



The Brookings Project on U.S. Relations with the Islamic World  
2012 U.S.-Islamic World Forum Papers

# Between Interference and Assistance: The Politics of International Support in Egypt, Tunisia, and Libya

CONVENED AND AUTHORED BY:  
Salman Shaikh and Shadi Hamid

JOINT PUBLICATION BY THE PROJECT ON U.S. RELATIONS  
WITH THE ISLAMIC WORLD AND THE BROOKINGS DOHA CENTER



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For the ninth annual U.S.-Islamic World Forum, we returned once again to the city of Doha. The Forum, co-convened annually by the Brookings Project on U.S. Relations with the Islamic World and the State of Qatar, serves as the premier convening body for key leaders from government, civil society, academia, business, religious communities, and the media. For three days, Forum participants gathered to discuss some of the most pressing issues facing the relationship between the United States and global Muslim communities.

Each year, the Forum features a variety of different platforms for thoughtful discussion and constructive engagement, including televised plenary sessions with prominent international figures on broad thematic issues of global importance; morning “breakfast” sessions led by experts and policymakers focused on a particular theme; and working groups which brought together practitioners in a given field several times during the course of the Forum to develop practical partnerships and policy recommendations. This year, the Forum also featured a signature event, “The Long Conversation,” in which all participants came together in an off-the-record and town hall style discussion on the evolving relationship between the citizen, religion, and the state. For detailed proceedings of the Forum, including photographs, video coverage, and transcripts, please visit our website at <http://www.brookings.edu/about/projects/islamic-world>.

Each of the four working groups focused on a different thematic issue, highlighting the multiple ways in which the United States and global Muslim communities interact with each other. This year’s working groups included: “Compassion: An Urgent Global Imperative,” “Between Interference and Assistance: The Politics of International Support in Egypt, Tunisia, and Libya,” “Water Challenges and Cooperative Response in the Middle East and North Africa,” and “Developing New Mechanisms to Promote the Charitable Sector.”

We are pleased to share with you the second of our four working group papers, “Between Interference and Assistance: The Politics of International Support in Egypt, Tunisia, and Libya.” Please note that the opinions reflected in the paper and any recommendations contained therein are solely the views of the authors and do not necessarily represent the views of the participants of the working groups or the Brookings Institution. All of the working group papers will also be available on our website.

We would like to take this opportunity to thank the State of Qatar for its partnership and vision in convening the Forum in partnership with us. In particular, we thank the Emir of Qatar, HRH Sheikh Hamad bin Khalifa Al-Thani; the Prime Minister and Foreign Minister of Qatar, HE Sheikh Hamad bin Jassim bin Jabr Al-Thani; H.E. Sheikh Ahmed bin Mohammed bin Jabr Al-Thani, the Minister’s Assistant for International Cooperation Affairs and the Chairman of the Permanent Committee for Organizing Conferences; and H.E. Ambassador Mohammed Abdullah Mutib Al-Rumaihi for their collective support and dedication to the Forum and the Project on U.S. Relations with the Islamic World.

Sincerely,



Dr. Stephen R. Grand  
Fellow and Director  
Project on U.S. Relations with  
the Islamic World



Durriya Badani  
Deputy Director  
Project on U.S. Relations with  
the Islamic World



## AUTHORS

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**SALMAN SHAIKH** is the Director of the Brookings Doha Center and a Fellow at the Saban Center for Middle East Policy at Brookings. He worked with the United Nations for nearly a decade, primarily on Middle East policy, as the special assistant to the UN Special Coordinator for the Middle East Peace Process and as Political Adviser to the UN Secretary General's Personal Representative for Lebanon during the 2006 war. He also served as the Director for Policy and Research in the Office of Her Highness, Sheikha Mozah Bint Nasser Al-Missned, the Consort of the Emir of Qatar, where he led a team of research analysts dedicated to advising on policy options and the initiatives of Her Highness. Shaikh earned his M.A. in International Relations from Canterbury University and his B.A. in Politics and Economics from Loughborough University.

**SHADI HAMID** is Director of Research at the Brookings Doha Center and a Fellow at the Saban Center for Middle East Policy at Brookings. His research focuses on democratization and the role of Islamist movements in the Arab world. Prior to joining Brookings, Hamid was Director of Research at the Project on Middle East Democracy (POMED) and a Hewlett Fellow at Stanford University's Center on Democracy, Development, and the Rule of Law. He has also held positions at the American Center for Oriental Research in Amman, Jordan and the Office of the Deputy Under Secretary for Public Diplomacy at the U.S. Department of State. Hamid is currently Vice-Chair of POMED, a member of the World Bank's MENA Advisory Panel, and a correspondent for the *Atlantic*. He received his B.S. and M.A. from Georgetown University and Ph.D. in Politics from Oxford University.





