Chapter Five:

Conclusion
American foreign assistance has served a variety of purposes. The level of assistance provided and the allocation of assistance to individual countries has had an impact on the geopolitical changes in the regions that they have been given to. In recent past, the perceived threats to American security have changed in fundamental ways. As pointed out by the Congressional Budgeting Office in 1994, over the four decades of the Cold War, deterring the threat of Soviet aggression in Europe and containing the spread of communism in other parts of the world dominated the security agenda. However, since the collapse of the Soviet Union and the Warsaw Pact, other security threats have become primary concerns—for example, the proliferation of nuclear weapons, attempts by one country to dominate others in its region, and activities of terrorist organizations. It is under this context that the present study sets out to record the efforts of the various agencies and institutions that shape United States foreign assistance policy. The study presents evidence to show that assistance policy is a fundamental component of the international affairs budget and is viewed by many in the United States as an essential instrument of United States foreign policy. It focuses particularly on the assistance to Egypt and Pakistan since 1994 with a view to understand how the nascent programs of assistance employed to gain influence and goodwill over the world changed to being a vital, indispensable part of United States security policy.

In several reports to the Congress by its research service, there was recognition that, the amount of foreign aid provided by the United States declined for several decades of the twentieth century but has grown in the past few years. In fact, it was well known that after declining in the mid 1990s, total foreign assistance (excluding Iraq reconstruction) for fiscal years 2003/2004, in real terms, has been larger than any two-year period since the mid-1980s. The 0.2% of United States gross national product represented by foreign assistance obligations the past two years, however, is among the smallest amounts in the last half-century. The United States is the largest international economic assistance donor in dollar terms but is the smallest contributor among the major donor governments when calculated as a percent of gross national income. Thus, several questions arise regarding the varying levels, nature and scope of foreign assistance programs and their place in the
overall United States foreign policy. Furthermore, issues related to the United States foreign assistance program, its objectives, costs, organization, the role of Congress has been focused upon in order to not only present, to use the phrase of a Congressional Research Service Report, “a current ‘snap-shot’ of American foreign assistance”, but also to illuminate the extent to which this instrument of United States foreign policy has changed from past practices, especially since the end of the Cold War and the period after September 11, 2001. This study essentially argues that since the end of the Cold War, many policymakers have proposed significant changes in the size, composition, and purpose of the assistance programs, several of which have been adopted. The focus of United States foreign assistance policy has also been transformed since the terrorist attacks of September 11, 2001. The main contention is that the assistance programs towards Egypt and Pakistan over the last decades of the twentieth century and the first decade of the twenty-first century, amplify the arguments outlined above. In sum, the study finds that size, composition and purpose of assistance towards these two countries has significant variations but have remained continuous.

In the following chapters, efforts have been made to link international developments such as the end of the Cold War, September 11 attack on the United States and its aftermath, regional imperatives such as interests of the recipient nations and domestic drivers and inhibitors within the United States government in order to assess the functioning and impact of the assistance programs towards Egypt and Pakistan.

Currently, the tripartite relations between United States, Israel and Egypt are considered special by the governments of all three nations. However, the beginning of the relations as discussed in the first chapter could be characterized as ‘forced’ upon the United States. In the years after the formation of the state of Israel, America tried to balance its interests vis-a-vis not allowing the Soviet Union to expand its influence in the region in the situation of turmoil that it was facing. While America believed that for peace in the region it had to side with the Arab world, it was unable to establish relations with Egypt—a prominent member of the Arab community—under the leadership of the anti-imperialist, pro-non alignment General Nasser, even though the United States had supported Egypt
during the Suez Crisis. In the first few years after the Egyptian revolution, many American policymakers had regarded Nasser as a potential ally of the United States. Given the sympathetic American views of the Egyptian revolution and the subsequent growth of American interest in a close relation with the revolutionary regime, the initial response to Egyptian requests for economic and military assistance was favorable. But the difficulties and challenges of a nascent relationship characterized by missed opportunities, mixed messages, and mutual frustrations increasingly affected the interests of the United States and Egypt to undermine this early American attempt at economic assistance for Egyptian development. As was pointed out by Jon B. Alterman, a prominent academic who served as a member of the Policy Planning Staff at the Department of State and as a special assistant to the assistant secretary of state for Near Eastern affairs, evidence also proved that the attempt was stymied by bureaucratic obstacles both in Egypt and the United States and how subsequently it became entangled in the politics of the Cold War and the Arab-Israeli conflict. Most importantly, these years reveal the complexities of linking economic assistance with political objectives.

