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Abstract: Among all authoritarian Arab regimes in the Middle Eastern and North African region, Egypt can be considered as a crucial example which has attempted to take a number of steps toward political liberalization since the 1970s. As an external actor through its aid programs, bilateral agreements, direct grant programs, and partnership initiatives, the United States seemed to be working towards economic and political liberalization and democratization in Egypt. However, in spite of this seemingly fervent endeavor, particularly during the rule of President Mubarak, the US governments have failed in their attempts to liberalize Egypt. This article attempts to explain why the USA was not able to succeed in its initiatives to liberalize Egypt, despite its serious economic assistances and political efforts by referring to two research traditions within comparative politics: structuralist analysis and rational choice theory. It argues that the USA, due to the problems concerning the structure of USAID, MEPI and BMENA, and the rational choices made by the same organizations had a limited impact on political liberalization process in Egypt.

Keywords: Egyptian politics, political liberalization, external actors, the United States of America (USA), structural analysis, rational choice

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Introduction

Since the rule of President Anwar Sadat in the 1970s, Egypt has passed through a series of political liberalization attempts. The latest attempt followed the 2011 revolution caused by the Arab Spring. It has led to the free and fair general elections held in June 2012, when the candidate of the Muslim Brotherhood, Mohammed Morsi, was elected president. However, none of the previous political liberalization movements orchestrated by Egypt's authoritarian leaders (excluding the ongoing current developments) have led to genuine democratization. While the majority provided only limited democratic openings, such as the transition to multi-party politics, some even reversed liberalization, such as the banning of the Muslim Brotherhood from politics.

A number of factors, such as external actors, political economy and political culture, including Islam and civil society, have both enhanced and hindered the political liberalization process in Egypt. Among these factors, the most influential one is the impact of external actors, particularly the role played by the USA as a result of its enthusiastic support for both economic and democratic liberalization in Egypt. However, in spite of its efforts, the USA has slowed down the process rather than promoting political liberalization. This article tries to explain this paradox by analyzing the case through two research traditions within comparative politics: structural analysis and rational choice theory. While structural analysis argues that structures or institutions shape political outcomes, rational choice theory claims that it is actors trying to maximize their interests that shape political developments.

Following an analysis of the concept of political liberalization in the context of democracy and democratization, the article will give a brief background of previous ineffective political liberalization attempts during the rule of President Anwar Sadat and Husni Mubarak. It will continue with an in depth examination of the USA's efforts to promote democracy through aid programs, bilateral agreements, direct grant programs and partnership initiatives. It will then analyze the failure of these policies during the Mubarak period by investigating them in terms of structural analysis and rational choice theory. The chapter will conclude with some predictions about the future course of the USA's impact as an external actor on Egypt's political liberalization developments towards democratization.

Political Liberalization in Egypt

Although political liberalization is the step towards democratization, it does not always lead to democratic transitions. Democracy, according to the well-known definition of Terry Lynne Karl and Phillipe Schmitter, "is a system of governancy, in which rulers are held accountable for their actions in the public realm by citizens who are acting indirectly through the competition and cooperation of their elected representatives."¹ Full democratization involves all of these requirements. That is, once an authoritarian regime accomplishes its transition to democracy, its new leaders are held accountable for their actions. However, that has not been the case in the Arab world. While the majority of the Latin American countries and all of the Eastern and Southeastern European countries achieved a transition to democracy throughout 1970s, 80s and 90s, Middle Eastern countries continued to be ruled by authoritarian leaders until the recent developments following the Arab Spring. Thus, rather than true democratization, Middle Eastern countries have only made some limited political liberalization attempts.

Rex Brynen et al. describe the concept of political liberalization as "the expansion of public space through the recognition and protection of civil and political liberties, particularly those bearing upon the ability of citizens to engage in free political discourse and to freely organize in pursuit of common interests."² Political liberalization therefore involves certain political or democratic openings

that can satisfy a suppressed society. While such attempts sometimes lead on to democratization, they are generally reversed, being mostly used as instruments by authoritarian leaders to temporarily ease the tensions of the people. Once these political liberalization movements start challenging the power of authoritarian leaders, they do not refrain from reversing their liberalizing policies. For example, the political liberalization attempts that were started by the Hashemite Kingdom of Jordan in 1989, such as the return of parliamentary elections, was a direct response to widespread political unrest caused by the economic austerity program imposed by the IMF. However, when Hashemite regime saw the rising power of the Muslim Brotherhood in subsequent elections, it did not refrain from prohibiting political parties, restarting the state of emergency and censoring the media.

In the case of Egypt, it has fluctuated since the 1970s between genuine progress in political liberalization and setbacks that have returned control to the authoritarian rulers. Following the establishment of the Arab Republic of Egypt in 1953 by the Free Officers, Colonel Gamal Abdel Nasser came to power as the first President of Egypt. President Nasser, who wanted to consolidate his power against the pro-British and pro-monarchy opposition, ruled the country under tight control. In a short time, as a result of his opposition to Israel and imperialist Western powers, he became the hero of both Egypt and the wider Arab world.