## BETWEEN INTERFERENCE AND ASSISTANCE: THE POLITICS OF INTERNATIONAL SUPPORT IN EGYPT, TUNISIA, AND LIBYA

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Tunisia, Egypt and Libya have all held relatively successful elections, ushering in parliaments and governments with popular mandates. Tunisia and Egypt also saw landslide Islamist victories, provoking fear among both Arab liberals and the international community, particularly in the West. Libya, which saw a surprising showing for a more liberal grouping, presents a critical case of a political community being created almost literally from scratch. With three ongoing transitions, the Brookings Doha Center's second "Transitions Dialogue"—which took place on May 29-31, 2012—provided a venue for addressing the tensions that threaten prospects for successful transitions. Seeking out shared lessons from each country case, the working group brought together a diverse group of mainstream Islamists, Salafis, liberals, and leftists, along with U.S. and European officials, to discuss issues of economic recovery, civil society development, regional security, and the role of the United States and other international actors.

After the formation of political parties and the election of new governments, the transitions have begun—or will soon begin—moving into a second stage of reforming old institutions and, where appropriate, fashioning new ones. For rising Islamist parties, it means moving from an oppositional posture to one of governing. In Tunisia, for example, the ruling Ennahdha party has found itself the target of growing disappointment—and angry protests—

over the slow pace of economic recovery. Now the most visible representative of a new ruling order, Ennahdha has also been accused of using excessive force to suppress demonstrations in recent months. Completing a new constitution in the months ahead will either help resolve or exacerbate deep societal debates that have already polarized the nation.

In Egypt, political polarization is considerably worse. A thoroughly mismanaged transition has cast doubt on the legitimacy of the entire process, largely as a result of the overreach and manipulation of the Supreme Council of the Armed Forces (SCAF). Though reasonably free parliamentary and presidential elections have been held, they have not put to rest questions of the balance of powers between Egypt's competing institutions. Parliament was dissolved by the Supreme Constitutional Court and its powers remain unclear. Meanwhile, the Muslim Brotherhood's Mohamed Morsi, upon being elected president, entered office with only a reduced and somewhat unclear set of powers—the result of the SCAF's attempt to shape the transitional endgame through its eleventh hour decrees. After a civilian "counter-coup" in which he fired top military leaders, including Hosni Mubarak's longtime defense minister Hussein Tantawi, Morsi seemed, on paper, to have near-dictatorial powers. (In the absence of parliament, Morsi assumed legislative authority.) The country's three main representative bodies—the parliament, the presidency, as well as the Islamist-dominated constituent assembly—have become sources of contention and

controversy rather than unity. Meanwhile, subdued U.S. and European responses to the SCAF's actions when the body held executive powers have called into question what, if any, role western powers can and should play in exerting pressure on the Egyptian military.

In Libya, the first parliamentary elections resulted in an outcome that surprised outside observers—the seeming defeat of Islamist parties at the hands of a liberal-nationalist coalition led by former prime minister Mahmoud Jibril. In August, the General National Congress elected a speaker, Mohamed Magarief, who is the effective acting head of state (although his powers remain undefined). While Libya continues to make significant progress on the political front, tribal divisions continue to threaten national unity. Issues of transitional justice also remain at the forefront for Libyans who demand that a price be paid for four decades of Qadhafi's authoritarian rule.

The risk of derailed transitions is a real one, making the role of the international community all the more important. Yet even here, the answers remain elusive. The role of international actors in supporting transitions—through foreign aid, civil society support, and technical assistance—has become a lightning rod for controversy in Egypt, where it has led to unprecedented tensions between Washington and Cairo. Nationalism and xenophobia are at an all-time high in Egypt, creating an atmosphere of divisiveness, with various parties—leftist, liberal, and Islamist alike—accusing each other of accepting foreign support and funding. This trend is likely to continue: As Arab countries become more democratic, governments and opposition will use nationalist sentiment to appeal to voters. Such an atmosphere makes it more difficult for the United States and other western powers to visibly support Arab transitions, ironically at the very time when their economic and political assistance may be needed most.

## THE GROWING PERCEPTION GAP AND THE PROBLEM OF ASSISTANCE

The United States has tried to get on the “right side of history,” with President Barack Obama repeatedly proclaiming his support for Arab democratic aspirations. In his May 19, 2011 speech on the Arab Spring, Obama stated: “It will be the policy of the United States to promote reform across the region, and to support transitions to democracy.” In the first Brookings Doha Center “Transitions Dialogue” in January 2012, one U.S. official acknowledged that past relations with autocratic regimes had caused much “pain, suspicion, and fear” and that the Muslim Brotherhood coming to power would be in U.S. interests if it meant a more democratic and stable Egypt.<sup>1</sup> Yet the problem, in the words of working group participants, is not what the United States has said but what it has failed to do. Many felt that American promises remain unfulfilled, making rhetoric from the United States about its support for democracy ring hollow. One prominent Libyan Islamist noted that two contrasting images of the West have been put forward: “One is that they want to help and provide support to dictators, the other that they will stand side by side with the people.”

