

# ISSUE BRIEF

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## Time to Freeze U.S. Aid to Egypt

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Last week, Egyptian courts sentenced 43 staff members of pro-democracy non-governmental organizations (NGOs), including 16 Americans, to prison terms of up to five years for their activities to support civil society and democracy after Egypt's 2011 revolution. The trial and harsh sentences underscore the fact that Egypt's Muslim Brotherhood-dominated government is becoming even more authoritarian than the Hosni Mubarak regime, which allowed the NGOs to operate before 2011.

Given the Obama Administration's repeated failure to link U.S. aid levels to the increasingly authoritarian behavior of President Mohamed Morsi's government, Congress should step in to freeze U.S. aid to Egypt unless Morsi's government quickly reverses the outcome of the politically motivated trial.

**Alarming Assault on Democracy and U.S. Interests.** The unjust convictions of all 43 defendants are a major roadblock to Egypt's increasingly shaky transition to democracy and a blatant assault on U.S. interests, which include protecting U.S. citizens and institutions from arbitrary arrests by foreign governments. The Egyptian offices of four U.S. NGOs—Freedom House, the International Center

for Journalists, the International Republican Institute, and the National Democratic Institute—were closed down and their assets seized.

The defendants, who provided advice to Egyptians on how to organize politically and prepare for democracy, were charged with using foreign funds to foment unrest. Although foreign defendants were allowed to leave the country in March 2012, 27 were sentenced in absentia to five-year prison terms, including Sam LaHood, son of U.S. Secretary of Transportation Ray LaHood.

The Morsi government's witch hunt signals a determination to crack down further on Egypt's civil society. Morsi has already used the courts to indict more opposition activists for "insulting the president" in one year than Mubarak did in three decades. The NGOs had operated in the open for years under the Mubarak regime before the transitional military government ordered that their offices be raided and shut down in December 2011. The Morsi government not only continued the prosecutions after coming to power in June 2012 but has also drafted a law that will impose tighter restrictions on NGOs and suffocate Egypt's civil society.

German Foreign Minister Guido Westerwelle said he was "extremely outraged by the harsh verdict" against the Adenauer Foundation, but U.S. Secretary of State John Kerry released an inadequate statement that mildly noted that Washington was "deeply concerned" and meekly urged the Egyptian government "to work with civic groups as they respond to the Egyptian people's aspirations for democracy." This weak reaction sends a dangerous signal that the Obama Administration will do little to defend Americans working for democracy

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and human rights in Egypt, let alone Egyptians who share those goals. Morsi is likely to interpret Kerry's limp response as a green light to continue down an increasingly authoritarian path.

**Firm Action Needed.** The Obama Administration has pursued an incoherent policy on Egypt. It quickly abandoned the Mubarak regime, a key U.S. ally, amid protests in 2011 and embraced the Muslim Brotherhood's Freedom and Justice Party despite mounting signs that it is not a genuinely democratic political party. President Obama promised to forgive \$1 billion of Egypt's \$3.2 billion debt to the U.S. and provide new aid to Egypt's transitional military government in 2011, but it was held up by Cairo's stalling on long-overdue economic reforms needed to secure a \$4.8 billion loan from the International Monetary Fund.

Congress, concerned with the growing power of Egypt's anti-Western Muslim Brotherhood, attached conditions on aid in the fiscal year 2012 foreign operations bill. Before transferring any funds to Egypt, the State Department was required to certify that Cairo was honoring its peace treaty with Israel and "supporting the transition to civilian government including holding free and fair elections; implementing policies to protect freedom of expression, association, and religion, and due process of law." Secretary of State Hillary Clinton made the certification last year, clearing the way for continued U.S. aid.

After warning that the court verdicts jeopardized U.S. aid last week, congressional leaders were shocked to find out that on May 10, Secretary of State Kerry had already secretly waived the conditions that Congress had mandated. Kerry may have mistakenly assumed that the Morsi regime would not bite the hand that feeds it, but last week's court verdict further exposed the Administration's misconceptions about the nature of Morsi's Islamist regime. Kerry should now reverse course, freeze U.S. aid to Egypt, and end it altogether if Morsi continues his cynical crackdown on the human rights of Egyptians that he claims to support.

If Kerry fails to do so, then Congress should act in a bipartisan manner to block further U.S. aid to

Egypt. Aid should be renewed only if the Egyptian government overturns the NGO verdict, reinstates the NGOs, and makes public commitments to:

- Fully protect U.S. citizens and property, particularly the U.S. embassy and other diplomatic posts;
- Maintain the peace treaty with Israel;
- Cooperate in fighting al-Qaeda and other terrorist organizations; and
- Implement policies that protect the rights of its citizens, including freedom of religion, expression, and association, as well as due process of law.

Congress should also exercise its oversight powers to assess the Administration's mishandling of bilateral relations with Egypt. The Middle East Subcommittee of the House Foreign Affairs Committee is set to hold hearings on the NGO crisis today, and further hearings should examine the suitability of Egypt's Islamist government for continued aid.

The Administration's repeated end runs around Congress have only encouraged the Morsi regime to assume that American generosity will continue despite its increasingly heavy-handed treatment of Egypt's political opposition, media, and religious minorities—particularly Egyptian Christians.

**Aid Is a Tool, Not an Entitlement.** The United States should demonstrate by actions as well as words that it will not stand by idly while the Morsi regime escalates its authoritarian practices and imposes further restrictions on civil society. Washington should not subsidize such behavior. U.S. foreign aid should advance American values as well as national interests. If Secretary Kerry is unwilling to use the leverage afforded by U.S. aid, then Congress should step in to impose firm conditions on all future aid to Egypt.

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