

www.pomed.org ♦ 1611 Connecticut Ave NW, Suite 300 ♦ Washington, DC 20009

## The Federal Budget and Appropriations for FY 2013: Democracy, Governance, and Human Rights in the Middle East Project on Middle East Democracy Thursday, July 19, 2012 2:00–3:30pm U.S. Capitol Visitor Center, SVC 201-00

On Thursday, the Project on Middle East Democracy and the Heinrich Böll Foundation of North America hosted a public panel discussion to release an annual publication, "The Federal Budget and Appropriations for Fiscal Year 2013: Democracy, Governance, and Human Rights in the Middle East." The panel consisted of **Stephen McInerney**, Executive Director of the Project on Middle East Democracy, **Jennifer Windsor**, Associate Dean for Programs and Studies at the School of Foreign Service at Georgetown, and **Tamara Wittes**, Director of the Saban Center for Middle East Policy at the Brookings Institution. **Sebastian Gräfe**, Program Director for Foreign & Security Policy and Transatlantic Issues at the Heinrich Böll Foundation, gave introductory remarks, and **Cole Bockenfeld**, Director of Advocacy at the Project on Middle East Democracy, moderated.

Stephen McInerney opened the discussion noting that in the past five years in which he has been reporting on the Federal Budget, the Middle East has clearly undergone many changes. This year, however, "the numbers" are a little misleading. They "don't tell the whole story." In fact, McInerney noted, the administration's approach to the Middle East has been uneven. Some countries have received excellent democracy, governance, and human rights support, while others have not. In those countries undergoing reform, like Tunisia and Libya, U.S. assistance has generally been adequate. However, in those countries that have yet to implement significant changes, aid packages have been disappointingly similar to those doled out before the Arab Spring. The administration, McInerney asserted, has released ambitious statements regarding democracy promotion but has failed to live up to that rhetoric. Support for democratic reform has not been prioritized and has decreased in Lebanon, the Palestinian territories, and the entire Gulf. That decrease can be attributed to direct pressure exerted on legislators in GCC countries, McInerney said. Egypt's assistance is "more uncertain than it's been in decades." The recent NGO crisis certainly set things back, and although there has been much talk in recent years of a restructuring of Egypt's aid package, 80% of assistance is military aid rerouted directly back to U.S. defense manufacturers. These defense companies have successfully lobbied Congress to leave Egypt's military untouched, despite the obvious need to support Egypt's economy over its army at the moment.

**Tamara Wittes** continued the discussion, pointing out that Tunisia represented one of the most difficult cases for restructuring funds following the Arab Spring due to the lack of bilateral relations between the U.S. and the Ben Ali regime. However, to date, the United States has given more than \$200 million to support Tunisia's democratic transition. Wittes added that funding for democracy and human rights declined for FY 2013 in every region throughout the world except for the Middle East and North Africa. The \$700 million increase in funding is a good sign for U.S. support of the ongoing transitions, which take time and significant investment to succeed. Beyond offering assistance to specific countries, the regional approach presented in the Senate's

version of the 2013 Foreign Appropriations Bill via a MENA Incentive Fund could prove instrumental in instituting reform. When allocating aid by country, Wittes asserted, individual governments sometime begins to regard the money as "their own," but when the funding is regional, governments will have to continuously earn it. Finally, Wittes noted the importance of striking the correct balance between military and economic assistance. The U.S. government obviously has to preserve its security interests, but must simultaneously be aware of the way it presents itself in the region.

Jennifer Windsor claimed that "looking at the numbers" does matter when searching for a potential "shift in [a government's] strategy." The administration's total request for democracy support amounts to \$2.8 billion dollars, which "seems like a lot" but is actually only 8% of the government's total assistance budget. Windsor criticized the administration's tendency to focus on conflict countries and said it was a mistake for us to "respond more to crises than opportunities." For example, following the collapse of the Soviet Union, U.S. support of Poland and Hungary amounted to \$900 million and had strong congressional backing. Today, however, we don't see much of that. Rather than supporting gradual transitions, politicians expect transformations, which is unreasonable. Finally, Windsor asserted that "it's completely unclear what the U.S. wants from Egypt" which is unacceptable due to Egypt's strategic importance.

In the question and answer session, moderator **Cole Bockenfeld** asked Steve McInerney to elaborate on the Middle East and North Africa incentive fund. McInerney said that, although many regard the funding as excessive, in light of past funding, the allotted \$700 million is actually rather modest. In the last 18 months, the administration has already mobilized \$900 million dollars to support Middle Eastern democracy transitions. On the hill, politicians are also worried about the money not being targeted by country, but McInerney explained that's exactly the point of the fund and, if not supported, there could be dire consequences in the region.

Tamara Wittes concluded the event pointing out that "it's a terrible economic time globally." So in the coming months and years, the fight to preserve aid programs throughout the world will be a difficult one. However, U.S. interests will never be realized without stability and regional stability will not occur until governments reflect the will of their people. So, support to democracy, governance, and human rights will continue to be absolutely critical for preserving U.S. interests.