American officials insisted that much of the most important work supporting transitions occurs behind the scenes. A great deal of ongoing diplomacy is not made public, some said, and many of the toughest conversations—including those with the SCAF—are held behind closed doors. One official noted that if such exchanges were made public it may seem as though the United States was being overly critical. Moreover, what many outsiders may view as U.S. “inaction” is a function of both domestic economic constraints and a lack of clarity inherent in complex, messy transitions.

U.S. officials maintain that the Obama administration has shifted its policy after decades of

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<sup>1</sup> “The Beginnings of Transition: Politics and Polarization in Egypt and Tunisia,” Brookings Doha Center Transitions Dialogue Series, April 2012, <http://www.brookings.edu/research/reports/2012/04/19-democratic-transitions>.

bipartisan support for autocratic regimes rather than democratic reform. One State Department official described the current situation as “anything but business as usual.” In Egypt, the Obama administration could have stayed with what it knew—the Mubarak regime—but instead helped to usher its close ally out of power. Instead of opposing the Muslim Brotherhood’s rise to power, it reached out to the movement and began formally engaging its leaders in October 2011. Yet, despite what policymakers view as a significant policy pivot, anti-Americanism remains at unprecedented levels and has sharply increased in countries like Egypt. Remarkably, in a Pew poll conducted *after* the revolution, more Egyptians said they approved of both Osama Bin Laden and Al Qaeda more than they did the United States.<sup>2</sup> Given these sensitivities, U.S. and European representatives at the workshop said they have hesitated to assist, for fear of being seen to “intervene,” fueling further animosity. In the months after Mubarak fell, the United States made available \$165 million for various projects in Egypt. As one State Department official explained, “this was an incredible departure from previous modes of work [since it was done] without going through the approved Egyptian government mechanisms.” The United States was initially proud of such a move but soon saw a substantial backlash. The same official admitted that the grant “actually contributed to significant polarization, since it was construed as external foreign interference.” It is cases such as these which have soured American officials on greater activism in the transitions, particularly in Egypt.

While Arab activists and protesters criticize America for interfering in their domestic affairs, they also fault the United States for not doing nearly enough to support the Arab uprisings. U.S. officials feel they made a major shift in helping ease longtime ally Mubarak out of power, in the process earning the anger of the Gulf states and other Arab regimes.

Still, the perception of many Egyptians is nearly the opposite: The United States waited too long to give up on Mubarak and, even after it did, supported a regime-led transition through the offices of the SCAF.

Arab pro-democracy activists argue that nothing fundamental has changed, that the United States has been behind the curve in the various countries facing mass protests, and that it continues to arm, fund, and otherwise support many of the region’s most autocratic countries. Yet at the same time, many of these same activists have called for a *greater* American role in the region, hoping that the United States would support their struggle against repressive regimes, as in countries like Libya, Syria and Bahrain. These seemingly conflicting sentiments—anti-Americanism coupled with a desire for the United States to be more, not less, involved—continue to be a source of confusion for American observers. As one U.S. official diplomatically put it, “There is a very tangled representation of views as to what our engagement should consist of.”

## TOWARD MORE MEANINGFUL PARTNERSHIPS

The Democratic Transitions working group attempted to address the following: What tangible policy shifts would signal to Arabs that U.S. policy has, in fact, changed? It may be the case that the gap between what the United States and other western governments are able, or willing, to do and what Arabs would like them to do is simply too large to traverse in the short-run—considering how deep-seated and long-standing much of the resentment is. What may be required, rather, is a longer-term vision and framework for engaging with Arab publics and the governments they elect. This working group identified three key areas for such engagement—economic recovery, civil society engagement, and regional security.

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<sup>2</sup> “Obama’s Challenge in the Muslim World: Arab Spring Fails to Improve U.S. Image,” Pew Research Center, May 17, 2011, <http://www.pewglobal.org/2011/05/17/arab-spring-fails-to-improve-us-image>.

Participants made clear that closing the “perception gap” is about much more than simply increasing assistance or making good on unfulfilled pledges. They emphasized that the process through which economic and technical assistance is agreed upon and disbursed is often as important as the deliverable itself. Partnerships must be built that allow counterparts to agree on the modalities of assistance, including any conditions and benchmarks to be attached, with greater transparency and accountability on both sides. Equally important is that these processes are endorsed by and respond to the needs of the people they will affect. Along these lines, one U.S. representative stressed Washington’s interest in “credible reform plans that have been validated by the publics.”