Thus, after the 1955 Czech-Egyptian arms deal Egypt was viewed as a potential enemy. The deal gave a sense of pride to the Egyptians for daring to snub the "imperialist west". It was also a reinforcement of the idea of neutrality in foreign policy of not just Egypt but a number of just independent nations. The idea that they could now take assistance from one or either of the superpowers was a compelling though. A number of factors contributed to the tension in the United States–Egypt relationship after the Suez Crisis. Mistrustful of the West, Nasser delayed canal clearance, rejected western solutions to the questions of canal ownership, attacked the prestige of pro Western leaders, criticized the western policy like the Eisenhower Doctrine and accepted the Soviet military and economic assistance. United States bilateral assistance programs received further impetus when the Suez crisis erupted. The Suez Crisis made America take notice of Israel; nonetheless it was only after the 1967 war that the so called 'special relation' between the two developed which has continued to date. The 1973 oil embargo forced the United States to enter in to negotiations with Egypt as well as recognize its importance in the Arab world. Of course, the pinnacle of the tripartite relations was the conclusion of the
1978 Camp David Accords. It can be safely said that the accords have cemented the relations between the three countries such that even after twenty eight years there is peace between Israel and Egypt.

Both Tel-Aviv and Cairo have greatly benefited from the assistance relationship with the United States. Today, both have very advanced military capabilities, which enable them to deter any threat, largely due to the military assistance provided by America. While the economic assistance provided to Egypt was largely aimed at bolstering the economy and encourage entrepreneurship one finds that this changed since the 1970’s, when Egypt started to play an important political role in the Middle East, while also encouraging the United States to play a more prominent role in the region particularly, in the peace process. By this time it was clear that both economic reforms and political stability were the essential objectives of American assistance. The United States perceived that these goals provided a framework for a host of peace related issues and argued that it was necessary for Egypt to enter into agreements with its neighbors, who felt betrayed by the peace agreement that it had signed with Israel. Evidence illustrates how it was partly through the efforts of the Egyptian negotiators that United States was able to witness the signing of the peace treaty between Jordan and Israel, another milestone for bringing peace in the Middle East. These developments did have significant impact on United States assistance to Egypt. Vital American national security objectives such as peace and stability in the region, support to Israel along with protecting its oil interest prompted the continuation of assistance. It was also felt that this step was vital for furthering the goal of promoting the establishment of democracies and that of a moderate Islamic state.

While trying to establish relations with Egypt, the United States could not ignore the developments that were taking place in South Asia especially with regard to Pakistan and India. India along with Egypt and Yugoslavia were the torchbearers of the Non Alignment Movement where as Pakistan was trying to build relations with the states of the Middle East invoking historical ties and its recent Islamic identity.
As discussed in the chapter, in the initial years, post the Second World War, the United States wanted to establish relations with both India and Pakistan. It was a period in which American policymakers knew very little about the area and had very limited interest. They were more concerned with South East Asian region. American strategic interest and perspective regarding South Asia from the beginning were strongly influenced by the British, who sought to guide the United States to lead the world and control the strategic zones previously controlled by London. (Hilali 2005: 17). The United States’ investment and involvement in the region during the Cold War was nothing compared to the importance that was given to Europe, the Middle East and Latin America. It was essentially to prevent the absorption of the region by the Soviets and China that the United States developed a relationship with Pakistan, As the American policy makers viewed the Soviet threat as encompassing the threat posed by India, Pakistani requests for bilateral assistance was considered sympathetically.

To overcome the grave challenges to Pakistan’s security just after gaining independence the first task of Pakistani diplomats was to find an equalizer against India. With a view to achieving this aim, Pakistan explored the idea of Pan Islamism to see if it could bring the weight of the numerous Islamic states behind it with respect to India. However, its call for an Islamic bloc even aroused uneasiness in countries like Egypt which were worried that Pakistan would become a rival for leadership of the Islamic world. It was under these circumstances that Pakistan decided to join the United States sponsored military pacts- the Baghdad Pact later called the Central Treaty Organisation (CENTO) and South East Asia Treaty Organisation (SEATO). In terms of ideology also Pakistan felt closer to the Western alliance partners than to the Soviet bloc. However, its desire to achieve arms aid and economic assistance was India centric rather than the threat of the communist Russia. This in fact was the driving force behind Pakistan’s quest for a string of alliances with the United States.

