**The Fault Lines of the US Foreign Aid**

**Foreign aid has once again proved as a policy tool and a political preference for the US to serve its interest at its own pleasure.**

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May 10, 2024

On 24 April, U.S. President Joe Biden signed the legislation providing $87 billion in aid for Ukraine and Israel, in which Ukraine takes a lion’s share of $61 billion while Israel gets $26 billion when the latter is engaging in a ruthless battle against the Palestinians in Gaza. The legislation disguised in foreign aid package is an irony in itself. Once implemented, it will for sure give a lifeline to the Ukrainians to sustain fighting the Russians, and embolden the Israelis to flare up tension in the Middle East, posing further threat to regional detente and stability. The US move is not unexpected keeping in view the evolving foreign aid history of the country, which always prides itself as the world’s largest donor. However, the US foreign aid, with the innate fault lines exposed along the journey, is politically motivated and strategically maneuvered, producing unfortunately more troubles and chaos than benefits and benevolence.

First, it is self-serving. The U.S. aid has always predicated on its own interests while impacting the fundamental interests and long-term development of recipient countries. The year of 1949 marked the beginning of US aid to developing countries with then US President Truman putting forward the Point Four Program of economic and technical assistance for the underdeveloped areas in Asia, Africa and Latin America. During the Cold War, the main goal of US aid was to stop the spread of communism and to consolidate US hegemony. After the 9/11 incident, the US shifted its aid goal to finance global war on terror. During the Trump administration, the US adopted “America First” approach, and its foreign aid was deeply influenced by populism and ultra-nationalism, ignoring its obligations as a developed country to narrow the North-South divide and solve other development issues, unilaterally withdrawing from the Paris Agreement on climate change and World Health Organization, hastily scaling back and even halting contributions to multilateral institutions, and demanding other countries to shoulder more responsibility, thus impedes the international development cooperation. Ample evidences show that in the past seven decades, the US has always pursued its own interest and safeguarded its own security when carrying out aid programs. Meanwhile, the US has repeatedly used aid instruments to tie developing countries to its dominant financial system, so as to transfer risks and responsibilities and exacerbate the Matthew effect (winner-takes-all). The OECD issued a peer review of U.S. official development assistance in November 2022, pointing out that the US ODA policies have had negative spillover effects on developing countries, for which the United States has failed to mitigate with appropriate tools and measures. According to the Global Financial Stability Report released by the IMF in April 2023, US financial policies have become the biggest challenge to global financial stability. The interest rate hiked by the Federal Reserve since last year have substantially pushed up global financing costs and aggravated transnational capital flows, which has also added extra difficulties to the emerging markets and developing countries. Heavily indebted and the least developed countries have even fallen prey to the debt servicing trap. With the US-led international financial system in place, inequality prevails, income gap widens, and the sustainable development goals are further out of reach.

Second, it is arbitrary and self-complacent. With political strings always attached, and aiming at interfering in other countries’ internal affairs for its own benefits, US foreign aid brings about seriously disruptive impact on socioeconomic development of the recipient countries. The United States takes foreign aid as deal-making and adeptly uses it as a bargaining chip to impose its will on the developing countries, resulting in inconsistency and incoherence of its foreign policy, and undermining the sustainable growth of recipient countries. “Carrot and stick” speaks volumes about the transactional nature of the US foreign aid. The US Government has more than once suspended or reassessed its aid to El Salvador, Guatemala, Honduras, the Solomon Islands, among others, as political maneuvers. In August 2018, the United States, as the primary donor, even stopped contributing to UN Relief and Works Agency for Palestine Refugees in the Near East by labeling the latter’s work as “irredeemably flawed”, which resultantly led the agency to be financially distressed. This move was reported to have aim at pressuring Palestine into accepting the so-called “deal of the century”. It is immoral and unethical, raising eyebrows from the international community.

Third, it is double-minded with poor delivery. Boasting its “great contributions” to the world in terms of aid amount, the US is in fact saying more while doing less, never fully honoring its words and meeting its obligations. Aid for climate change is the perfect example showcasing US’s paying mere lip service in this regard. Developed countries, including the United States, pledged at the Copenhagen Conference in 2009 to grant no less than $100 billion annually to help developing countries tackle climate change until 2020. However, this commitment has yet to be fulfilled, and the deadline for funding has even been postponed to 2023. The US is the first among world major emitters to break its promise. Carbon Brief, a UK-based energy research institute, reports that the US should provide $39.9 billion in climate aid each year per its share of historical carbon emissions, but in 2020 the US only provided $7.6 billion, contributing the least among the 23 developed countries concerned. In 2021, the U.S. Government pledged $11.4 billion annually in climate aid to developing countries, but it could only secure $1 billion in 2021 and 2022 towards that goal. As the most powerful and richest country in the world, the US has been criticized for being insincere and having neither sympathy nor empathy for the large population who have been severely affected by the climate change. In multilateral domain, the US aid is either half-delivered or non-deliverable.

Fourth, it is discriminate and expedient. The US aid to Pakistan has been neither charitable nor consistent as it claims. In the Cold War era, Pakistan was deemed by the US as a front line country of strategic value in curtailing the expansionism of the former Soviet Union in the region. From 1955 to 1965, right after Pakistan’s accession to the Central Treaty Organization and the Baghdad Pact, the US aid flooded to Pakistan’s doorstep. From 1982 to 1991, the US resumed its support to Pakistan for leveraging the latter on countering the Soviet invasion of Afghanistan. As the Cold War faded out, the US dramatically reduced its aid to Pakistan, providing symbolic assistance as a gesture of continued engagement. When Pakistan went nuclear in May 1998, the US not only brought its aid to a halt, but imposed tough sanctions on Pakistan. The 9/11 incident revived the US interest in and assistance to Pakistan when the latter was re-prioritized a key partner for the global war on terror. 2010 saw the U.S. aid to Pakistan reaching the peak of $4.5 billion, understandable with the military part being the mainstay. After that, the aid again dwindled. When the United States was forced to withdraw its troops from Afghanistan in August 2021, its aid to Pakistan suffered a further sharp decline. Except for a sizable trade and insignificant investment, there has been no meaningful aid coming to Pakistan as of today. Foreign aid has once again proved as a policy tool and a political preference for the US to serve its interest at its own pleasure.

Aid is no free lunch, nor is it a panacea. However, it remains an important resource to help address the prevailing challenges faced by the international community and the Global South countries in particular. It is conducive to achieving the UN 2030 SDG goals, and contributing to world peace, stability and development. By providing aid to foreign countries, China didn’t, doesn’t and won’t play geopolitical or geo-economic games. China values righteousness and advocates amity, sincerity, mutual benefit and inclusiveness, and sticks to the “iron principles” of non-interfering in the internal affairs of the recipient countries, non-imposing on others and non-attachment of any political strings to its foreign aid, both multilateral and bilateral. By incorporating trade, investment and aid, and through development of the Belt and Road Initiative, including the China-Pakistan Economic Corridor projects, China commits itself to building a community with a shared future for mankind, doing service to the well-being of global citizens.

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