The matter of aid conditionality was a major point of contention, although some degree of consensus was reached by the end of the meeting. First, there was a great deal of confusion about what conditionality agreements are currently in place, in particular between the United States and Egypt. While U.S. officials described a “firm movement toward greater conditionality,” Arab participants strongly advised against conditions that would constitute political interference. Discussion circled around the “fine line between encouraging political reform and exercising political influence.” In the words of one Egyptian representative, “conditionality should insist on transparency and good governance, but not on specific political decisions.” Indeed, many participants seemed concerned that conditionality could become a “form of blackmail” by western countries to encourage policies favorable to their interests. There was agreement, though, that well-focused conditions could play a positive role in—for instance—tackling corruption, encouraging transparency, and establishing civil control of the military. What was clear was that any conditions or benchmarks should not be imposed unilaterally, but agreed on through

discussions that allow both sides to define their red lines and identify their shared interests. Participants stressed that conditionality should work in a reciprocal way—western governments often have as much at stake in these relationships as do the perceived “recipients.”

## PROMOTING ECONOMIC RECOVERY

The challenges of aid conditionality and economic recovery are interrelated. While Arab interlocutors criticize the United States for interfering through its economic aid programs, they also criticize Washington for not providing more economic assistance. A year and a half into the Arab Spring, in July 2012, the Atlantic Council’s Danya Greenfield reported on a visit to Egypt: “In private meetings this week, officials from the Ministry of Foreign Affairs, high-level military leadership, and members of the American-Egyptian Chamber of Commerce clearly stated that while many promises have been made from President Barack Obama and Secretary of State Hillary Clinton, none have been delivered.”<sup>3</sup>

One prominent Egyptian Islamist said that only 5 to 10 percent of the support that Arab and western countries have promised has so far been delivered. There remains a widespread perception that the United States and Europe are engaging in an economic blockade of Egypt, despite the fact that no existing economic or military assistance has, in fact, been suspended. Nonetheless, promises of a debt swap, loan guarantees, and additional economic assistance (including through the Obama administration’s MENA Incentive Fund<sup>4</sup>) have yet to be disbursed, suggesting an overly long lag time between conception and implementation.

There is a growing sense of urgency. Since the revolutions, the economies of the transitional countries have suffered and struggled to improve. Economic

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<sup>3</sup> Danya Greenfield, “Perception vs. Reality: US Needs to Deliver for Egypt,” New Atlanticist: Policy and Analysis Blog, July 11, 2011, [http://www.acus.org/new\\_atlanticist/perception-vs-reality-us-needs-deliver-egypt](http://www.acus.org/new_atlanticist/perception-vs-reality-us-needs-deliver-egypt).

<sup>4</sup> For more on the MENA Incentive Fund, see Stephen McNerney, “The Federal Budget and Appropriations for Fiscal Year 2013: Democracy, Governance and Human Rights in the Middle East and North Africa,” Project on Middle East Democracy, July 2012, <http://pomed.org/wordpress/wp-content/uploads/2012/07/FY2013-Budget-Report-web.pdf>.



downturns in each of these countries—in part due to the wariness of investors and tourists—have posed a continual threat to the course of these transitions. In Egypt, growth declined from 7.2 percent in 2009 to just over 1 percent in 2011 while international reserves sunk from \$36 billion to \$16 billion. Patience is wearing thin, and voices calling for the familiar “stability” of the former regime have gained in confidence. In Tunisia, an economy that is heavily reliant on foreign investment and tourism has similarly suffered shrinking by 1.8 percent in 2011, while the unemployment rate soared from 14 to 19 percent. Worsening unemployment, dwindling foreign currency reserves, and growing debts all contribute to the fragility of any “revolutionary gains” budget. As Tunisia has shown, poor economic performance—even if led by newly elected popular Islamist forces—can lead rapidly to a “crisis of expectations.”

Solutions have been further complicated by the politically charged, high-stakes environment of these transitions. In these circumstances, political forces have been focused not on economic solutions, but on advancing partisan agendas. Incumbent governments and political hopefuls alike have played to populist, nationalist sentiment by, for instance, increasing subsidies or expanding public sector employment. Furthermore, little attention has been paid to the macroeconomic structural reforms that are needed to bring new vitality and sustainability to these economies.

Participants pointed out the unique economic conditions in each of their countries. Libya is rich in oil with a relatively small population. The speedy recovery of its hydrocarbon industry—oil production resumed as early as September 2011—translates into revenues of up to \$54.9 billion in 2012. What Libya needs, then, is not foreign aid, but technical expertise and investment, particularly as the country witnessed decades of the destruction of its institutional infrastructure, as several Libyan participants stressed. The country will also need to focus on diversifying its economy beyond the oil and gas sector (which accounts for only a small number of jobs), to help address an unemployment

rate that stands at over 30 percent among university graduates. “We don’t want aid or charity,” one Libyan participant explained. “We want proper partnerships. We need the skills; the international companies need the profit.”