Following his death, the less charismatic Anwar Sadat, who took over power, struggled hard to replace Nasser. In an attempt to gain popularity among the public and counterbalance the opposition, Sadat introduced multi-party elections and introduced some economically liberalizing measures by initiating his *infitah* (open door) policy, which emphasized the encouragement of foreign investment and the introduction of private enterprise. However, once the newly established parties started challenging his power, he banned various groups, such as New Wafd Party and National Progressive Unionist Party. He also suppressed political opposition by arresting over 1,500 people in September 1981, including radical Islamists, Leftists, Nasserites and Wafd party supporters. Moreover, by passing a new constitution that vested executive power in the president, he strengthened his own authority. The more the opposition grew against him due to the failure of his economic policies, the more repressive Sadat became. Meanwhile, his peace treaty with Israel and pro-American foreign policy increased opposition among both conservative Muslims and Arab nationalists. Finally, he was assassinated in 1981 by Islamic fundamentalists opposing his peace treaty with Israel following the Camp David Accords.³

Sadat's successor, Husni Mubarak, controlled the country for thirty years, from 1981 until 2011, until his arrest following the Arab Spring. Mubarak, while pursuing a path of political liberalization, also firmly repressed anyone who challenged his power. Mubarak aimed to reform the country's internal institutions by establishing a free media, fair party politics, an independent judiciary and an improved civil society. He permitted multi-party elections throughout the 1980s. However, when a new coalition, called Islamic Alliance, consisting of the Socialist Labor Party and the Liberal Party (that represented the Muslim Brotherhood), emerged as the largest opposition group in the 1987 general elections, he slowed down political liberalizations. The opposition boycotted the 1990 elections for the people's assembly in response to widespread governmental fraud and intimidation in the Shura (the upper house) elections.⁴

Mubarak nevertheless continued with symbolic political liberalization measures, for example by initiating a dialogue with opposition groups (though excluding the Muslim Brotherhood and professional syndicates) in 1994 and establishing a Commission for Election Review in 1995. However, increasing terrorist attacks by Islamist groups throughout the 1990s forced Mubarak to revert to previous repressive policies.⁵ Throughout the 2000s, the Mubarak regime dramatically lost its credibility among the population as a result of a serious economic crisis and the government's repressive policies. In response, Mubarak government added new younger technocrats to the regime who were more enthusiastic about liberalization and permitted other candidates to stand in the presidential election of 2005. However, this did not prevent Mubarak from guaranteeing his

presidency until 2011, by winning 88 percent of the votes. Despite widespread fraud in the 2005 parliamentary elections, out of 444 seats, the Muslim Brotherhood managed to win 88 seats.⁶ However, Mubarak's superficial democratic openings were only intended to preserve his power. Once the opposition challenged him, Mubarak did not refrain from introducing repressive amendments to the penal code, initiating electoral fraud, enacting an anti-terrorist law, continuing with the emergency law and interfering with the affairs of Egypt's professional syndicates and trade unions.⁷

The uprisings in Egypt, inspired by the revolution in Tunisia, began on January 25, 2011 with protesters who were frustrated by an enduringly oppressive government, widespread corruption, injustice and high unemployment. Following eighteen days of massive public demonstrations against his rule, Mubarak, having lost the support of his military, resigned on February 11, 2011and turned the power over to the military. He was arrested and charged with corruption and complicity in the killing of protestors. In June 2012, he was found guilty and sentenced to life imprisonment.⁸ Thus, the top-down political liberalization attempts initiated by successive Egyptian leaders were not effective at all. While both Sadat and Mubarak introduced some modest democratic openings in response to public pressure, once they faced challenges to their power as a result of these reforms, they rapidly reversed liberalizing reforms, reverting to repressive measures. This suggests that these reforms were actually only part of a defensive strategy to defuse pressure from within and abroad.

Factors Affecting Political Liberalization in Egypt

Among the factors that have promoted or hindered political liberalization in Egypt, political culture, civil society, political economy and external actors all play significant roles. Regarding political culture, Egypt's authoritarian Arab culture and its patriarchal, patrimonial and tribal lifestyle have all impeded democratization, while the rise of political Islam has had both positive and negative impacts. The rise of Islamist movements, particularly the Muslim Brotherhood, has played a significant role in the political liberalization movements by forcing the authoritarian rulers to promote democracy. However, it has not been very clear whether Islamists will pursue democratic reforms of democracy once they come to power, as can be observed in the policies currently followed by President Mohammed Morsi.

Although there are more than 20,000 civil society organizations in Egypt, prior to the Arab Spring these organizations did not have much role in the promotion of political liberalization under the rigid and repressive policies of the government, which accused them of threatening Egypt's social stability and national security.⁹ Consequently, civil society organizations, because they could not criticize or challenge the Mubarak regime, were unable to contribute to democratization. Political economy has both promoted and impeded political liberalization. During the economic crises of the 1980s and 1990s, successive Mubarak governments introduced democratic openings to ease the frustrations of the economically suffering people. However, these were temporary measures that were reversed once the government regained control of the situation.

Another factor that has had an impact on political liberalization in Egypt is the external actors, specifically the USA and the EU. Both actors, through agreements, aid, grant programs, international financial organizations, partnership initiatives and neighborhood policies, seemed to have been promoting political liberalization in Egypt. The hegemonic nature of the USA's power, with its greater capacity to impose larger military and financial sanctions, has made it stronger in its impact on Egyptian politics. As an international organization of 27 member states, the EU has faced problems in reaching a common foreign and security policy. This article will concentrate on the USA's impact on economic and political liberalization and/or de-liberalization in Egypt.

The Impact of the USA on Political Liberalization in Egypt

International or external actors have always played significant roles in the political liberalization, democratization and democratic consolidation of countries, both positively and negatively. The external environment may include international factors such as the international structure (globalization) and wars that shape world history, and external actors such as superpowers that influence other states' political decision-making processes (such as the USA and the Soviet Union during the Cold War), international organizations, (such as the EU), international financial institutions (such as the IMF and World Bank) and the international media.

As Brynen et al. point out, while globalization is represented as a facilitating factor for democratization, thanks to its role in removing international barriers, promoting information flows around the world and supporting democratic movements against authoritarian regimes, it may also strengthen authoritarian regimes by causing societal reaction against the new democratic regime.¹⁰ While wars gave the control to authoritarian leaders, as can be observed with the end of the Second World War, the losers were forced to democratize by the winners. The media, by providing a worldwide information network, serves both democratization movements and authoritarian leaders.¹¹ International financial institutions such as the IMF and World Bank, while supporting political liberalization in third world countries, create serious economic problems that undermine this process through their rigid economy policies. Among these external actors, the USA as a superpower seems to have had a significant impact, both in the promotion and impeding of political liberalization, particularly in the Middle East.

