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"The Federal Budget and Appropriations for Fiscal Year 2015: Democracy, Governance, and Human Rights in the Middle East and North Africa"
Project on Middle East Democracy
Heinrich Böll Foundation of North America
Tuesday June 10, 2014, 12:00pm-2:00pm
Dirksen Senate Office Building, Room 562

On Tuesday June 10, 2014, the Project on Middle East Democracy co-sponsored a panel discussion with Heinrich Böll entitled "The Federal Budget and Appropriations for Fiscal Year 2015: Democracy, Governance, and Human Rights in the Middle East and North Africa." The discussion featured **Stephen McInerney**, Executive Director of the Project on Middle East Democracy, **Cole Bockenfeld**, Advocacy Director at the Project on Middle East Democracy, **Lorne Craner**, former president of the International Republican Institute, and **Amy Hawthorne**, Senior Fellow at the Rafik Hariri Center for the Middle East, Atlantic Council.

Stephen McInerney began by introducing the report as an effort to "paint a picture" of what the budget request says about supporting democracy, governance, and human rights in the MENA region. He noted that this seventh consecutive budget report, is the "grimmest" yet. Where the budget report tries to balance the positives with the negatives concerning implications of the requests, this year's report had the fewest positive aspects to note. With so much excitement coming from the 2011 uprisings, McInerney said that many would have expected it to spur changes in U.S. policy. However, he showed how shockingly little change has occurred between now and pre-2011 by discussing a pair of pie charts in the report that show nearly identical budget request numbers for FY2010 and FY2015. The "remarkably similar" charts actually show a slight increase in military requests, and a slight decrease in requests for Governing Justly and Democratically (GJD) funds. The decrease in GJD funds is strange, McInerney notes, considering the rhetoric espoused from the administration that seems to stress the need to support these democratic transitions. He then highlighted another pair of bar graphs in the report that displays U.S. foreign assistance to countries in the region by most to least spent in FY2010 and FY2015. In both of the graphs, the same order and nearly the same amount of money is allocated to the first six countries, highlighting the dramatically unchanged policies between the two time periods. The unchanged requests are "realistic descriptor[s]" of the priorities concerning these countries, McInerney suggests. He then spoke about the administration's rhetoric in supporting transitions in Yemen, Libya, and Tunisia, and how the budget request instead reflects a desire to continue the "status quo." McInerney specified the Tunisian budget as being "extremely disappointing," as Tunisia remains the most progressive Arab Spring country in implementing democratic reform. Again though, the administration's rhetoric in supporting Tunisia's transition is not reflected in the budget request, thus McInerney thinks the administration is missing out on an "historic opportunity." McInerney mentioned Yemen as one of the few positive takeaways from the report, as the administration has "admirably shifted attention to supporting democracy" in the country and now should be a model to replicate with other countries.

**Cole Bockenfeld** spoke next, focusing on broader findings in the report. He first spoke on a key response to the 2011 uprisings, which was the Middle East and North Africa Incentive Fund (MENA

IF). The fund was designed to respond to transitions in the region, but failed to garner congressional support in 2012 and 2013 largely due to a lack of administrative will to press it. This year however, the MENA IF was replaced by a smaller MENA Initiative Fund, that more closely resembles other government programs. Additionally, the new fund would be administered by a new office called the Near East Affairs Office of Assistance Coordination (NEA/AC). Bockenfeld noted how there is a lot of confusion and suspicion over how the office operates, as same the people who are in charge of coordinating assistance are also administering it. Furthermore, the Middle East Partnership Initiative (MEPI) within the NEA/AC has witnessed a change in its type of leadership. While political appointees would assume leadership in the past recent patterns have shown career diplomats taking charge who may be less independent and more reluctant to take risks. Bockenfeld also noted a decrease within the administration in support for civil society policies, perhaps due to the crackdown on NGOs within Egypt in 2012. Speaking further on specific funding to Egypt, Bockenfeld suggests that although the relationship with Egypt is complicated, there has developed a broad recognition of a need to reform the assistance package. Despite this, the relationship has not seen any changes and remains consistent. The "big question" now is will there be enough political will to begin reforming the assistance relationship; the administration will have to take the difficult steps in order to reform Egypt aid.

Lorne Craner then spoke more generally about the opportunity presented to the current administration to influence proper democratic transitions in the region. He noted that the administration has lacked a "durable strategy" and thus has missed a key opportunity. He talked about when he worked at the State Department during the collapse of the Soviet Union, and how it was a similar situation. Since the fall of the Berlin Wall, the U.S. has maintained steady funding of satellite states and has thus made a huge difference in former Soviet countries. Craner suggests a similar approach should be taken with respect to MENA transitions. However he insists that the administration still has time left to make the necessary changes in policy, but a coherent strategy must be outlined and then reforms must be implemented that reflect the principles in the strategy.

Amy Hawthorne spoke last specifically on the aid relationship with Egypt which she called a "very troubled" one. Hawthorne believes the fallout from the NGO episode in 2012 was disastrous for U.S.-Egyptian relations; the administration began to see the trouble of funding civil society organizations as not worth the risk, as there was such intense pushback from the Egyptian government. Speaking about specific Economic Support Funds (ESF), she argues the funds are unclear in their purpose; there is a lot of rhetoric espousing support for the Egyptian people, but few Egyptians know what ESF assistance actually does. She also explained how the Egyptian government is a difficult partner to work with as there are "sensitivities" within the Egyptian government about receiving U.S. aid. On a positive note, she says there was a decision within the administration to suspend military aid, but nevertheless, the restructuring of military aid to more support counterterrorism efforts has serious risks as the U.S. and Egyptian government may have discrepancies over who they consider terrorists.

Addressing a question on women in the region during the Q&A session, Lorne Craner noted that while there is a lot of talk about empowering women in the region, there is not a lot of money to back it up. Meanwhile in response to a question on the impact of assistance to Israel, Stephen McInerney noted that the exclusively military assistance to package to Israel does impact relations with other states in the region, but that impact should not be overstated. On a specific question concerning Lebanon, Cole Bockenfeld mentioned **John Kerry's** recent visit to Beirut and noted that his support for Lebanon seems to "stop at the rhetoric." Answering a question on global health programs in the Middle East, Amy Hawthorne commented that this is important as Egypt has "slid backwards" with public health and may be ignoring the return of potentially deadly diseases.