Tunisia and Egypt have almost the opposite problem—state institutions are functioning, but both are struggling with ballooning deficits and cash shortfalls. An Ennahdha senior official said that the government had been forced to impose an austerity budget. Tunisia has major challenges, he said, in the areas of security, development, and transitional justice, yet making progress has been made more difficult by austerity. Tunisian participants said that a preferential trade package would be the best means of assistance for their country, which already has strong macroeconomic fundamentals. Though the Obama administration has considered the idea of a free trade agreement, the American domestic climate makes it unlikely in the near future.

In Egypt, the SCAF severely mismanaged the country’s already struggling economy. During its tenure, it rejected much-needed international loans due to political pressure and delayed the submission of a budget for the new fiscal year. The need and desire for economic assistance, however, was clear, with some in Egypt even suggesting that western governments were withholding such support in order to undermine transitions to less pliant authorities. “We wish the West were as keen on helping the country economically as it is evidently keen on supporting civil society and democratic transitions,” one participant complained. If all the money continues to go to NGOs and democratic development he argued, the country will continue to suffer. Another Egyptian participant agreed, stressing the need to focus on improving specific sectors such as transport and infrastructure that will attract investment and spur growth of other sectors such as manufacturing. Moreover, he said, the United States and the European Union must move quickly to write off Egyptian debt.

One area in which Libyans—as well as others—did call for international assistance was in the recovery

of frozen assets belonging to members of the former regime. Significant steps have been taken, for instance, in the establishment of an Action Plan for Asset Recovery by the G8 nations, and the appointment of a UN Special Advocate on Asset Recovery. But many Tunisians, Egyptians, and Libyans remain frustrated at the slow pace of action in returning these funds. This is particularly true in the case of Libya, where UN-imposed sanctions meant that frozen assets reached tens of billions of dollars, with the United States alone seizing some \$37 billion.

Crucially, the politics of economic assistance have achieved a new prominence as a result of rising nationalist sentiment. In countries with long histories of “foreign interference,” political forces have played to that sentiment, proudly refusing international aid, even while their economies suffer. In Egypt, an absence of legitimate executive authority has exacerbated this problem. SCAF-appointed interim governments first refused and then accepted an International Monetary Fund loan, but funds continue to be withheld due to what the IMF describes as a lack of political consensus behind the move. As one EU representative complained, “no one is in control,” while an American counterpart remarked that “identifying appropriate representatives is much harder than [implied].” Investors and donors are hesitant to provide substantial funding to governments that are temporary, unstable, and not fully accountable to their own people. With an elected and relatively stable government, Tunisia may be faring better. There is growing awareness among key funders, particularly the United States, of the need to provide direct foreign assistance. (Indeed, Washington has thus far committed \$300 million to supporting the transition there.<sup>5</sup>) In this respect, political stability and accountable, representative government are a prerequisite to genuine economic recovery. This leads to a vicious cycle: political reform and democratization is dependent on a conducive economic environment, yet economic recovery depends on political stability.

## CIVIL SOCIETY ENGAGEMENT

Economic recovery is obviously crucial to ensuring that transitions do not regress. However, the long-term success of efforts to build stable democracies will depend on more than economic stability—and indeed on more than simply holding elections. Civil society has a critical role to play in delivering not just the hardware, but the “software” of democracy—holding the executive and the legislature to account, as well as defining and applying concepts such as human rights, the rule of law, and free speech in these newly developing contexts. As a cultural shift in the nature of interaction between state and society takes place, civil society organizations are already playing a critical role in fostering debate on deep-seated and hotly contested issues such as economic development, the role of women, and the place of religion in the public life. In situations where political processes are complicated by ideological or identity-based differences, civil society groups can provide an important vehicle for national dialogue.

And yet the field of civil society has become one of contestation and mutual suspicion, both internally and with regard to the role of external actors. Internally, parties from across the ideological spectrum often argue that civil society groups are either partisan or advancing “foreign agendas.” Islamist parties in particular have often criticized certain organizations—and the media in particular—for representing the interests of incumbent elites and distorting the image of groups such as the Muslim Brotherhood or Ennahdha. Groups of all political hues have either accused each other of receiving foreign funding or complained that donors single out recipients whose agendas and interests conform with their own. One Libyan participant noted that while foreign parties may “find it easier to channel their assistance through diaspora groups, this can sometimes defeat the purpose.”

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<sup>5</sup> “U.S. Government Assistance to Tunisia,” U.S. Department of State, July 20, 2012, <http://www.state.gov/s/d/met/releases/factsheets/2012/195583.htm>.