According to Samuel Huntington, the USA's democracy promotion policy, which started in the 1970s with the introduction of the Congress's prohibition of human rights violations by in 1974, became the main focus of US foreign policy during both the Carter and Reagan administrations. Through economic, military and diplomatic means, US governments targeted communist and authoritarian regimes in Latin America and East Asia.¹² Similarly, the USA also started supporting political liberalization in the Middle Eastern and North African countries (MENA) through aid and grant programs, bilateral agreements, partnership initiatives and international financial institutions.

US-Egypt Relations and US Democracy Promotion in Egypt

As a senior member of the Arab world and initiator of the 1948, 1956, 1967 and 1973 Arab-Israeli Wars, Egypt has been considered by the USA as the most significant player in the Middle East. While Egyptian-American relations were hostile during the period of President Nasser, who supported pro-Soviet policies, starting with the presidency of Sadat and continuing with Mubarak, American-Egyptian relations became increasingly closer. Particularly after Egypt's recognition of Israel following the Camp David accords in 1978, both Sadat and Mubarak followed pro-American foreign policies, so that until the Arab Spring, Egypt was considered the USA's strongest ally in the Middle East. Since 1979, as a result of its positive role in the peace process, geo-political situation and strategic significance in the region, Egypt has been the second largest recipient of the US foreign assistance, receiving an annual average of close to \$2 billion in economic and military aid.¹³

The USA's military support for Egypt aimed to strengthen the regime's domestic security and its ability to confront popular movements. Specifically, the USA supported Egypt militarily and economically for the following reasons. First, Egypt's position in the region was critical for the resolution of Arab-Israeli conflict. Although it had initiated all the Arab-Israeli wars until the 1980s, after the Camp David negotiations towards the end of 1970s, Egypt became the first Arab country to recognize Israel. Egypt played an important role in the United Nations in shaping the international consensus on issues important to peace and stability in the region, particularly concerning the Arab-Israeli conflict. By maintaining its bilateral partnership with Egypt, the USA aimed to increase its

influence in the Middle East, North African and the Mediterranean regions, in the hope Egypt's pro-American policies would have an effect on other countries in the region.

Second, Egypt was important for the USA to protect its oil supplies in the region and enjoy priority access to Egyptian airspace and the Suez Canal, which provides direct transit from the Mediterranean to the Red Sea, the Arabian Sea and Indian Ocean. Third, by supporting the Egyptian military, the USA supported opposition to Islamic political radicalism. Particularly in the aftermath of the September 11 attacks, US governments attempted to diminish the potential threat of radical Islamist groups and movements in Egypt, believing that democratization was necessary to undercut the roots of radical Islam.¹⁴ Although US governments were interested in promoting democracy in Egypt, American-Egyptian relations mainly depended on the USA's economic and security interests, which make it necessary to have close ties with the region's autocratic regimes.

Democracy promotion has been a component of US foreign policy goals since the presidency of Woodrow Wilson. Throughout the 1990s, during the presidency of Bill Clinton, the US government seemed to be trying to improve the climate for political liberalization in the Middle East, particularly in Egypt. As a result of changing international dynamics in the aftermath of September 11, the US government, by linking terrorism with authoritarianism, moved democracy promotion from a low- to a high-priority policy. In an attempt to avoid terrorist threats, the George W. Bush administrations of 2000 and 2005 also adopted democracy promotion as a key foreign policy, particularly towards the Middle East. The increase in the number of Islamists movements, both in Egypt specifically and in the region generally during this period, forced the US government to expand its cooperation with Egypt. That is, the USA believed it had to protect its strategic interests by mitigating the potential threat of the radical Islamist groups and movements in Egypt.¹⁵

Democracy promotion by the USA produced some results during Mubarak's rule, such as Mubarak's reformation of his own political party, the National Democracy Party, the introduction of multi-party presidential elections, and allowing the establishment of 5,000 civil society organizations. However, none of these policies effectively advanced democracy since the support and technical assistance for reformation of legislature and judiciary did not produce the expected outcomes.¹⁶ In its attempts to promote democracy in Egypt, the USA used a series of mechanisms, including USAID, bilateral agreements, direct grant programs, the Middle East Partnership Initiative, and the Broader Middle East and North Africa Initiative. Each of these are considered in more detail below.

The USAID: Bilateral Agreements and Direct Grant Programs

The United States Agency for International Development (USAID), established under the Foreign Assistance Act by US President John F. Kennedy in 1961, is an authorized department of the US government for the management of civilian foreign aid. It concentrates on long-term economic and social development assistance to foreign countries as well as poverty reduction, environmental protection, democracy and human rights.¹⁷

The USAID's program in Egypt has directly supported "nationwide programs in health, education, trade facilitation, small and micro-enterprise, tourism and infrastructure development".¹⁸ The US government, in an attempt to promote peace and regional stability in Egypt, has acted against extremism and terrorism, aiming to create an environment conducive to economic reforms by working directly with the Egyptian government. USAID/Egypt has also designed democracy and governance programs to promote political liberalization reforms in the country. USAID's funding for democracy and governance programs averaged \$24 million for the fiscal years of 1999–2009. Between 2000 and 2005, it mainly concentrated on increasing the availability of effective legal services, strengthening NGOs, increasing local government service delivery and enhancing citizen participation. Since the 2004 fiscal year, USAID/Egypt has awarded \$181 million for democracy and

governance programs focusing on the rule of law and human rights, good governance and civil society.¹⁹ As can be observed in Figure 1, USAID/Egypt's democracy and governance funding levels increased tremendously from 2005 to 2006.²⁰

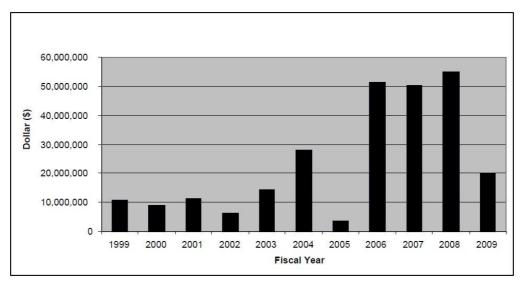


Figure 1: USAID/EGYPT's Democracy and Governance Funding Levels between 1999 and 2009.²¹

In its efforts to promote democracy in Egypt, USAID has followed two methods: bilateral agreements and direct grant programs. Under bilateral agreements, USAID and the Egyptian government, as part of the democracy and governance project, agreed to implement programs in three major areas: rule of law and human rights, good governance, and civil society programs.

