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End U.S. aid to Egypt

Doug Bandow June 25, 2014

Much about President Barack Obama's foreign policy has been an embarrassment. In Egypt, the Obama administration incompetently followed in the footsteps of its predecessors.

Three years ago Hosni al-Mubarak's dictatorship ingloriously collapsed. The Obama administration constantly followed events, first embracing Mubarak, then calling for a negotiated transition, and finally endorsing his overthrow. The Egyptian people ignored Washington at every turn. The Muslim Brotherhood's electoral success upset the military's plans to retain power, but the "deep state" persisted. Mohamed al-Morsi was elected president, but he controlled little of substance — not the military, police, courts, or bureaucracy.

Nearly a year ago Gen. Abdel Fatah al-Sisi ended any possibility of the government slipping outside of military control by staging a coup. He coordinated with anti-Morsi demonstrators to take over in the name of democracy, but quickly set about arresting anyone who criticized the coup or its excesses. Since then thousands have been killed, hundreds sentenced to death, and tens of thousands detained.

Through it all the Obama administration took the least principled position possible. Although U.S. law required a cut-off of financial aid, the president simply refused to characterize the coup as a coup, as if not saying the name made it something else.

Officials worried about lost leverage, even though Egyptian officials always ignored Washington's political advice in the past. When Saudi Arabia and other Gulf states stepped forward waving large wads of cash, Sisi and his fellow generals lost any reason to heed America.

Washington eventually held back a portion of planned U.S. assistance, apparently to demonstrate a little, but not too much, disapproval. Particularly grotesque regime abuses — mass death sentences imposed after nominal trials, for instance — earned complaints from the Obama administration, but then Secretary of State John Kerry would suggest that democracy still was moving forward.

In April the administration said it would allow distribution of some military aid and deliver ten Apache helicopters to Egypt's military. When I visited Egypt a couple months ago I found that virtually everyone believed America was on the wrong side, a notable if not particularly worthy achievement by the administration.

Now Congress can set things right. Last year Cairo was slated to collect \$1.3 billion in military and \$250 million in economic assistance. Although the military money was conceived of as an incentive to convince Cairo to keep the peace with Israel, the Egyptian military, which has not fought a war in more than four decades, has the most to lose from any hostilities. These days U.S. assistance is as much as subsidy for American defense contractors as it is for Egyptian leaders.

The economic payments do little to promote growth. Instead, government-to-government payments usually underwrite autocracy and statism, and discourage reform by masking the pain of failure. Egypt needs economic reform, not foreign subsidies.

House Republicans, apparently enthused with Sisi's promise to smite Islamists — along with everyone else who has the temerity to criticize him ever so slightly — proposed a nominal \$50 million cut in economic assistance. That's barely enough for Cairo to notice, especially since the military would continue collecting its usual payments for use to purchase high-tech weapons which are more for show than use.

In contrast, the Senate Appropriations Committee proposed to reduce military aid to \$1 billion and economic assistance to \$150 million. That's a \$400 million cut. U.S. aid still violates the law, but at least the reduction is noticeable.

However, even the Senate doesn't go far enough. Congress should end all aid. The administration should shut up about democracy.

The Pentagon should be left to cooperate with the Egyptian military on essential tasks, including access to the Suez Canal. The U.S. would still have plenty of leverage — after all, Egypt's generals will want to continue purchasing newer and better toys, as well as acquiring spare parts for existing weapons.

There is no good answer to Egypt. No one knows how a Morsi presidency would have turned out, but skepticism of the Brotherhood in power is understandable, given the abuses of Islamists elsewhere.

Alas, we do know how a Sisi presidency is likely to turn out: a rerun of Mubarak's authoritarian and corrupt reign. Repressive rule isn't even likely to deliver stability, since the Egyptian people will eventually tire of yet another government which delivers arbitrary arrests, brutal torture, and summary punishment rather than economic growth.

The best Washington can do is stay out. Subsidize no one, endorse no one. Leave Egyptians to settle their fate. Things still might fall apart in Cairo. But for the first time in four decades, America really wouldn't be at fault.

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