In this context, foreign assistance to civil society groups has become an area fraught with tension. In Egypt, government-led harassment of nongovernmental organizations (NGOs)—both local and foreign—frayed relations with international partners in early 2012. Meanwhile, new laws that threaten to further restrict the funding and activities of these groups continue to be considered. Article 11 of the Mubarak-era 2002 Law on Non-Governmental Organizations banned any activity that “threaten[s] national unity” or “violate[s] public order.”<sup>6</sup> In January 2012, the SCAF-appointed government announced new draft legislation which managed to be even more restrictive. Among other things, it would empower the government to monitor all NGO expenditures, block funding sources, and unilaterally dissolve organizations or remove their boards of directors.<sup>7</sup> Well into Egypt’s transition, such ideas continue to enjoy significant support.

The various political parties, liberal and Islamist alike, failed to take a strong stand against the SCAF’s crackdown on civil society. Rising nationalism has made it unpopular and politically costly to back civil society groups that receive—or are perceived to receive—western funding. Now that a new Brotherhood-led government is in place, there will be new opportunities for the international community to rethink the methods and mechanisms of civil society support.

For their work to be effective, civil society actors need public credibility and legitimacy. One crucial consideration, then, will be to make western support and funding of Egyptian NGOs more transparent and accountable. Arab participants agreed that, as with economic assistance, civil society support should be as impartial as possible and should not benefit certain ideological trends over others. (Islamists, for example, tend to believe that U.S. funding of civil society is intended to boost liberal and secular parties.) As one Libyan Islamist said, “we should side with values, rather than with individuals or groups.” Of course, this is easier said than done.

## REGIONAL SECURITY

For decades, western governments’ conceptions of regional security have been closely intertwined with the concerns and policies of Arab autocrats. Seeking to ensure economic interests, Israeli security, and counter-terrorism cooperation, outside actors were happy to defer to the pro-West strongmen of the region. Egypt—the recipient of \$1.3 billion per year in U.S. military aid—played a pivotal role in anchoring the region’s security architecture. The uprisings of 2011, however, have destroyed old notions of “stability,” and proved—as one U.S. State Department official put it—that “any stability that compromises people’s rights and dignity [is] illusory.”

The Arab uprisings are fundamentally altering the regional order in ways that will greatly affect the United States and its traditional interests in the Middle East. Analysts tend to ask how the rise of Islamist parties will translate into anti-American or anti-Israel policies. But it goes well beyond ideology. Greater democratization means any elected government—Islamist or otherwise—will need to be responsive to popular sentiment, and popular sentiment is firmly aligned against Israel. The conduct of foreign policy can no longer be insulated from the electorate. What we see, then, is new parties doing a difficult dance: trying to reassure the international community on one hand by, for example, promising to maintain the peace treaty with Israel, and playing to their base on the other.

Looking inward, security sector reform has become a key issue as newly elected authorities assume power and the interests of old regime elements come under threat. Security sector reform is nowhere more challenging than in countries where security forces were for decades the backbones of regimes, serving as protectors of authoritarian rule. The ultimate test for Egypt’s democratic transition, one participant said, is whether elected civilians are put in charge of armed forces and security structures. To help ensure

<sup>6</sup> Law No. 84/2002 on Non-Governmental Organizations, <http://www.icnl.org/research/library/files/Egypt/law84-2002-En.pdf>.

<sup>7</sup> Text of the new draft law on Non-Governmental Organizations is available at <http://www.icnl.org/research/library/files/Egypt/MOSS2012-En.pdf>.

that militaries in transitioning countries do not take on excessive power, outside nations can help train elected civilians in parliament to oversee the security services and also pressure military rulers to give up political power. One Egyptian participant suggested that the United States leverage its aid to insist the military and general intelligence services subject their budgets to parliamentary scrutiny. This, of course, takes us back to the dilemmas facing American and European policymakers: how to effectively use their leverage with Arab governments to encourage democratization without being seen as infringing on national “sovereignty.”

## CONCLUSION

Not surprisingly, American policymakers are frustrated that their efforts to re-align U.S. policy are receiving little credit in the region. The gap in perceptions between both sides appears to have grown, rather than narrowed, since the advent of the Arab revolts. Particularly in a context of rising nationalism, distrust of outside actors will likely be a constant, and one that will continue to complicate U.S. and European efforts to engage with new interlocutors in the region. It is worth remembering that the revolts were not solely about bread and freedom. They were, more than anything else, about dignity in all of its forms. The most popular chant in Egypt on the day of Mubarak’s fall on February 11, 2011 was “raise your head up high—you’re Egyptian!” The call for dignity has obvious foreign policy implications. Arabs want to feel proud of their governments, and that will require those governments to adopt independent, assertive foreign policies.