Apart from trying to establish peace between India and Pakistan, other salient factor of America’s relations with Pakistan had a strong geopolitical dimension to it. With the Soviet supporting India and India’s subsequent willingness to expand relations with
communist countries, the United States supported Pakistan through its foreign assistance programs. However, during the 1960’s and the early 1970’s the United States all but withdrew from the region for a number of reasons. The most prominent being the wars between India and Pakistan. The United States decided to act as a neutral country in the two wars that Pakistan and India fought. This deteriorated the relationship between Pakistan and America as Pakistan viewed it as a betrayal as it was trying to establish relationship between China and the United States and especially as the Soviet signed a treaty of friendship with India during the 1971 war. The United States imposed sanctions on the two countries, halting all its assistance. This affected the Pakistan military and economy as it was more dependent on United States assistance than India. While the Nixon administration showed the ‘tilt’ towards Pakistan it was not willing to support the war. However, India’s nuclear test in 1974 and Pakistan’s intentions to go nuclear led to sanctions being applied and assistance, both military and economic, being suspended once again. This had severe consequences for Pakistan leading to a declassified report of USAID of 1976 to point out that the problems impeding the “economic development of Pakistan and efforts of the United States and Pakistan to remedy these problems” was a must. It recommended various actions to be taken as problems still existed in the areas of external debt, defense spending, food production. It in fact re-examined bilateral assistance programs by considering other means to help Pakistan over the longer term. Possible alternatives included the increased use of multilateral assistance and achievement of a coordinated commitment by developed nations to ensure Pakistan a reasonable market for goods resulting from assistance to develop its resources and productivity. Thus, United States policy was mindful of the basic factors that contributed to Pakistan’s economic condition and the need to find ways to continue assistance.

It was the Soviet invasion of Afghanistan that firmly embroiled the United States in the region. Developments in Afghanistan fueled the long standing view of Soviet expansionism and the American regional and global interests compelled it to reestablish its relationship with Pakistan which became a ‘frontline state’. As Zibegniew Brzezinski (National Security Advisor to President Carter) mentioned in the early 1980’s,
"Pakistan has become through a combination of circumstances and geography, a vital strategic area in the world. Its strategic location can be a bridge between South and Southwest Asia, which is a physical barrier to the southward expansion of the Soviet Union and it would be adequate counterweight to an expansionist USSR." (Hilali 2005: 18).

The withdrawal of the Soviet Union from Afghanistan and the events of 1989-91 leading to the demise of the Soviet Union and the end of the Cold War had an impact on the Middle East and South Asia, along with the other regions of the world. With the sudden collapse of the Soviet Union it was thought that the United States would be safer and more peaceful than it had been over the past few decades. The threat of a nuclear Soviet Union was no longer a vital security threat and it was believed that now the major powers of the world-France, Germany, Britain along with the United States would be able to concentrate on resolving matters of international importance as envisaged by the United Nations charter without the threat of Cold War politics. With the Cold War coming to an end it was natural that American foreign policy and security policy would have to be reassessed, and while some parts of the world lost the interest that they had generated, in United States policy circles, in some, the interest shifted from one state in the region to another. Nevertheless, with respect to the Middle East nothing changed. This was as a result of the United States commitment to both Egypt and Israel and the importance of oil from the region. One finds that the level of assistance to the region did not change remarkably as has been discussed in the second chapter. As America entered the decade of the nineties it was not just the sole superpower it also enjoyed initial years of triumph as a result of the Gulf War (1991). It meant that while Egypt along with Israel remained the fundamental allies of the United States in the region it now had a substantial level of troop presence in the region. It was found that while, America intensified its support for the peace process during the decade of the nineties; the United States used economic and military assistance as an incentive to cajole the parties to negotiate peace. However, the important part was that, the failure to achieve a positive outcome did not in anyway lead to a reduction in the assistance to Egypt.