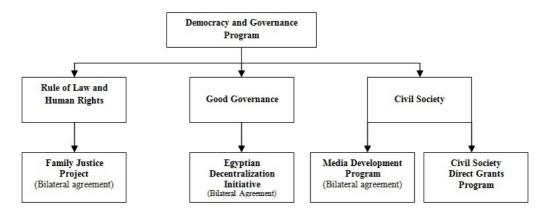


Figure 2: Organizational Structure of USAID for Reviewed Democracy and Governance Program.²²

While the rule of law and human rights programs aimed at strengthening the administration of justice and access to justice for women and disadvantaged groups, good governance sought to promote more accountable and responsive local government under the Egyptian Decentralization Initiative. Civil society programs were planned to enhance greater independence and professionalism in the media and strengthen the organizational capabilities of civil society organizations, while directly supporting their programs in areas such as political reform, election monitoring and civic education. USAID's second method involves direct grant programs and cooperative agreements with NGOs and other civil society actors without prior approval from the Egyptian government. However, despite all these efforts, USAID/Egypt's programs to strengthen democracy and governance have not been that successful. For example, in the fiscal year of 2008, the Office of Democracy and Governance only achieved about half of its planned goals.²³ Furthermore, the Bush administration's decided to reduce the amount of US economic assistance for Egypt from \$415 million to \$200 million for fiscal year 2009. In addition, the Congress put a limit on democracy and governance expenditures in Egypt for \$20 million maximum.²⁴ This limitation made the achievement of planned activities about democracy and governance in Egypt more difficult.

USAID/Egypt's Democracy and Governance Program Results for FY 2008 Activities Democracy and Governance Program Component	Planned Activities	Achieved	Percentage Achieved
Rule of Law and Human Rights			
Family Justice Project	43	30	70 %
Good Governance			
Egyptian Decentralization Initiative	22	7	32 %
Civil Society			
Media Development Program	26	9	35 %
Civil Society Direct Grants Program	91	73	80 %
Total	182	119	65 %

Table 1: USAID/Egypt's Democracy and Governance Program Results for FY 2008 Activities²⁵

Regarding rule of law and human rights, USAID/Egypt coordinated with the Egyptian Ministry of Justice and National Council of Childhood and Motherhood in an attempt to train family court judges and mediators, improve family courts, provide media support for the Ministry of Justice, supply economic assistance to families facing disputes, and offer grants to NGOs to promote awareness on child rights, family courts and women's rights and implemented the Family Justice Project. However, media support for the Ministry of Justice was not provided and the promotion of counseling for children and raising community awareness on the existence of counseling centers did not fully succeed. To improve governance, USAID/Egypt funded the Egyptian Decentralization Initiative with the help of various Egyptian Ministries to support local government and decentralization in order to

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improve the capacity of local government, enhance participatory mechanisms to manage resources and strengthen management. However, out of 22 planned activities, only 7 were achieved, and as a result of the Egyptian government's hesitance to act, the functional maps showing decentralization opportunities were not developed.²⁶

USAID/Egypt achieved its highest percentage of goals for its civil society direct grants program activities by completing 73 of 91 planned activities (80 percent) during the 2008 fiscal year. By organizing discussions about democracy within the media sector, USAID/Egypt attempted to increase dialogue among civil society organizations, decision-makers, religious leaders and the local community. However, the impact of these activities was limited due to political circumstances, government resistance and the grantees' lack of experience. Moreover, only 35 percent of the Media Development Program was accomplished. Again, many of the planned activities were not developed as a result of the Egyptian government's resistance to activities, delays in governmental approvals, and changes in agreed-upon activities. Meanwhile, the Egyptian government continued to impose censorship on the publications of the civil society organizations that were not officially recognized by the government as early as 2004, it was not easy for USAID to pursue projects that were not accepted by the government.²⁷

The Middle East Partnership Initiative (MEPI)

The USA's provision of bilateral economic assistance to the Middle East and North Africa (MENA), which mainly concentrated on promoting regional stability by providing funds for military and economy programs, started to promote democracy in the region in the early 2000s. In December 2002, the State Department of the US government announced the establishment of the Middle East Partnership Initiative (MEPI) that included programs focusing on democracy and reform. The purpose of MEPI was to lay the groundwork for an eventual transition to democracy in the region's authoritarian countries, through creating conditions where the pressure for change would come from Arab citizens themselves. The initiative aimed to transform the MENA countries into more pluralistic, participatory and prosperous societies. The projects initiated by MEPI includes supporting democracy builders, empowering women, inspiring the next generation of leaders, fostering economic opportunity and developing civil society. However, its main target is the promotion of democracy. ²⁸

As part of "supporting democracy builders", MEPI projects directly respond to the needs of the region's democracy promoters. Among these projects, "participation" aims at informing fellow citizens about their rights and democratic electoral processes. The "media" project plans to build the professionalism of journalists by developing the press as a credible evaluator of the political developments in the country, while "Leadership exchange" intends to educate young leaders, law makers and professionals in the USA, and the citizen engagement program aspires to promote citizens' engagement in public life.²⁹

Regarding "empowering women", MEPI programs help Egyptian women to build political leadership and advocacy skills. It also tries to strengthen the role of women in business and the economy. MEPI programs also train female potential candidates to run for parliamentary and local council elections. Other projects concentrate on increasing female representation at the decision-making level of Egypt's trade unions and training female members of local councils in courses in local law, communication skills, and methods and mechanisms of political participation.³⁰

