent the façade that the Strategic Dialogue is a civilian affair.

During the dialogue, Washington unveiled its latest aid package: [\\$2 billion in military and security aid](#). [4] Unlike previous military aid which is approved on an annual basis, this is a five-year package.

Rather than revealing a commonality of interests, the strategic differences were most evident. Washington demanded that Islamabad tackle Pakistan-based militants targeting U.S., NATO and Afghan forces in Afghanistan, insisting that the army launch military offensives in the tribal agency of [North Waziristan](#) [5]. This is the base of the Jalaludin Haqqani network, which is the most deadly ally of the Afghan Taliban. Washington views Pakistani inaction against this network and other Afghan Taliban enjoying Pakistan's passive and active support as critically undermining the U.S. goal of transferring security responsibility to the Afghans beginning in August 2011.

Islamabad made it equally clear that this [would not happen](#) [6].

This funding is in addition to the \$7.5 billion [Kerry-Lugar-Berman](#) [7] civilian aid package from 2009. Unlike previous U.S. policies, these funds will be dispersed through Pakistani agencies and institutions. Disbursing such sums in this way is a challenge for the understaffed U.S. embassy. U.S. officials complain that Pakistan has held up visas for many embassy staff members for months, resulting in [delays](#) [8] in dispersing aid and payments.

This raises the question of whether Pakistan seeks to undermine U.S. efforts or fears an expanding U.S. presence that may have ulterior motives—or both. Pakistani intelligence incited public outrage over the [stringent conditions](#) [9] of the Kerry-Lugar-Berman aid bill that required Pakistan to cease supporting the Afghan Taliban and other militant groups (e.g. Lashkar-e-Taiba and Jaish-e-Mohammad); dismantle their bases of operations (e.g. in Quetta and Muridke); and strengthen counterterrorism and anti-money laundering laws; and insisted that Pakistan's security forces not subvert the country's political or judicial processes.

After the devastating July 2010 floods that covered one fifth of Pakistan's landmass and affected some 20 million people, many of these funds have been [diverted to disaster relief](#) [10].

But the question lingers: will these aid packages help stabilize Pakistan, contribute to civilian dominance over the military or induce Pakistan to abandon its long-term and dangerous reliance upon Islamic militants as tools of its foreign policy?

The answer is, regrettably, no for several reasons.

First, U.S. military assistance has focused on providing strategic systems such as F-16s that are suited to fight India. Pakistan argues that ensuring its conventional parity with India will diminish its reliance upon nuclear assets to protect it against Indian aggression. (Pakistan has started every war with India.) Yet Pakistan rightly notes that India is globally ascending and will be able to outpace Pakistan in virtually every dimension of national power. U.S. security assistance to Pakistan cannot alter Pakistan's neuralgic fears of India. Unable to counter India's expansion through diplomatic, military or political means, Pakistan relies upon the only tool it has: Islamist terrorist groups that operate in India and in Afghanistan.

Critically, Pakistan has become a [rentier state](#) [11] using its strategic significance to extort aid from the international community on the basis that it is "too dangerous and too important to fail." Yet this aid has materially precluded the failure of democratic institutions to fructify in Pakistan. As Pakistan has never been allowed to fail, it has never been forced to be fiscally responsible and accountable to its citizenry. Pakistan's political class remains feudal and patronage-driven. The military claims the largest slice of the budgetary pie without scrutiny.

Pakistan has consistently reneged on its commitments to the International Monetary Fund to expand its tax net beyond the mere [750,000](#) [12] "revenue yielding taxpayers." (Pakistan has a pathetic 1.5 million registered tax payers out of its 180 million citizens.) The failure to impose an [agricultural tax](#) [13] is the most egregious and is consistently preempted by land-owning politicians and their patrons. Without meaningful reform which permits the collection of domestic revenue and redistribution in the guise of public services, accountable democracy will remain a dream deferred.

This has worn on the international donor community, which is tired of bailing Pakistan out of various crises while its own elites remain [indifferent to and unaccountable](#) [14] for the assistance of their fellow citizens.

Fiscal incentives cannot induce Pakistan to change. It views these as an entitlement.

Washington needs to develop *political* incentive, including: finding a means to help Pakistan to accept the territorial status quo in Kashmir. (India will oppose any other outcome) and/or proposing a rigorous conditions-based [nuclear deal](#) [15] to persuade Pakistan to abandon its use for terrorism and provide access to the A.Q. Khan nuclear black market. The Indo-U.S. nuclear deal has not yet been consummated some six years after its announcement. A deal for Pakistan would take even longer, but any progress along those conditions would enhance U.S. interests. Such a move could also pave the way for a carefully worded [security guarantee](#) [16] against unprovoked—and unlikely—Indian aggression.

This should be coupled with political will to deny Pakistan the assistance it seeks consonant with various provisions of U.S. law which are all too often waived for political expedience.

Should Pakistan resist these overtures it will at least clarify that Pakistan has no intention of changing course despite Washington's best efforts. Under such conditions, the United States would be forced to seriously consider once and for all whether Pakistan is a potential ally or an enemy and act accordingly.

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- [4] <http://www.voanews.com/english/news/US-Announces-New-2-Billion-Military-Aid-Package-to-Pakistan-105527373.html>
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- [10] <http://www.usaid.gov/pk/docs/10.26.10-Accomplishments-PakistanFloods.pdf>
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