

# ISAS Brief

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Institute of South Asian Studies  
National University of Singapore  
29 Heng Mui Keng Terrace  
#08-06 (Block B)  
Singapore 119620  
Tel: (65) 6516 4239 Fax: (65) 6776 7505  
www.isas.nus.edu.sg  
<http://southasiandiaspora.org>



## **Blocking of American Aid to Pakistan: A Great Asian Divide in the Offing?**

*Washington has indicated that it will block the promised flow of aid to Islamabad to punish it for not doing as much as the Americans want in bringing under control the activities of terrorist groups operating from bases in Pakistan. Some of what the Americans have promised Islamabad is not economic assistance but compensation for the use of Pakistan's transport infrastructure to supply its troops in landlocked Afghanistan. This paper addresses the question of the impact of the action by the Americans on the long-term break in the off-and-on relationship between the United States and Pakistan.*

Shahid Javed Burki<sup>1</sup>

It is worth quoting in full United States (US) President Donald Trump's tweet about Pakistan. It was his first tweet of the year. It reflected well the American leader's feeling about and anger at Pakistan. "The United States has given more than 33 billion dollars [\$44.1 billion] in aid over the last 15 years, and they have given us nothing but lies and deceit, thinking of our leaders

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<sup>1</sup> Mr Shahid Javed Burki is Visiting Senior Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). During a professional career spanning over half a century, Mr Burki has held a number of senior positions in Pakistan and at the World Bank. He was the Director of China Operations at the World Bank from 1987 to 1994, and the Vice President of Latin America and the Caribbean Region at the World Bank from 1994 to 1999. On leave of absence from the Bank, he was Pakistan's Finance Minister from 1996 to 1997. He can be contacted at [sjburki@gmail.com](mailto:sjburki@gmail.com). The author bears full responsibility for the facts cited and opinions expressed in this paper.

as fools. They gave safe haven to the terrorists who we hunt in Afghanistan, with little help. No more!” The tweet followed the threat Trump gave in his 21 August 2017 speech when he laid down his administration’s new policy towards Afghanistan.<sup>2</sup> This policy militarised policymaking with respect to Afghanistan where America had been involved since the fall of 2001. It had gained little in the 16-year old effort. The military leaders who were now given the full authority to take whatever action they thought was necessary to move things in the right direction in Afghanistan. These leaders who held high policymaking positions in Washington or were commanding the forces in the field in Afghanistan were frustrated with Pakistan.

The commander of the North Atlantic Treaty Organization-led coalition in Afghanistan, US Army General John Nicholson said in November 2017 that Islamabad had not changed its behaviour since Trump’s August speech which specifically called for Pakistan to do more. “No, I haven’t seen any change yet in their behavior,” he told reporters after a meeting in Brussels when asked whether Pakistan was cooperating more in eliminating Taliban sanctuaries. “You’ve heard the public statements from President Trump, from (Defense Secretary James) Mattis, from (Chairman of the Joint Chiefs Gen. Joseph Dunford) from (Secretary of State Rex) Tillerson, so we are engaging at the very highest levels with the Pakistanis to work together with them against these terrorists that are undermining the stability of the entire region.”<sup>3</sup>

In contrast to Trump’s tweet on 1 January 2018, the president had talked differently in October 2017, saying how much Pakistan was now respecting the US. After American Caitlan Coleman and her Canadian husband were freed as Taliban prisoners by the action taken by the Pakistani military, Trump praised the effort. “This is a very positive moment for our country’s relationship with Pakistan”, he said, adding that the Pakistani government’s cooperation “is a sign that it is honoring American wishes for it do more to provide security in the region.”<sup>4</sup> However, the tone changed soon after that positive statement. US Vice President Mike Pence, in a visit to Afghanistan just before Christmas, told a cheering audience of American soldiers that “President Trump has put Pakistan on notice.” Why this sudden change? According to one

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<sup>2</sup> See “America’s Reset of Afghan Strategy: Potential Realignment of South Asian Geopolitics”, C Raja Mohan ISAS Insights No 456, 23 August 2017. <https://www.isas.nus.edu.sg/ISAS%20Reports/ISAS%20Insights%20No.%20456-%20Americas%20Reset%20of%20Afghan%20Strategy-%20Potential%20Realignment%20of%20South%20Asian%20Geopolitics.pdf>. Accessed on 1 January 2018.

<sup>3</sup> Top US general in Afghanistan: No change in Pakistan’s behavior”, Ryan Browne, *CNN*, 9 November 2017. <http://edition.cnn.com/2017/11/09/politics/nato-us-pakistan-afghanistan/index.html>. Accessed on 1 January 2018.

<sup>4</sup> “Trump’s first 2018 tweet: Pakistan has ‘given us nothing but lies & deceit’”, *CNN*, 1 January 2018. <https://fire.newsfeed.com/politics/946322>. Accessed on 1 January 2018.

interpretation by reporters of *The New York Times*, in the operation that freed the two hostages, the Pakistani army also captured one of the abductors. “United States officials saw a potential windfall: He was a member of the Taliban-linked Haqqani network who could perhaps provide valuable information about at least another American hostage.”<sup>5</sup> He could also perhaps locate the sanctuaries from which the Taliban were operating against Afghanistan. Pakistan refused to hand him over to the American and this led to Trump’s anger against Pakistan.

