

US suspends aid to Pakistan

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In a move that sharply strained relations between the two countries, the US suspended \$US800 million in aid to Pakistan on July 11. Washington did this to express displeasure at Islamabad's expulsion of US military trainers and its placing of limits on visas to Pakistan for US security personnel.

The aid was part of a nearly \$2 billion package to Pakistan provided by the Obama administration as a payoff for Islamabad to maintain its support for the US war in Afghanistan. While \$300 million is to cover the cost of the Pakistan military operations in Afghan-Pakistani border areas, other funding goes to cover training and purchases of military hardware.

The killing of Osama bin Laden by US special forces on May 1—in a raid going deep into Pakistan to Abbottabad, thus violating Pakistani sovereignty—brought the tensions between the two countries to the surface. Pakistan sent over 100 US trainers home, shut down a US program training paramilitary forces, and threatened to close a base the CIA has used for drone attacks on militants.

Washington's suspension of aid to Pakistan shows that it will tolerate no restrictions on its plans to bomb, raid, and otherwise attack targets inside Pakistan. Ayesha Siddiqi, an expert on the Pakistan military, explained: "Washington has given up on winning Pakistani hearts and minds and is now counting on Pakistan's precarious financial situation to bring it onside."

The *Washington Post* reported on July 9: "American officials say they would probably resume equipment deliveries and aid if relations improve and Pakistan pursues terrorists more aggressively."

By withholding the aid, Washington is increasing its pressure on Pakistan to scrap restrictions on US forces and to launch its own operations to crush the supporters of the Afghan insurgency in Pakistani regions bordering Afghanistan. Under pressure from

Washington, Islamabad has sent its troops into Swat Valley, Bajaur and South Waziristan—killing thousands of Pakistani civilians and making millions homeless.

To further improve relations with the US, Pakistan launched a major operation in the Kurram agency of the Federally Administered Tribal Areas (FATA) of northwest Pakistan early this month. But Washington was not satisfied, demanding that Pakistan give it a free hand to carry out further raids inside its territory. Because Pakistan's support to the US is deeply unpopular among the masses, Islamabad is trying to avoid publicly giving in to US demands.

The US's policy of pressuring Pakistan is not without risk, given the critical strategic role the Pakistani army and state play in the US's "AfPak" war, and deep popular opposition to the US war in the region. The *Los Angeles Times* argued in its editorial on Wednesday, "Ideally, the suspension of aid will be short-lived while the relationship is mended." It added: "Punishing Pakistan may punish the US too."

On July 12, a *Washington Post* editorial noted that suspending aid is a "risky course of publicly confronting the Pakistani leadership while withholding US aid as leverage." It said that Pakistan was a "country where instability or radicalization could pose a major threat to American security."

The US is dependent on Pakistan's logistical and military support for its operations in Afghanistan. At present, Pakistan's Torkham border post serves as NATO's primary supply line into Afghanistan. Worried by developing tensions with Pakistan, the US is expanding its Central Asian supply routes to Afghanistan. The Torkham post was briefly closed twice, in 2008 and 2010, to protest US unilateral attacks inside Pakistan.

Until 2009, the US military reportedly moved 90 per cent of its supplies to NATO forces through Pakistan, but today it moves only 60 percent of its supplies

through Pakistan. The remaining 40 per cent arrives in Afghanistan from the north, along a patchwork of central Asian rail and road routes, which is more costly.

Washington's attempt to twist the Pakistani government's arm by withholding aid relies on the fact that Pakistan is in a severe economic crisis. The cost of military operations against Islamists and tribal militants is high, and the aid cut will create serious problems. Pakistan's defence expenditure in its 2010-2011 budget was put at \$6.41 billion—an increase of \$1.27 billion over the previous year.

Though the International Monetary Fund (IMF) agreed to give Pakistan an \$11 billion loan in 2008, the payments were stopped in August 2010, citing lack of commitment to fiscal reforms—meaning that the IMF will demand further social cuts and privatizations in exchange for further loans to Pakistan.

Pakistani officials have responded to US pressure by threatening to abandon planned offensives in the Pakistani border regions and to deepen their ties with another key Pakistani ally, China. Defence Minister Ahmed Mukhtar said in an interview with the *Express* 24/7 television that, if the US cut its aid, the “armed forces will be moving [away] from the border areas.”

There is increasing discontent in the sections of the military over the close collaboration with the US. Pakistan Chief of Army Staff General Ashfaq Kayani increasingly faces criticism from sections of the army for his support for the “AfPak” war. Under the pressure of his own ranks, Kayani has started to criticise US operations and asked the US to stop drone attacks.

A military source was quoted by the media as saying Pakistan could do without US assistance by depending on its own resources or turning to its “all-weather friend,” China. An unnamed military official told Reuters that the aid cut will have an effect, “but we are not dependent on a single source”—implying that China might provide Pakistan with assistance. This will sharpen tensions with Washington, while also drawing South Asia into the growing rivalry between the US and China.

On July 12, the *Times Of India* reported that “China pledged its support for close ally Pakistan after the US announced it would suspend aid.”

Chinese foreign ministry spokesman Hong Lei said that “Pakistan is an important country in South Asia,” adding: “The stability and development of Pakistan is

closely connected with the peace and stability of South Asia.”

These statements notwithstanding, Pakistan cannot completely break with its long-standing political and military relationship with the US, which goes back to the early 1950s.

To mend relations with the US, Lieutenant-General Ahmad Shuja Pasha, the chief of Pakistan's powerful Inter-Services Intelligence (ISI), made a one-day trip to the US on July 12. An official statement said Pasha was visiting Washington to “coordinate intelligence matters” and that he would meet high officials of the American military and intelligence.

One analyst told the AFP: “The visit is designed to see how the two countries can forge better understanding on issues affecting their ties. But the complications cannot be sorted out in just one visit. There will be more rounds of talks in future.”

On Wednesday, Pakistani Prime Minister Yousuf Raza Gilani also expressed concern. He said, “We have concerns over the recent statements by American officials about aid. Though we are not officially informed, it is a matter of concern for us. We are fighting a war against terrorism and extremism.” Gilani was making the point that the Pakistani government has never ceased defending US imperialism's main interests in the region.



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