Concerning "inspiring next generation of leaders", MEPI projects aim to teach university students leadership skills and train young leaders. As part of "fostering economic opportunity", MEPI concentrates on supporting a new generation of entrepreneurs in Egypt, Libya, and Morocco,

providing unemployed youth with access to the high-quality, market-driven training and skills necessary to enter the private sector labor market. MEPI also provides credit to medium-sized enterprises and improves the legal, regulatory, and supervisory environment of financial institutions. Regarding "leadership exchange programs," MEPI focuses on exchanges like university scholarships, English-language learning, and social technology networking to cultivate employable and developing professional networks across a wide range of public and private sectors.³¹

Concerning the "development of the civil society", MEPI works with fast-growing civil society sectors and supports the civil society organizations' ability to serve their communities and advocate on their issues of concern.³² However, as stated by Daniel Brumberg, MEPI is similar to previous democratization programs that the USA has supported for almost a decade and is unlikely to produce radical changes.³³

The Broader Middle East and North Africa Initiative (BMENA)

The Broader Middle East and North Africa Partnership Initiative (BMENA) was initiated by the USA at the G-8 Summit in Georgia in June 2004. Its original title was the Greater Middle East Initiative (GMEI) but it was changed to the BMENA Partnership Initiative after negotiations between the G-8 countries.³⁴ The BMENA Partnership Initiative entails co-operation between the USA, European countries and Middle Eastern and North African countries to strengthen freedom, democracy and prosperity for all. The USA's aim is to increase dialogue between countries in the MENA region and the Western governments that support reforms toward political liberalization and democratization in the region.³⁵ Although the BMENA partnership initiative is not a completely American initiative, it is controlled by them and defined as the most powerful American initiative of the post-Cold War era. Similarly to MEPI, it aims to initiate political, social, economic and cultural reforms in MENA countries by changing their authoritarian systems. The most important outcome of BMENA was the "Forum for the Future" in December 2004, in which objectives and actions for democratic assistance, international finance and investment were debated and approved.³⁶

Today, the BMENA partnership initiative is trying to contribute to economic and political reforms, particularly to a democratic transition in the region through two types of instruments. The first one is the "Foundation for the Future", which tries to improve NGOs, promote the rule of law, guarantee fundamental freedoms of individuals and improve the capacity of the health and education sectors throughout the region. The second instrument is the "Fund for the Future", which aims to develop small- and medium-size business enterprises, promote job opportunities and improve economic growth rates in the MENA region.³⁷

Throughout 2011, the executive bodies of BMENA organized workshops and meetings to be held in Egypt (as well as in Kuwait, France, Morocco, Oman and Tunisia) that brought together over 200 NGOs and civil society organizations from 30 countries in the region. The aim of these workshops was to draw up recommendations for civil society in three areas, namely gender equality, economic development and the role and involvement of youth and civil society in building democracy.³⁸ In 2011, the League for Women Voters worked with women in Egypt and Tunisia under the USA's G-8 BMENA co-chair, focusing on promoting democracy.³⁹

The Failure of US Policies to Promote Political Liberalization in Egypt

Despite the USA's seemingly committed struggle to bring political liberalization to Egypt, it has not achieved much success. The following sections will analyze the reasons for this failure through a structuralist approach and rational choice theory. While the structuralist approach claims that

structures shape outcomes, rational choice theory argues that outcomes depend on actors choosing from a set of alternatives the ones that maximize their interests.

Structural Approach: Explaining the failure of USAID, MEPI and BMENA to promote Political Liberalization in Egypt

Structuralists primarily concentrate on how structural factors such as institutions shape politics. The main subject of structural analyses is how political behavior is conditioned by structure or institutions. Structuralists focusing on political and social institutions emphasize the formal organizations of governments, while others study political parties and interest groups, or Marx's area of class relations. All of them, however, analyze relations among actors in an institutionalist context.⁴⁰ For this study, the organizational structure of various institutions (under the US domination) will be analyzed through a structural approach.

Although USAID's website claims that the USA and Egypt have collaborated closely on economic development and regional stability and highlights the successes that Egypt has achieved in improving the quality of education, strengthening the administration of justice, developing access to justice for disadvantaged groups, and promoting decentralized governance and a more competitive electoral processes, this has not been the case in reality. On the contrary, USAID's programs have made little effect on improving Egypt's democratic environment. Among USAID programs, only 65 percent of the promised activities were realized and only 52 percent of the plans achieved their goals. In reality, the Egyptian government hindered the implementers' activities out of its reluctance to support many of USAID's democracy and governance programs.⁴¹

USAID/Egypt's democracy and governance activities were particularly limited in the areas of media freedom, anti-corruption, civil liberties, political rights and democracy. Despite \$800 million in foreign aid delivered by USAID throughout the 1990s and 2000s for decentralization projects in Egypt, the program failed to change the deep-rooted centralized political system in Egypt that constrains any kind of political liberalization in the country. Under the same leader's rule for three decades, there was strong centralization in Egypt, and democratization efforts did not work because Mubarak restricted freedom of expression and controlled the media.⁴²

During Mubarak's period, since the majority of the aid given by USAID for democracy and governance went to the government, efforts at democratic reform were quite limited. Consequently, structural problems manifested themselves in USAID's direct cooperation with the authoritarian Egyptian ruling regime and the delivery of foreign assistance to the authoritarian government itself. Consequently, the assistance and aid delivered by USAID to Egypt since the 1970s has failed to reform the Egyptian authoritarian regime in which the president has an overwhelming authority in all levels of political, economic and social life in Egypt. The Egyptian government resisted USAID/Egypt's democracy and governance program and suspended the activities of many American NGOs, which it thought were too aggressive. In general, the government exploited USAID funds for its own use to enhance its authoritarian rule and continue Egypt's corrupted political system.⁴³ In this context, rather than to control channeling of the aid given by USAID for democracy and governance objective in Egypt, Washington administration preferred to decrease amount of funding provided for that objective. After Bush administration's decision to reduce the funding for democracy and governance for fiscal year 2009 in Egypt, Obama administration also decided to follow the same policy. For fiscal year 2010, Congress requested \$25 million for democracy and governance objective in Egypt which was almost half of the amount of funding requested between fiscal years 2006 and 2008. Thus, U.S. funding for democracy and governance was reduced from \$50 million to only \$20 million. Moreover, only \$7 million of this amount was allocated for civil society funding which was approximately \$32 million in previous fiscal years.⁴⁴

