



Strategic Insights: Reimagining U.S. Foreign Assistance in the Middle East

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U.S. President Donald Trump has proved himself willing to question and challenge many of the conventional wisdoms embedded in contemporary American foreign policies. During his presidential campaign, he questioned the utility of the North Atlantic Treaty Organization (NATO) that has formed the bedrock of American foreign and security policies throughout the Cold War. During his presidential transition, he rocked the foreign policy establishment by accepting a phone call from the Taiwanese President and hinting that he may no longer adhere to America's long-standing "One-China" policy. In examining these early signals, many analysts anticipate that the foreign policies of his administration will be non-ideological, unconventional, and characterized by a business-like transactional approach emphasizing the costs and visible benefits of American policies and programs.¹

Although very early in his presidential term, one issue that will almost certainly come under scrutiny will be the wide array of U.S. foreign assistance programs. The total value of these programs is slightly more than \$40 billion for FY 2017 and accounts for less than 1 percent of federal spending. However, no self-respecting businessperson will leave this amount of money on the investment table without ensuring reasonable prospects for meaningful returns. Indeed, while campaigning, Mr. Trump complained loudly that "We protect everybody and we don't get reimbursement . . . so we're going to negotiate and renegotiate trade deals, military deals, and many other deals that's going to get the cost down for running our country very significantly."²

U.S. foreign assistance programs to the Middle East are especially in need of critical examination. The essential parameters of these programs have remained largely unchanged for decades. Since the Camp David Peace Accords of 1979, the Middle East has accounted for the lion's share of global U.S. foreign assistance and two nations alone (Egypt and Israel) have traditionally consumed some 75 percent of U.S. foreign military assistance.³

This allocation of resources may have made sense during the Cold War. The primary threats to Middle East's regional stability at that time came from strong state actors. In the aftermath of the twin shocks of the Soviet invasion of Afghanistan and the Iranian revolution in 1979, U.S. policymakers were justifiably concerned about the prospect that any hostile actor could dominate the vast energy stores in the Persian Gulf which were critical to both the American and global economies. Similarly, Iraq's invasion and subsequent occupation of Kuwait in August 1990 placed Saddam Hussein within striking distance of Saudi oil reserves in its eastern province and underscored the assessment that threats to American interests came from powerful state actors.

The sensible solution to these state-based challenges was to bolster the American military presence in the region, while investing heavily in strengthening the conventional military capabilities of U.S. allies, including the provision of advanced combat aircraft, tanks, artillery, and missile defense systems. These investments did not come cheap (U.S. foreign assistance to Egypt and Israel alone has totaled more than \$200 billion), but for decades these efforts secured major American security interests aimed at preserving global access to the region's energy reserves, maintaining relative regional stability, and guaranteeing the security of Israel.

However, significant changes in international and regional security environments of the 21st century should compel a serious reevaluation of U.S. foreign assistance to the Middle East.

As former U.S. President Barack Obama has suggested, the Middle East is arguably less critical to American global interests.⁴ The United States is less dependent on Middle Eastern oil. The shale revolution has upended global energy markets, as the United States became the world's largest producer of oil and natural gas in 2014, while the U.S. Energy Information Administration anticipated the United States would become a net energy exporter as early as 2016.⁵ Furthermore, the unsatisfying outcomes in Iraq and Afghanistan, despite the tremendous investment of American blood and treasure, have made the public skeptical of a deeper U.S. engagement in the region.

Other regions are also emerging as primary competitors for U.S. attention and programs. In articulating the justification for the Obama administration's "rebalance" to Asia, then-Secretary of State Hillary Clinton declared that the "future of politics will be decided in Asia . . . as it boasts almost half the world's population . . . [and] includes many of the key engines of the global economy . . . like China, India, and Indonesia."⁶ Meanwhile, senior U.S. intelligence and military officials alike have testified that the greatest challenges for U.S. security today are not the terrorist groups emerging from the Middle East, but rather a rising China and resurgent Russia.⁷ Recent reporting suggests that the Trump administration, too, may well be "preparing its own pivot to Asia."⁸

Yet, despite the growing challenges in Asia and Eurasia, the Middle East continues to consume nearly 18 percent of the FY 2017 foreign operations budget while only 5 percent is devoted to programs covering both East Asia/Pacific and Europe/Eurasia. This current global (mis)apportionment of U.S. foreign assistance simply does not square with the contemporary foreign policy challenges identified by our senior leadership.