As has been discussed in the chapter, a number of American policy makers view Israel occupying the position of a 'super power' in the Middle East as a result of the assistance
that it has received from America. Egypt, on its part, was overtly anti-Israel- the two countries having fought three wars. Egypt during this period led the Arab world in their rhetoric against Israel. It was only in 1978 that peace was achieved between the two countries through the Camp David Accords. Under the Accords the United States made a commitment to Egypt to provide it with assistance to maintain peace. Consequently, Egypt's efforts to promote peace and stability in the Middle East, by accommodating Israel in the peace process, are essentially perceived as processes that would yield it rich dividends. It is conscious of the fact that the amount of military and economic assistance it requires to develop can only be arranged by America. United States-Egyptian relations are thus tied to maintaining regional stability, improving bilateral relations focused on Egyptian economic development and military cooperation, developing Egypt's democracy, and sustaining the March 1979 Egyptian-Israeli peace treaty. For the United States, Egypt is a leader and moderating influence among many Arab, African, Islamic, and Third World states. The 1990s was a period of change for Egypt. Its economy was flush with funds from America, along with a number of economic treaties and memorandums that were signed to facilitate the growth of American business in Egypt. As pointed out in the chapter, it was also the period when America cancelled Egypt's military debt thus improving the balance of payment ratio.

The United States desire to dominate the Middle East has historically been caused by the competition between the two ideological powers. After the Cold War, however many perceive that there are no serious challengers to the United States. Nonetheless, America perceives the region as a possible threat to its national security due to the rise of terrorist organizations that are opposed to the United States, the possible nuclearisation of the region and consequences of the Iraq war which have made the United States unpopular among the people. In such a situation, Egypt has been pointed out as crucial to the United States by American officials. Egypt's support for the United States initiatives-whether multilateral or bi-lateral, economic, political, strategic or military, is critical. Documents of the American government reveal that Egypt is a center piece for the development and implementation of the United States policy in the Middle East. As Egypt moved towards peace with Israel it was felt that it had incurred a great financial loss as a result of the
political isolation and ostracism that it was facing from the Arab nations. United States economic assistance partially was to offset this loss to the Egyptian economy. The rationale of the United States assistance was based on the core belief that United States interest would be served by a strong Egypt, able to meet the needs of its people and assert itself in the Middle East, and maintain peace with Israel.

The relationship that is shared between Egypt and America is a study in contrast to the relationship that is shared between the United States and Pakistan. The history of United States Pakistan relations have been marked by inconsistency and distrust. After the Camp David accord the relations between Egypt and America could be described as stable. However, the relations that America shares with Pakistan alternates between alliance partnerships and conflict. As has been discussed in the third chapter Pakistan represents one of the toughest and most complex policy challenges to American policymakers. The record of bilateral relations has been checkered and volatile and the United States has been unable to accomplish its key objective of establishing a stable Pakistan at peace with itself and its neighbors. Pakistan has pursued the relationship for very different reasons. It has sought the United States as a means to counter the asymmetry it feels vis-a-vis India. Thus the relationship has not been one between equals. It is a relationship of mutual dependence rather than mutual trust. While Pakistan has sought American assistance to bolster its claims to be equal to India, the United States has relied on Pakistan to pursue its own objectives in the region, be it to defeat the Soviet presence in Afghanistan in 1980's, the proximity to resource rich Central Asia in the 1990's, to pursue its détente with China or to be once again be the frontline state in America's war in Afghanistan after 2001.

Pakistan stretched its hand for friendship from the very beginning. The United States was the first country Pakistan asked for financial assistance post independence. Pakistan's quest for economic stability and later military development was a leading factor in determining its relationship with the United States. During the Cold War years the United States foreign assistance was marked by periods of sanctions. Pakistan's war with India and its pursuit of a nuclear weapons program invited sanctions. Pakistan also faced
sanctions as a result of its military taking over the functioning of the government. Major periods of assistance coincided with major upheavals in American foreign policy requirement- the détente with China, the Soviet invasion of Afghanistan and the recent war against terrorism. Thus, the United States has responded in a reactive fashion to events on the ground rather than anticipating the requirements of the Pakistan over a period of time. This short term cooperation which has been the hallmark of American assistance policy with very little emphasis on long term goals has been counter productive.