Another structural problem originated from USAID's lack of an effective control mechanism to check the implementation, monitoring and assessment of targeted reforms in Egypt. In order to initiate its own policies, USAID/Egypt should have increased its management oversight by strengthening the monitoring of the Office of Democracy and Governance, evaluating the Egyptian recipients and building the capacity of these organizations to implement and sustain grant activities. USAID/Egypt Award Recipients should have also ensured that antiterrorism measures are conducted in order to avoid the financing of any terrorist organization or individuals involved in terror. In addition, USAID/Egypt should have monitored cost share contributions. They should also have provided a mechanism by which USAID implementers can contribute funding directly to specific projects.⁴⁵ As a result, the failure of the USAID policies to promote political liberalization was a result of its own structural weaknesses.

Although the American Congress provided USAID with the authority to issue direct grants to Egyptian NGOs in 2005 without the approval of the Egyptian government, the latter nevertheless often found ways to obstruct these successful programs. Working directly with the Egyptian government was a challenge since the government was not interested in pursuing aggressive reforms.⁴⁶

MEPI also suffers from some problems that originate from its structure and organization. For example, during the fiscal years of 2002-2003, USA/Egypt did not monitor its projects closely or regularly enough to attain the performance information needed for short-term results-based funding decisions. Moreover, the communication of monitoring roles and responsibilities were not clear. As a result, MEPI did not clearly communicate the roles and responsibilities of its administrative partners (such as the US Embassies and USAID officers in Washington) for them to monitor projects. In addition, lack of complete project information limited MEPI's ability to provide the project monitoring that is needed to measure results. This led the United States Government Accountability Office to give the following recommendations: In order to bolster MEPI's ability to monitor and evaluate project performance and to ensure that it achieves its goals of producing tangible results, the Secretary of State should have ensured that MEPI managers delineate, document, and communicate roles and responsibilities for monitoring. In addition, they should have systematically obtained, maintained and communicated complete information about all MEPI projects and monitor progress in this regard.⁴⁷

During Mubarak's period, MEPI was not staffed strongly, so it lacked a strong presence in the region, and its activities were stalled by both diplomatic caution and resistance in the region to any pro-reform effort led by the US government. In addition, its activities were soft-edged initiatives that favour economic and educational issues. That is, many MEPI granted go to projects at the margins of the reform problem, including a wide variety of uncontroversial programs that largely work within the boundaries set by Arab governments. Thomas Carother therefore suggests that MEPI should have gone through a fundamental institutional restructuring by taking it out of the State Department, which was not the right base for MEPI's kind of long-term aid response. He recommends MEPI be relaunched as a private foundation, along the lines of other successful government-funded, privately run regional foundations, such as the Asia Foundation and the Eurasia Foundation.⁴⁸ Overall, MEPI's structural weaknesses have caused its failure to promote political liberalization in Egypt.

Like MEPI, BMENA's activities have been restricted due to structural problems. Firstly, projects under the BMENA Partnership Initiative were largely similar to previous projects initiated under the Clinton administration. While those previous projects contributed to political reforms, BMENA's own projects had not been able to show any progress in democratic promotion reforms. Moreover, because BMENA's projects were quite similar to those initiated by USAID, they had not provided any new impetus for US democracy promotion in the region.⁴⁹

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Secondly, BMENA did not have a separate funding body as it is funded through MEPI, which limits its ability to meet its policy objectives. The USA's lack of credibility in the region represented a third limitation on BMENA initiatives. In its early stages, Arab leaders did not welcome BMENA Partnership Initiative. For example, the Egyptian Foreign Minister, Ahmad Maher, emphasized the necessity for Arabs themselves to initiate reforms in the Arab World. Even pro-US President Hosni Mubarak associated Western reforms with a lack of sovereignty in the Arab world.⁵⁰ Thus, BMENA's structure had shaped its policies and helped cause its failure to promote political liberalization in Egypt.

Rational Choice: Explaining the Failure of the USAID and MEPI to Promote Political Liberalization in Egypt

Rational choice theory maintains that actors shape political outcomes through their own choices. It argues that among two sets of alternatives actors choose the one that maximizes their interests. In the Egyptian case, among the two sets of alternatives, which are promotion of political liberalization in Egypt (which could bring an anti-American government to power) or the protection of the USA's energy and security interests, the US government preferred the second choice. Rather than promoting the political liberalization and democratization that could bring anti-American Islamists to power, the US government preferred to work with the pro-American authoritarian Mubarak government in order to protect its economic and security interests. Any strengthening of the opposition in Egypt during Mubarak's period created a threat to the dominance and prestige of American foreign policy in Egypt. In this context, the USAID mainly supported pro-US autocracies in the region, such as the Egyptian ruler and the Jordanian king. USAID also preferred to protect the strategic interests of the USA in the region rather than building a more free and democratic Egypt. Consequently, the US democracy-promotion strategy actually helped to consolidate the power of the authoritarian rule.

