

# Pakistan's aid class

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## **Cuts in US aid mean the collapse of many CSOs and a career crisis for the middle class managers of "civil society" A look at the winners and losers**

The cuts have already come but the crisis will come later. The budget passed by the United States Senate and House of Representatives announced an \$8.8 billion shortfall in the amounts allotted to the US State Department and to USAID, the United States Agency for International Development. Money for the Overseas Contingency Operations Budget, which provides one-third of the funding for USAID, was also reduced while funding for the United States military was increased. According to reports, the budget shortfalls are expected to affect operations during this current year, 2018, and the following year 2019.

While USAID and State Department officials are scrambling to come up with alternative funds to keep things going, the recipients of USAID funds here in Pakistan must take immediate notice. According to numbers on the USAID website, Pakistan has, over the years, received \$7.7bn in aid funding, money that has gone (one hopes) to fund everything from educational programmes to agricultural initiatives to gender-empowerment projects. Based on US government data, Pakistan appears to receive more economic than military aid from the US.

Much of this money will soon be cut off. Pakistan and Pakistanis should worry about this. Unlike the Pakistani military, the Pakistani economic and non-governmental sectors are not poised to find alternative donors. The Pakistani military can capitalise on a strategic location and other factors to try and make up for the withdrawal of funds from the United States, and some might say it is already on its way to doing so. The aid sector in Pakistan, NGOs as well as government programmes directed towards public health, literacy etc., however, likely have little idea of how to do this.

### **Pakistan's economic and non-governmental sectors are not poised to find alternative donors.**

It is not entirely their fault. The model of influence through economic and NGO-directed aid is one that is in some ways designed to create dependency and thus expand the sphere of diplomatic influence. As the recent budget shows, the United States is no longer committed to this means of expanding and maintaining its influence in the world. On their side of the equation, many Pakistani NGOs and government programmes have not invested either time or energy in assessing the risks or their exposure in terms of single funding sources, let alone creating plans as to how the organisations or programmes would survive large funding cuts.

In some cases, the large bounty of available funds (grants peaked late in the last decade) has even generated programmes and NGOs. Not many of these are likely to survive the slaughter. In fact, many programmes and NGOs are likely to die in the near term.

The effects of such a development can be devastating for countries like Pakistan. The NGO sector here has long lamented the difficulty in raising funds locally, where among other factors, conservative mores and a scepticism towards non-religious charitable organisations has translated into a funding famine. This famine is likely to hit again as the cuts in aid start making their effects

felt in the organisations and the programmes dependent on them.

The first to get hit will likely be the beneficiaries of the programmes: poor farmers that received assistance in ensuring the health of their animals, schools in Sindh whose teachers have been receiving training from literacy programmes run via USAID grants, women's legal aid programmes and girls' education initiatives that have also been fuelled by foreign dollars. The women and girls and farmers and others that have been benefiting from these programmes may find themselves outside shuttered classrooms and closed clinics, absent medications and health checks. As matters stand, it is unlikely that they will be able to resume services again.

Also in the path of the storm are the many middle-class Pakistanis who work at various NGOs as administrators for USAID-funded programmes. Development consultants, many of them educated in the US, who serve as go-betweens and liaisons between foreign aid grantors and local organisations or government units in Pakistan, will find their lucrative links drying up as the aid itself peters out and programmes are shuttered. With no money, there is no necessity for the folks who used their contacts in Pakistan to serve their bosses in America, write up reports and make sure everyone is happy. They are likely to be extremely unhappy in the coming months.

The greatest total damage in Pakistan is likely to be inflicted on civil society and the NGO sector in general. Over the past decades, the constant onslaught of religious obscurantism has been tempered by the exogenous aid that permitted NGOs to continue investing in the sort of long-term programmes — literacy, health, human services — that the country and local civil society were unable to do. Now this sector stands severely imperilled and must immediately consider new methods via which the value of a vibrant civil society can be impressed upon local funders. If not, it is likely that the conservatism and unchecked consumerism that constitutes the largest forces in the country will sweep away much more than simply the NGOs.

The turn away from aid as a means of influence may have begun in the United States but it is likely to spread beyond its borders to much of the Western world. Increasing populations of poor within their own nations and arriving populations of immigrants and refugees from the Middle East are likely to divert funding from other aid-giving Western nations into programmes that benefit these groups at home rather than abroad.

Social media networks will permit money to be raised for emergencies and humanitarian catastrophes without the need for government participation. The consequence of all of this may well be an end to the era of aid in general; Pakistan should be prepared for this — or rather, it must be prepared for this.

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