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India Blog Series: Aid Diplomacy: 50 Years of USAID in India ^[1]

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LOS ANGELES --- What is the best form of United States public diplomacy? The type that promotes American values, such as the right to peace and prosperity, through building strong ties directly with people. U.S. Under Secretary of Public Diplomacy and Public Affairs, Ann Stock, expressed that, “The mission of American public diplomacy is to support the achievement of U.S. foreign policy goals and objectives, advance national interests, and enhance national security by informing and influencing foreign publics and by expanding and strengthening the relationship between the people and government of the United States and citizens of the rest of the world.”

For the past 50 years, the United States Agency for International Development (USAID) has been the face of the American people overseas, carrying out its humanitarian mission through “saving lives, building partnerships, and promoting peace and prosperity for the developing world and the American people.” These definitions suggest that the U.S. uses foreign aid as part of its public diplomacy strategy. USAID funds infrastructure, cultural preservation projects, public works, and economic investment initiatives in many developing countries, including India.

Aid diplomacy is an important part of the overall U.S. public diplomacy strategy. As a global power, the U.S. is part of international efforts, contributing about 1% of the U.S. federal budget, to alleviate poverty, provide humanitarian relief, support economic and social policies, and address global problems. In the case of U.S. aid dollars to India, funds are largely used to assist with counterterrorism efforts in the region. The Congressional Research Services’ report to Congress states that the current USAID program aims to further Indian economic development in order to enhance the country’s rise as an influential U.S. partner in the international system. This program serves the poorest segments of the population, in order to mitigate economic and social conditions  that may give rise to political extremism. The threat of terrorism is reduced when aid is invested in strengthening and empowering communities in India through education, gender equality, and the ability for farmers and others to generate income to support themselves and their families. Providing aid to this otherwise marginalized community serves U.S. foreign interests and positions India as its key ally by enabling a more productive, powerful population.

In October, 2011 the U.S. Chargé d’Affaires, Ambassador Peter Burleigh, announced that USAID will be providing \$81 million towards its total commitment of \$479 million over five years in bilateral assistance to India. These funds will be used to strengthen the U.S.-India strategic partnership, working in the health sector and serving India’s most vulnerable populations. In 2011, USAID celebrated its 50th anniversary of its humanitarian work in India. Through assistance provided by USAID, since 1961, eight agricultural universities have been

established, 20 thermal and hydroelectric power plants have been constructed, and the Indian Institute of Technology in Kanpur and Kharagpur has been created.

Another important milestone in Indo-American relations came on December 24, 2009, when the Senate confirmed Rajiv Shah as the new Administrator of the USAID. This is important because Mr. Shah now represents the highest ranking Indian-American official in any presidential administration.

Rajiv Shah addressing the U.S.-India People to People Conference

As India looks to establish itself as a regional and global power, it will be interesting to examine how the foreign aid it receives could inhibit those ambitions. In 2011, India announced the creation of a central foreign aid agency with the hope of reducing corruption and preventing delays in the delivery of aid. According to the Secretary General of the Federation of Indian Chambers of Commerce and Industry, Rajiv Sharma, "The creation of an aid agency is a recognition by the Indian establishment that India has arrived as a global player with strategic interests. In the past we have ducked this issue because we were one of the largest recipients of aid." However, not much has changed. India is still a large recipient of foreign aid, and as long as they continue to receive it, may never be an equal partner to the United States. Looking at Indo-American relations and each country's public diplomacy objectives in the coming years, it will be interesting to examine how the central foreign aid agency will impact India's position in the world.

Through the India: Inside Out trip, I am looking forward to meeting with USAID officials to discuss U.S. aid diplomacy initiatives in India, and what they consider to be the best practices.

Hend Alhinnawi is a graduate student working on her professional Master's of Public Diplomacy at USC. In the past, she worked with the United Nations and AMIDEAST in the Middle East and Africa on international development and resource mobilization related issues. She is also participating in the India:Inside Out Project.