MEPI, while aiming to bring democracy to Middle Eastern countries, also took American priorities in the region into consideration. As already stated, the USA feared that a quick and destabilizing transition to democracy in these countries could bring Islamists to power, who would not ally with the USA. Therefore, the USA aimed for gradual and slow democratization in the region.⁵¹ Another issue is that US funds allocated for Egypt were mainly spent on military support rather than political reforms (See Figure 3). President Mubarak channeled this aid to the military in order to strengthen his power against political opposition. The strengthening of the Egyptian military in addition served the USA's national interests to control the region in that it believed it would be much safer with an authoritarian regime it trusted than opposition groups that did not like Mubarak regime's close collaboration with the USA.⁵² Consequently, this channeling of a large amount of USAID funds to develop Egyptian military institutions led to the ignoring of political reforms to support the country's political transition process.⁵³

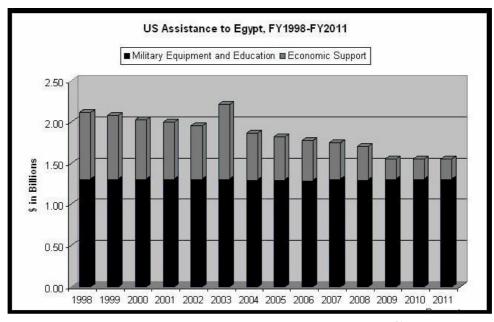


Figure 3: US Military and Economic Assistance to Egypt (1998 and 2011)⁵⁴

In sum, the USA's economic and political liberalization policies in Egypt during Mubarak's era have not been successful. As a result of both structural dynamics and rational choice strategies, USAID, MEPI, BMENA were not able to promote economic or political liberalization in Egypt.

Concluding Remarks:

As an external actor, the USA seems to have been promoting political liberalization in Egypt through its aid programs, bilateral agreements, direct grant programs and partnership initiatives, such as USAID, MEPI and BMENA. However, while making a limited contribution to political liberalization, none of these US-controlled initiatives successfully promoted democratization during Mubarak's rule in Egypt. To analyze the reasons for this failure, this study referred to two research traditions of comparative politics: structuralist analysis and rational choice theory. This dual analysis demonstrated that both structural problems concerning these programs and the rational choices made by the US governments that control these initiatives meant that the USA's political liberalization efforts in Egypt failed to achieve their aims.

Regarding structural problems, USAID's close cooperation with the Egyptian government and its lack of an effective control mechanism to check the implementation, monitoring and assessment of the reforms and monitor the funds used by the Egyptian government slowed down its activities concentrating on democracy and governance. Similarly, MEPI also suffered from the lack of close monitoring of its projects as a result of problems concerning the organization of the roles and responsibilities of its administrative partners, particularly the US Embassies and USAID officers in Washington. The weakness of BMENA's projects originated from their similarity with previous projects, including those initiated by USAID, and BMENA's lack of its own funding body.

Regarding rational choice, the activities of both USAID and MEPI for improving democracy and governance were limited by the preference of successive US governments to support pro-American authoritarian rulers, such as Mubarak in Egypt, in the belief that this would better protect US strategic interests in the region. Both organizations tried to avoid encouraging any quick transition to democracy that could bring Islamists to power, who might follow anti-American policies. Moreover, the USA preferred to direct the majority of its funds to Egypt towards military aid rather than supporting political reforms in order to protect its perceived interests in the region. That is, they aimed to guarantee the survival of the pro-American authoritarian regime through a strong military.

Consequently the USA's pro-democracy initiatives through aid programs, bilateral agreements, direct grant programs and partnership initiatives in Egypt remained at a low level. Moreover, these initiatives were actually undermined whenever they conflicted with higher level strategic interests such as regional security and US oil supplies. In spite of all the USA's pro-democracy initiatives, political liberalization or democratic promotion in Egypt has not been the decisive priority in US policy. In particular, there is the fear that promoting democracy may bring Islamists to power, as happened in Egypt in 2012. However, as previous US governments did with Mubarak's regime, when the new president of Egypt, the candidate of the Muslim Brotherhood, Mohammed Morsi started following authoritarian policies by claiming despotic powers and passing a controversial constitution, the American administration under Obama's presidency decided to allow him some leeway. Thus it seems that, as with previous regimes, so long as Morsi does not damage American interests in the region, the USA will allow him to follow repressive policies.

Notes

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³ Najib Ghadbian, *Democratization and Islamist Challenge*, (Boulder, Co.: Westview Press, 1997), 88-90; "Egypt: From Sadat to Mubarak", *Strategic Survey*, 82, 1, (1981): 72.

⁴ *Ibid.*, 90.

⁵ Mamoun Fandy and Dana Hearn, "Egypt, Human Rights and Governance", in Paul J. Magnarella (eds.), *The Middle East and North Africa Governance, Democratization, Human Rights,* (Aldershot: Ashgate Publishing Ltd., 1999), 112.

⁶ Adel Darwish, "Egypt, An Election Epic: This one could run and run", *The Middle East*, October 2005, 12; Lisa Blaydes and Safinaz Tarouty, "Women's Electoral Participation in Egypt: The Implications of Gender for Voter Recruitment and Mobilization", *Middle East Journal*, 63, 3, (2009): 370-371.

⁷ For an in depth analysis of these repressive measures see Eberhard Kienle, "More than a Response to Islamism: The Political Deliberalization in Egypt in the 1990s", *Middle East Journal*, 52, 2, (1998): 221-228.

⁸ "Hosni Mubarak", *New York Times*, June 20, 2012, http://topics.nytimes.com/top/reference/timestopics/people/m/hosni_mubarak/index.html (Accessed August 3, 2012).

⁹ Mohammed El-Agati, "Restrictions on Foreign Funding of Civil Society: Egypt", *International Journal of Not-For-Profit Law*, 12, 3, (2010): 15.

¹⁰ Brynen, Korany & Noble, *Political Liberalization*, 19. For example, during the Cold War period, the countries that were forced to strengthen their democratic institutions, at the same time identified democracy with the capitalist world they disliked.

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¹² Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century*, (University of Oklahoma Press, Norman and London, 1991), 91- 92.

¹³ Jeremy Sharp, "U.S. Foreign Assistance to the Middle East: Historical Background, Recent Trends, and the FY2011 Request", *CRS Report for Congress, Congressional Research Service*, June 15, 2010.