The United States will need to understand this and, more importantly, respect it—not just in rhetoric but in practice. On the other hand, the U.S. and European officials made a plea to their Arab counterparts. One State Department official advised participants “against putting the United States into this realm where it’s been for past decades in

the Middle East as a nefarious actor that is always doomed to do the wrong thing.” There is a real desire on the part of western governments to support the economies of Egypt, Tunisia, and Libya, but they continue to struggle to find the right means for doing so. American policymakers need, from a diverse range of actors on the ground, more guidance on how and where U.S. aid would be best placed. Responding to an Egyptian activist who said the United States “must back the people,” one U.S. official said, “We would like to back up the people, but understanding who the Egyptian people are and who would be appropriate representatives is a difficult task.” In Egypt, the United States has come under increasing attack by liberals for supporting Islamists.<sup>8</sup> While such allegations are unfounded, they do demonstrate the sensitivities that outside actors need to consider when making decisions on not just who to give assistance to, but even who to talk to.

Both U.S. and EU officials acknowledged a growing move toward “conditionality.” The challenge, however, will be in the implementation, considering the various sensitivities mentioned above. Making aid conditional is likely to provoke nationalist backlash. Some of this, however, depends on the nature of conditionality. Arab participants seemed to support, in principle, the notion of additional economic assistance being used to encourage democratization (positive rather than negative conditionality), but drew the line at “interference” in the political decisions of elected governments. Knowing where to draw the line is difficult, particularly considering the growing gap in perceptions between donor countries and recipients. For this reason, the terms of conditionality must be established through dialogue that focuses on the shared interests of both parties. Once the “rules of the game” are established, the United States and Europe must ensure they are transparent and communicate effectively to local publics in a way that makes these partnerships a source of political strength, not weakness.

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<sup>8</sup> For more on this phenomenon, see Shadi Hamid, “It Ain’t Just a River in Egypt,” *Foreign Policy*, July 30, 2012, [http://www.foreignpolicy.com/articles/2012/07/30/it\\_ain\\_t\\_just\\_a\\_river\\_in\\_egypt](http://www.foreignpolicy.com/articles/2012/07/30/it_ain_t_just_a_river_in_egypt).



## About the Brookings Project on U.S. Relations with the Islamic World

*The Project on U.S. Relations with the Islamic World* is a major research program housed within the Saban Center for Middle East Policy at the Brookings Institution. The project conducts high-quality public policy research, and convenes policy makers and opinion leaders on the major issues surrounding the relationship between the United States and the Muslim world. The Project seeks to engage and inform policymakers, practitioners, and the broader public on developments in Muslim countries and communities, and the nature of their relationship with the United States. Together with the affiliated Brookings Doha Center in Qatar, it sponsors a range of events, initiatives, research projects, and publications designed to educate, encourage frank dialogue, and build positive partnerships between the United States and the Muslim world. The Project has several interlocking components:

- The U.S.-Islamic World Forum, which brings together key leaders in the fields of politics, business, media, academia, and civil society from across the Muslim world and the United States, for much needed discussion and dialogue;
- A Visiting Fellows program, for scholars and journalists from the Muslim world to spend time researching and writing at Brookings in order to inform U.S. policy makers on key issues facing Muslim states and communities;
- A series of Brookings Analysis Papers and Monographs that provide needed analysis of the vital issues of joint concern between the U.S. and the Muslim world;
- An Arts and Culture Initiative, which seeks to develop a better understanding of how arts and cultural leaders and organizations can increase understanding between the United States and the global Muslim community;
- A Science and Technology Initiative, which examines the role cooperative science and technology programs involving the U.S. and Muslim world can play in responding to regional development and education needs, as well as fostering positive relations;
- A Faith Leaders Initiative which brings together representatives of the major Abrahamic faiths from the United States and the Muslim world to discuss actionable programs for bridging the religious divide;
- A Brookings Institution Press Book Series, which aims to synthesize the project's findings for public dissemination.

The underlying goal of the Project is to continue the Brookings Institution's original mandate to serve as a bridge between scholarship and public policy. It seeks to bring new knowledge to the attention of decision-makers and opinion-leaders, as well as afford scholars, analysts, and the public a better insight into policy issues. The Project is supported through the generosity of a range of sponsors including the Government of the State of Qatar, The Ford Foundation, The Doris Duke Charitable Foundation, and the Carnegie Corporation.

The Project Conveners are Stephen R. Grand, Fellow and Director of the Project on U.S. Relations with the Islamic World; Martin Indyk, Vice President and Director of Foreign Policy Studies; Tamara Cofman Wittes, Senior Fellow in and Director of the Saban Center; Kenneth Pollack, Senior Fellow in the Saban Center; Bruce Riedel, Senior Fellow in the Saban Center; Shibley Telhami, Nonresident Senior Fellow in the Saban Center and Anwar Sadat Chair for Peace and Development at the University of Maryland; and Salman Shaikh, Fellow in and Director of the Brookings Doha Center.