Regionally, the primary threat to stability in the Middle East today comes not from powerful states, but instead from terrorist groups operating from ungoverned spaces in the collapsing states of Syria, Libya, Yemen, and Iraq. A paper prepared by the National Defense University recently concluded that the “most important source of instability [in the Middle East] is failed governance, or the inability of governments to adequately provide services, security, jobs, and political freedoms to their citizens.”⁹ Thanks in no measure to the billions of dollars in American arms sales, the Middle East has become the most heavily armed region of the world. Indeed, over 70 percent of the FY 2017 foreign operations budget remains devoted to security-related programs—much of it in the form of big-ticket purchases of major weapons systems. However, these armaments will do little to shield the Middle East from the non-military challenges that threaten the stability of a region that continues to suffer from some of world’s highest rates of unemployment, poverty, corruption, and political repression.

Finally, the civil wars and instability permeating the region have created additional demands on limited American foreign assistance programs even as Egypt and Israel continue to absorb a disproportionate share. Turkey, Jordan, and Lebanon are now housing millions of Syrian refugees that threaten domestic stability and will require additional economic and security assistance for the foreseeable future. Yemen, Libya, and Syria will undoubtedly require billions of dollars in economic and humanitarian assistance to repair the damage inflicted by civil wars there.¹⁰ Beyond traditional military and economic assistance, Arab societies throughout the region would benefit immensely from U.S. technical advice and professional exchanges aimed at building political, educational, financial, and legal institutions needed to develop stable and resilient civil societies. The United States will not bear these burdens alone, but as so often in the past, American leadership will be essential in consolidating a broader international effort.

To be sure, traditional American military assistance will still be essential in battling terrorist groups and deterring conventional military challenges emerging from Iran’s growing naval and ballistic missile capabilities, for instance. Egypt and Israel will likely remain important American allies warranting some share of U.S. foreign assistance programs. However, the changing nature of regional security challenges confronted by the United States in the Middle East demands a fundamental reassessment of U.S. foreign assistance programs. The Arab uprisings and multiple civil wars represent perhaps the greatest challenge to the existing regional political, economic, security, and social order

since the collapse of the Ottoman Empire. U.S. foreign assistance programs must be re-evaluated within this novel environment to ensure their continued relevance and effectiveness in accomplishing U.S. national security objectives.

In summary, a review of U.S. foreign assistance programs to the Middle East by the new administration should explore answers to the following questions:

1. What is the right apportionment of U.S. foreign assistance globally? Should U.S. programs continue to prioritize the Middle East over other regions, or do challenges such as a rising China and resurgent Russia demand a different allocation?
2. What is the proper distribution of assistance between countries in the Middle East? Should Egypt and Israel continue to consume 75 percent of the foreign assistance budget or do other countries warrant a larger share?
3. What is the right balance between the military and economic assistance given the contemporary challenges confronting the region? Does a heavy emphasis on military and traditional security assistance continue to make sense?
4. How should U.S. foreign assistance be tailored to meet emerging challenges from nonstate actors and terrorist groups? What assistance remains essential to deterring and countering state-based threats?
5. Finally, what conditions should the United States attach to assistance programs to ensure they effectively achieve U.S. objectives? What measurable political, economic, or security actions must be undertaken in exchange for the assistance provided?

The U.S. Departments of State and Defense will need to have reasonable answers to these questions as they prepare for a Trump administration that is certain to both challenge conventional wisdom and demand a high return on any investments associated with foreign assistance in the Middle East and elsewhere.

ENDNOTES

1. For an example of this analysis, see Uri Friedman, "Trump's Deal-Powered Vision Will, and Won't, Change US Foreign Policy," *Defense One*, December 20, 2016, available from http://www.defenseone.com/ideas/2016/12/how-trumps-deal-powered-vision-will-and-wont-change-us-foreign-policy/134046/?oref=search_trump%20foreign%20policy.

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9. Denise Natali, "The Middle East," in R.D. Hooker, Jr., ed., *Charting a Course: Strategic Choices for a New Administration*, Washington, DC: National Defense University Press, December 2016, pp.249-65.
10. The IMF estimates that the cost of infrastructure repairs in Syria alone will require nearly \$200 billion. See David W. Lesch and James Gelvin, "Assad Has Won in Syria. But Syria Hardly Exists," *The New York Times*, January 11, 2017.

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