



INSS Insight No. 474, October 13, 2013

Slashed US Aid to Egypt and the Future of the Bilateral Relations

Tally Helfont

The long-awaited decision on the fate of US aid to Egypt was finally made on October 9, 2013. In a carefully worded – albeit muddled – message, State Department spokeswoman Jen Psaki announced the “recalibration” of US assistance to Egypt, laying out the areas in which the US would continue its partnership (counterterrorism ventures, border security, health, education, US-origin military equipment parts, and military training and education), and the areas in which it would not (cash assistance to the government and delivery of large scale military systems). This comes on the heels of Obama's cancellation of the Bright Star joint military exercise and the Pentagon's withholding delivery of four F-16s and ten Apache helicopters. Despite Washington's recent domestic preoccupations with the Affordable Care Act (aka Obamacare) and the government shutdown, and on the international scene, its preoccupation with Syria and al-Qaeda, it seems that the President has been unable to ignore domestic pressure to slash the \$1.55 billion aid package to Cairo, given the Egyptian military leadership's excessive use of violence and abandonment of any pursuit of civilian governance. Despite the pronouncements on the importance and strength of the US-Egypt partnership, the flow of money has now been tied to “credible progress toward an inclusive, democratically elected civilian government through free and fair elections.”

Just a few years ago it would have been hard to imagine that the US would not only chastise but also penalize one of its closest former confidantes – the Egyptian military – for clamping down on the Muslim Brotherhood, an organization that it has long been wary of, to put it mildly. And though the road to this point has been short, it has certainly been convoluted. America's posture toward Egypt's various players has included support of Mubarak, support of his ouster, support of the Supreme Council of the Armed Forces (SCAF) transition to civilian rule, support of Muslim Brotherhood elected candidate Mohamed Morsi, support (however uneasy) of his ouster, and finally support of

Tally Helfont is the Managing Director of the Middle East Program at the Foreign Policy Research Institute in Philadelphia.

Commander-In-Chief of the Armed Forces, Abdel Fattah el-Sisi, as he took the reins of power and embarked on a period of reorganization. However, the means used by the military to reinstate security is where the US finally withdrew its seemingly unending reserve of support. The level of bloodshed, not just from the military's crackdown on the Brotherhood but also from the bloodshed it precipitated (especially the Brotherhood's retaliatory attacks on numerous churches) gave many in the US pause.

These events also raised questions over whether Morsi's removal constituted a coup and thus legally required Washington to cut aid to Egypt. For example, the Working Group on Egypt – a nonpartisan initiative made up of more than a dozen experts on Egypt and American foreign policy – called for “an immediate suspension of military aid to Egypt” on the basis that “the continuation of aid removes a source of meaningful international pressure that could help to forestall future atrocities and prevent further steps toward consolidation of an undemocratic system in Egypt.” Though Washington's decision to slash large portions of its aid falls short of this recommendation, it remains risky, to say the least. US aid to Egypt is an investment in regional stability. It is not charity, nor is it a gift to be hastily withdrawn as soon as the political partners quarrel. Likewise, there is no guarantee that the withdrawal of aid will forestall future atrocities or prevent the consolidation of an undemocratic system. In fact, the opposite is more likely.

Furthermore, Washington must think strategically rather than emotionally about the consequences of withdrawing aid to Egypt. The severing of the American-Egyptian relationship may ease the conscience of some, but should it? Cutting off all modes of leverage opens the door for others to step in and fill the void. Saudi Foreign Minister Prince Saud al-Faisal has already pledged to support the Egyptian military in America's stead, and other Gulf countries are ready to follow suit. Is it at all plausible that the replacement of US aid and influence with Gulf aid will promote human rights and democracy in Egypt? The demise of the American-Egyptian alliance would be a casualty that would hurt both nations greatly.

Above all else, US policy must aim to maintain leverage and safeguard American strategic interests in Egypt, not just as an ally and a key player in the Middle East, but as a gateway to the region. Historically, the American-Egyptian alliance has been based on three strategic interests: (a) access to the Suez Canal and military overflights; (b) counterterrorism cooperation; and (c) the Camp David Accords. All other issues, including values, human rights, and democracy have always been of secondary concern. Therefore, one must weigh how the lack of US aid will affect these interests. From the American perspective, the optimal path toward “a peaceful, democratic, prosperous Egypt,” as President Obama put it in his August speech, requires Egypt to be open to the world economy and allied with other peaceful democratic states in the West against radical forces in the region. For Washington policymakers, therefore, preserving

America's strategic interests is closely aligned with the development of "a peaceful, democratic, prosperous Egypt." As such, the administration should work to retain these interests, even in these messy times, as opposed to tying aid (read: influence and leverage) to something as hazy and unquantifiable as *successful* democratic progress. Likewise, the US is much more likely to positively influence the foundation-building necessary for initiating democratic progress if it has the ear of Egypt's current leadership.

Moreover, as President Obama himself has alluded, the US must refrain from becoming an arbiter. Neither side in this conflict is blameless. The US cannot simply side with the "good guys." A dangerous situation now exists in Egypt in which segments of the Muslim Brotherhood are looking to create martyrs, and segments within the military are willing to oblige. Bloodshed on the Egyptian street will benefit no one – save perhaps jihadi terrorists. Instead, continuing to encourage the military to establish security through nonviolent containment; end its declared state of emergency; and return to civilian governance as soon as possible is the best course for the US. Again, the US can only effectively encourage the military if it has a seat at the table. Continuing the aid package is, therefore, essential.

With events in the region remaining fluid, it has been difficult for the Obama administration to articulate a coherent stance on Egypt and set out a long term policy. Nevertheless, President Obama must manage bilateral relations very carefully at present so that the Egypt of tomorrow is a less perilous state for its citizens and its allies alike. Maintaining leverage with its current and future leaders is therefore of paramount importance to the United States. Any penalties that the US imposes on Egypt must fall short of spoiling relations altogether. The repercussions demand it.