¹⁴ Vincent Durac, "The Impact of External Actors on the Distribution of Power in the Middle East: The Case of Egypt," *The Journal of North African Studies*, 14,1 (2009): 82; Fatma H. Sayed, "Security Donors' Interests and Education Policy Making in Egypt", *Mediterranean Quarterly*, 16, 2, (2005): 68; Kori Schake, "What A

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¹⁵ Mohammed Zahid, *The Muslim Brotherhood and Egypt's Succession Crisis*, (London and New York: I.B. Academic Publishers, 2010): 30-31; Katerina Dalacoura, "US Democracy Promotion in the Arab Middle East since 11 September 2001: A Critique", International Affairs, 81, 5, (2005): 963; Durac, "The Impact of External Actors", 82; Fatma H. Sayed, "Security Donors' Interests and Education Policy Making in Egypt", Mediterranean Quarterly, 16, 2, (2005): 68.

¹⁶ Dalacoura, "US Democracy Promotion", 969, 975-977.

¹⁷ "About USAID", USAID, http://transition.usaid.gov/about_usaid/usaidhist.html (Accessed November 25, 2012).

¹⁸ "Where we work", USAID, http://www.usaid.gov/where-we-work/middle-east/egypt (Accessed August 5, 2012)

¹⁹ "Audit of USAID/EGYPT's Democracy and Governance Activities", Office of Inspector General, Audit Report No: 6-263-10-001-P, 27.10.2009, 2-6, http://www.usatoday.com/news/pdf/usaidaudit.pdf, (Accessed August 3, 2012); http://www.usaid.gov/what-we-do/democracy-human-rights-and-governance (Accessed August 4, 2012).

²⁰ "Audit of USAID/EGYPT's ... 2009", 4.

²¹ "Audit of USAID/EGYPT's ... 2009", 4.

²² "Audit of USAID/EGYPT's ... 2009", 6.

²³ "Audit of USAID/EGYPT's ... 2009", 5-9 and 13.

²⁴ Anne Mariel Peters, "Why Obama Shouldn't Increase Democracy Aid to Egypt", Foreign Policy, February 14, 2011

http://mideast.foreignpolicy.com/posts/2011/02/14/why_obama_shouldn_t_increase_democracy_aid_to_egypt (Accessed March 6, 2013).

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²⁶ "Audit of USAID/EGYPT's ... 2009", 8-9.

²⁷ "Audit of USAID/EGYPT's ... 2009", 3-13.

²⁸ Sharon Otterman, "Middle East: Promoting Democracy", Council on Foreign Relations, October 10, 2003, http://www.cfr.org/democratization/middle-east-promoting-democracy/p7709 (Accessed September 2, 2012); "Middle East Partnership Initiative offers tools for supporting reform, but project monitoring needs improvement", United States Government Accountability Office, August 2005. http://www.gao.gov/assets/250/247379.html (Accessed November 25, 2012); "Middle East Partnership Initiative: MEPI Medregion Office", http://www.medregion.mepi.state.gov/egypt.html (Accessed December 26, 2012).

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³⁵ Sharp, "U.S. Democracy Promotion ...", 10-11.

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³⁷ Ibid., 10.

³⁸ "8th Forum for the Future of the Broader Middle East and North Africa Initiative", http://www.lwv.org/files/Forum%20for%20the%20Future%202011%20vEN.pdf (Accessed December 30, 2012).

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⁴⁰ Ira Katznelson, "Structure and Configuration in Comparative Politics", in Mark Irving Lichbach and Alan S. Zuckerman (eds.), Comparative Politics: Rationality, Culture and Structure, (Cambridge: Cambridge University Press, 1997): 81.

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⁴² "Audit of USAID/EGYPT's ... 2009", 2 and 8.

⁴³ "Audit of USAID/EGYPT's ... 2009", 2, 5-7 and 13.

⁴⁴ Peters, "Why Obama Shouldn't Increase ..."; Stephen McInerney, "Shifts in U.S. Assistance to Egypt Alarm Democracy Advocates", Carnegie Endowment For International Peace. April 7. 2010. http://carnegieendowment.org/sada/2010/04/07/shifts-in-u.s.-assistance-to-egypt-alarm-democracy-

advocates/6bhk (Accessed March 6, 2013). ⁴⁵ "Audit of USAID/EGYPT's ... 2009", 13-21.

⁴⁶ Kenner, "How Egypt Thwarts USA".

⁴⁷ "Middle East Partnership Initiative …", 5.

 ⁴⁸ Carothers, "A Better Way to Support Middle East Reform", 2.
⁴⁹ Dalacoura, "US Democracy Promotion", 966.
⁵⁰ Dalacoura, "US Democracy Promotion", 966; Durac, "The Impact of External Actors...", 86; Essam El-Din, G. "Reform and reformulating", Al-Ahram Weekly, 19-24 February 2004, 678.

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⁵² Ana Echagüe, "The Role of External Actors in the Arab Transitions", Fride Policy Brief, 122, 2012, 5, http://www.fride.org/publicacion/1004/el-papel-de-los-actores-externos-en-las-transiciones-arabes (Accessed May 31, 2012); Erin A. Snider and David M. Faris, "The Arab Spring: U.S. Democracy Promotion in Egypt", *Middle East Policy*, 18, 3 (2011): 55; Dan Murphy, "New Arab Rallying Cry: 'Enough'", *The Christian Science Monitor*, March 31, 2005, http://www.csmonitor.com/2005/0331/p01s04-wome.html (Accessed August 9, 2012). For example, in 2004, the Kefaya opposition group criticized the Egyptian government's pro-American policies. Along the same lines, societal protests against the 2005 presidential elections (where Mubarak was one more time elected through fraud) showed anti-American feelings as the Egyptian public during this protest chanted slogans like 'Enough of Mubarak, Enough of Bush, Enough of Blair!' and 'We will not be ruled by the CIA!'

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