Will this open pressure produce the result desired by Washington? This paper is of the view that the opposite is most likely to happen. This is based on a fairly detailed conversation the author had with Pakistan’s Foreign Minister Khawaja Asif who visited Washington in December last year to hold conversations with America’s senior leaders. He met with Tillerson and National Security Advisor Lieutenant General H R McMaster. The message he gave was clear. Pakistan will act to promote its own strategic interests and will not be pushed into doing things that would do it harm. It is interesting to note that Asif first visited Beijing after Trump had spoken in August 2017 where he began to formulate Pakistan’s response to America’s pressure. Islamabad had already begun the implementation of the US\$55-65 billion (S\$73.5-86.9 billion) China Pakistan Economic Corridor (CPEC) project. It would include, among other projects, a network of highways that would connect Gwadar, a deep-sea port on Pakistan’s Baluchistan coast, with China. Pakistan was now prepared to depart from history when its relations with Washington were very close and move into the Chinese orbit.

This was made clear by Asif’s quick response to the Trump 1 January 2018 tweet. He told a local television channel that, “the United States should hold its own people accountable for its failures in Afghanistan. We’ve already said ‘no more’ to America, so Trump’s ‘no more’ has no importance. We are ready to give all account for every single penny to America in public. America is frustrated over its defeat in Afghanistan. America should perhaps take the path of dialogue instead of using its military might,” the minister advised Washington.<sup>6</sup> The same sentiment was expressed by Pakistan Defense Minister Khurram Dastagir.

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<sup>5</sup> “Frustrated U.S. might withhold \$255 million in aid from Pakistan”, Adam Goldman, Mark Landler and Eric Schmidt, *The New York Times*, 29 December 2017. <https://www.nytimes.com/2017/12/29/us/politics/pakistan-american-aid-255-million.html>. Accessed on 1 January 2018.

<sup>6</sup> Foreign Minister Khawaja Asif’s interview with Geo TV as reported by the newspaper, *Dawn*, 1 January 2018. See ‘Pakistan needs to improve its narrative’: Politicians, analysts weigh in on Trump statement”, *Dawn*, 1 January 2018. <https://www.dawn.com/news/1380157>. Accessed on 1 January 2018.

For a long time – since 1954 when Pakistan Defense Minister General Ayub Khan decided to side with the Americans in the latter’s effort to constrain the spread of Communism in the Asian continent – the US has been a source of financial support for Pakistan. For more than 60 years, large amounts of official American capital flowed into the country. Some estimates put the total at US\$32 billion (S\$42.8 billion), or about US\$500 million (S\$668 million) a year. This flow was interrupted a couple of times, essentially to show the US’ displeasure at the policy stance adopted by Pakistan. This happened in 1965 when Pakistan went to war with India and again in 1998 when Pakistan tested nuclear weapons following tests carried out by India. Each time, the Americans returned with aid since it was in their assessment that Pakistan occupied geographic space that was critical for the US. Now the focus is on the use of military force to win the 16-year old war in Afghanistan. However, as the American president indicated clearly in his 21 August 2017 speech on the Afghan policy, victory needs Pakistan’s cooperation. Islamabad would be punished if that help was not forthcoming. Will the Americans return again this time as well?

This time, Pakistan has another choice that reduces its reliance on the US. China’s rise has created an opportunity for Islamabad which it is fully exploiting. Work has begun on the multifaceted CPEC. China has a strategic plan, that is, to “take global centre stage by 2050” in Chinese President Xi Jinping’s words to the 19<sup>th</sup> Communist party congress held in Beijing in October 2017. As Edward Luce wrote in the *Financial Times*, “As China’s global stature rises, America’s is falling.”<sup>7</sup> For the first time since such polls began, Pew Research found in August 2017 that people in many countries, including not only Pakistan, but also such close allies as Canada and Germany, have more trust in China’s leadership than that of the US.

The most recent Islamabad-Washington spat is likely to not only produce long-lasting consequences for Pakistan’s relations with the US, but it will also affect all of South Asia. While shunning Pakistan, the Trump administration is openly courting India to counter the growing Chinese influence in the Asian continent. When Trump was on his way for the 12-day trip to Asia in late 2017, Tillerson began to promote the idea of an Indo-Pacific alliance. It was to be structured around the US, India, Japan and Australia. With China aggressively promoting its Belt and Road Initiative, of which the CPEC is an important part, it appears that the

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<sup>7</sup> “Trump under siege from Mueller as he travels to Asia”, Edward Luce, *Financial Times*, 4 November 2017. <https://www.ft.com/content/b44507f8-c08e-11e7-9836-b25f8adaa111>. Accessed on 1 January 2018.

American moves relating to India and Pakistan will result in a fracturing of the Asian continent and produce the 'great Asian divide'.

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