## About Brookings Doha Center

Based in Qatar, the Brookings Doha Center is an initiative of the Brookings Institution in Washington, D.C. It undertakes independent, field-oriented research on socioeconomic and geopolitical issues facing the broader Middle East, including relations with the United States.

The Brookings Doha Center International Advisory Council is co-chaired by H.E. Sheikh Hamad bin Jassim bin Jabr Al-Thani, prime minister and minister of foreign affairs of the State of Qatar, and Brookings President Strobe Talbott. Salman Shaikh, an expert on the Middle East peace process as well as state-building efforts and dialogue in the region, serves as Director.

The center was formally inaugurated by H.E. Sheikh Hamad bin Jassim bin Jabr Al-Thani on February 17, 2008. Others present included Carlos Pascual, former vice president and director of the Brookings Foreign Policy Program, Martin Indyk, current vice president and director of the Brookings Foreign Policy program, and Hady Amr, founding director of the Brookings Doha Center. The center is funded by the State of Qatar.

In pursuing its mission, the Brookings Doha Center undertakes research and programming that engages key elements of business, government, civil society, the media, and academia on key public policy issues in the following four core areas:

- (i) Democratization, political reform and public policy;
- (ii) Middle East relations with emerging Asian nations, including on the geopolitics and economies of energy;
- (iii) Conflict and peace processes in the region;
- (iv) Educational, institutional, and political reform in the Gulf countries.

Open to a broad range of views, the Brookings Doha Center is a hub for Brookings scholarship in the region. The center's research and programming agenda includes mutually reinforcing endeavors, including: convening ongoing public policy discussions with diverse political, business and thought leaders from the region and the United States; hosting visiting fellows drawn from significant ranks of the academic and policy communities to write analysis papers; and engaging the media to broadly share Brookings analysis with the public. The Brookings Doha Center also contributes to the conceptualization and organization of the annual U.S.-Islamic World Forum, which brings together key leaders in the fields of politics, business, media, academia and civil society, for much needed dialogue. In undertaking this work, the Brookings Doha Center upholds the Brookings Institution's core values of quality, independence and impact.

## About the Saban Center for Middle East Policy at Brookings

THE SABAN CENTER FOR MIDDLE EAST POLICY was established on May 13, 2002 with an inaugural address by His Majesty King Abdullah II of Jordan. The creation of the Saban Center reflects the Brookings Institution's commitment to expand dramatically its research and analysis of Middle East policy issues at a time when the region has come to dominate the U.S. foreign policy agenda.

The Saban Center provides Washington policymakers with balanced, objective, in-depth and timely research and policy analysis from experienced and knowledgeable scholars who can bring fresh perspectives to bear on the critical problems of the Middle East. The center upholds the Brookings tradition of being open to a broad range of views. The Saban Center's central objective is to advance understanding of developments in the Middle East through policy-relevant scholarship and debate.

The center's foundation was made possible by a generous grant from Haim and Cheryl Saban of Los Angeles. Ambassador Martin S. Indyk, Vice President of Foreign Policy at Brookings, was the founding Director of the Saban Center. Tamara Cofman Wittes is the center's Director. Within the Saban Center is a core group of Middle East experts who conduct original research and develop innovative programs to promote a better understanding of the policy choices facing American decision makers. They include Daniel Byman, a Middle East terrorism expert from Georgetown University, who

is the center's Director of Research; Kenneth M. Pollack, an expert on national security, military affairs and the Persian Gulf; Bruce Riedel, a specialist on counterterrorism; Suzanne Maloney who focuses on Iran and economic development; Michael Doran, a specialist in Middle East security issues; Khaled Elgindy, an expert on the Arab-Israeli conflict; Natan Sachs, an expert on Israeli domestic politics and the Arab-Israeli conflict; Stephen R. Grand, Fellow and Director of the Project on U.S. Relations with the Islamic World; Salman Shaikh, Fellow and Director of the Brookings Doha Center; Ibrahim Sharqieh, Fellow and Deputy Director of the Brookings Doha Center; Shadi Hamid, Fellow and Director of Research of the Brookings Doha Center; and Shibley Telhami, who holds the Sadat Chair at the University of Maryland. The center is located in the Foreign Policy Studies Program at Brookings.

The Saban Center is undertaking path breaking research in five areas: the implications of regime change in Iraq, including post-war nation-building and Gulf security; the dynamics of Iranian domestic politics and the threat of nuclear proliferation; mechanisms and requirements for a two-state solution to the Israeli-Palestinian conflict; policy for the war against terrorism, including the continuing challenge of state sponsorship of terrorism; and political and economic change in the Arab world, and the methods required to promote democratization.



THE BROOKINGS INSTITUTION  
1775 MASSACHUSETTS AVE., NW  
WASHINGTON, D.C. 20036-2103  
<http://www.brookings.edu/about/projects/islamic-world>

