IN FOCUS OCT 2013



THE UNITED STATES AND THE TALE OF TWO 'AIDS'- EGYPT AND PAKISTAN

Dr. Stuti Banerjee Research Fellow , Indian Council of World Affairs

Egypt and Pakistan are instrumental in the formulation of US policies towards their respective regions -- the Middle East and South Asia. Until the Arab spring and the ouster of Hosni Mubarak, Egypt was the more stable ally of the two, while Pakistan underwent years of political turmoil with alternating and short lived civilian and military regimes. Things are however, quite different now. While Pakistan is witnessing the transfer of power from one democratically elected government to another, Egypt is in turmoil with the ouster of her first freely elected President, Mohamand Morsi, and the return of the military to the helm of affairs. Amid these developments, the US this month announced the news of resumption of foreign aid to Pakistan and suspension of military aid to Egypt.

The US administration has stated that, "... (She will) continue to hold the delivery of certain large-scale military systems and cash assistance to the (interim Egyptian) government pending until credible progress toward an inclusive, democratically elected civilian government through free and fair elections." President Obama had called a review of the US assistance to Egypt in August 2013, due to violence which left a number of supporters of the ousted President dead. The suspension of US\$ 1.3 billion military aid is the result the reviewⁱⁱ, though it has been made clear that the freeze is not permanent.

Egypt is one of the strongest allies of the US in the Middle East. The foundations of the relationship were laid in the Israel-Egypt Peace Treaty (1979)ⁱⁱⁱ which provides

IN FOCUS OCT 2013

substantial amounts of US assistance to Egypt to promote economic, political, and military security. Between 1948 and 2011, the US provided Egypt with a total of US\$ 71.6 billion in bilateral foreign aid, including US\$ 1.3 billion a year in military aid from 1987 to the present..iv The suspension of military aid has been the strongest action taken yet by the USA against the interim government. Washington has, however, refused to term the overthrow of President Morsi as a coup, which would require her to stop all assistance. This is a clear indication that Washington wants to maintain her relations with Cairo and the Egyptian Military.

For the US, the crisis has become a diplomatic dilemma. President Obama's comments, "...democracy is more than elections" is being viewed as an acknowledgement of the interim government. US relationship with Egypt, and particularly with Egypt's military, is a critical asset for her. The American military presence in the Gulf and the region at large is dependent on a pipeline that runs through Egypt. Sustaining American military operations in the Gulf without Egyptian cooperation would be difficult, if not impossible. However, if the US does not denounce the violence, it would be counter to her commitments to promote democratic processes around the world. While the US is wary of extending support to a president who has lost the citizen's trust, the political and strategic dilemma is that any reduction in American assistance could affect Egypt's willingness to cooperate speedily and effectively.

While her relations with Egypt are in stress, the US is 'restarting' the strategic dialogue with Pakistan by releasing more than US\$ 1.6 billion in military and economic aid. Aid was suspended as a result of a series of events such as CIA operative killing two Pakistanis in Lahore, the swoop down on Osama bin Laden, suspension of most bilateral security cooperation, a spike in Haqqani Network attacks in Afghanistan, and an incident in which Pakistani soldiers were inadvertently killed by NATO aircraft. The last incident led Pakistan to shut down NATO's road access to Afghanistan.vi

The decision to release aid is crucial as it came before Prime Minister Sharif's meeting with President Obama. Given the trust deficit in the bilateral relations, anti-US feelings in Pakistan, the equation shared between the Pakistani government and the

IN FOCUS OCT 2013

military, the decision to continue aid is noteworthy. It can be viewed as an example of the US endorsement of the democratic transition in Pakistan, as well as an indication of her support to the new government.

It is in the interest of the United States to ensure a stable Pakistan, with a civilian government focused on development. Military aid will revive counter- terrorism training programmes, equipment to help the Pakistani military in counterinsurgency in and patrolling of the Pakistan-Afghanistan border. For the US, these efforts are essential as she pulls out from Afghanistan, especially as negotiations with Kabul on the US role post-2014 have reached an impasse. In such a situation, Pakistan becomes essential in the US strategy for a stable Afghanistan as the US still needs the supply lines in and out of Afghanistan as the war winds down. The US would have to be dependent on Pakistan for assistance to secure a more peaceful future for the war-torn country. US foreign aid is a tool in achieving this goal.

End Notes:

_

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies CAPS)

¹ US Department of State, "Press Statement: US Assistance to Egypt", Accessed on 20 October,2013, URL-http://www.state.gov/r/pa/prs/ps/2013/10/215258.htm and US Department of State, "Background Briefing by Senior Administration Officials on U.S. Assistance to Egypt", Accessed on 20 October,2013, URL-http://www.state.gov/r/pa/prs/ps/2013/10/215262.htm

ⁱⁱ Funding for security in the Sinai Peninsula and along the Egyptian border with Gaza, as well as assistance for counter-terrorism are not affected by the suspension of aid.

The 1979 Peace Treaty between Israel and Egypt is the basis of US assistance to Israel and Egypt. In paper accompanying the treaty, the US outlined her commitments to Israel and Egypt, respectively. The ratio of aid to Israel and Egypt that has been followed by the US is 3:2 respectively

iv Jeremy Sharp, "Egypt: Background and US Relations" Congressional Research Service Report 23 July, 2013, (Washington DC: CRS Press, 2013), pp. 09-10.

v Robert Satloff and Patrick Clawson, "U.S. Military Aid to Egypt: Assessment and Recommendations", Accessed on 29 October 2013, URL-http://www.washingtoninstitute.org/policy-analysis/view/u.s.-military-aid-to-egypt-assessment-and-recommendations

vi K. Alan Kronstadt, "Pakistan-US Relations", Congressional Research Service Report, (Washington DC;CRS Press, 2012), pp 01.