The study found that between the end of the Cold War and the beginning of the war on terrorism, the United States distanced itself from Pakistan. The end of the Cold War was followed by the implementation of sanctions under the Pressler amendments which were followed by sanctions being applied once again as a result of the military coup in Pakistan in 1998. To the United States; it has meant a loss of influence over the political leadership of Pakistan. It may be mentioned that the unfavorable opinions and views of the people of Pakistan regarding the United States has also impacted the relationship. The popular perception in Pakistan while not opposed to America is also not very supportive of it either. America is viewed with suspicion and distrust as a fair weather friend that is opposed to Islam. The sanctions also halted the various military training programs with the result that the America lost the regular contact that it had with the officers who have subsequently assumed positions of leadership. There has been a serious setback to the understanding of the capabilities and needs of each other.

As has been discussed in the chapter, 9/11 changed the situation dramatically. The documents and reports from leading think tanks of the United States consulted, reveal, that the American perception and requirements of the post 9/11 environment prodded the United States to provide Pakistan with billions of dollars of assistance. In both the United States and Pakistan, many viewed this as beginning of a new partnership in which the United States would commit to Pakistan for a long term. As pointed out by the 9/11 Commission Report, "a politically and economically stable Pakistan that is a committed partner in the war on terror is critical to United States counterterrorism efforts. This
cannot happen unless Pakistan is wholly committed to practical reform. The United States must be equally committed to helping Pakistan achieve practical economic and political reform. United States assistance to Pakistan must move beyond security assistance.” This marked the shift of United States policy of foreign assistance from security to socioeconomic sectors of Pakistan. Nonetheless, as found during the course of this study, American assistance was restarted and Pakistan received billion of dollars worth of military equipment, arms and ammunition apart from financial reimbursement for its efforts to fight terrorism. Yet, Pakistan’s commitment was in question as the United States found a rise in anti American feelings and support for the terrorist organizations who have found safe havens in the border areas of Pakistan and Afghanistan. As the chapter shows Pakistan was increasingly seen by the United States as becoming the epicenter of terrorism. Despite these reservations Pakistan continued to be significant in the war in Afghanistan. Thus, the study found that the George W. Bush administration’s expansive assistance to Pakistan in the wake of September 11 tilted towards military assistance. Of the over $11 billion given to Pakistan since the war on terrorism, a large part, about 70 percent, has been security related. This includes Coalition Supports Funds, Foreign Military Financing and other military assistance. On the other hand economic assistance has been comparatively very small, about 20 percent. This imbalance in assistance has neither safeguarded American interests nor has it increased Pakistani security. Moreover, a lack of oversight by the of the various funds have allowed the Pakistan military to under invest in counterinsurgency related training and equipment, in favor of maintaining a military edge over traditional rivals India. With its goal of withdrawing from Afghanistan, the United States would like a democratically stable Pakistan which would be able to provide support to the nascent democracy of Afghanistan. Pakistan is also important to the economic development of Afghanistan which could have advantages for the Pakistani economy as well. Overall socioeconomic development is the objective that the United States has to understand will wean the country from the ideology of the fundamentalism. The United States has time and again stated that it war against terrorism is not a war against Islam. Pakistan being a moderate Islamic state and a democracy as an alliance partner helps America bolster this claim.
South Asia over the past two decades has become very important to the United States. It is perhaps the only region in the world with three nuclear powers bordering each other with two of them with a history of antagonistic relations exist. The Kashmir conflict is the longest dispute over territory in the world, and it is also the region from which are rising two powers that are going to challenge American influence in the future. The United States has to engage Pakistan to allay the fear of future nuclear proliferation and safety of Pakistan’s nuclear arsenal. In such a scenario United States engagement with Pakistan can not be limited in nature and scope. It has to be for long term with the understanding that it is no longer an alliance of unequals but of strategic partners. Foreign assistance thus would remain a critical part of United States engagement with Pakistan.

The context of the policy framework has been an important part of the enquiry with the United States foreign assistance policy. In particular, the study’s contention that the context of policy formulation is as much important as the policy itself. As was evident, such an enquiry provides the basis for the understanding perceptions, biases and compulsions that shape policy of decision makers in the executive and the Congress. In fact, the role of the United States Congress has been studied extensively, it plays a vital and continuous role. As it is the Congress that allows the amount of assistance that the executive requests, the resulting interactions made available via hearing and other sources reveal a complex picture of bargaining, trade offs and compulsions that characterize United States assistance policy towards Egypt and Pakistan.. The American Executive that includes the President, the Department of State and the Department of Defense, have understood that, without Egypt’s constant support, America would not be able to control its other allies like Saudi Arabia and Jordan in the Middle East. Though Egypt is not the only country in a position of power in the Arab world, it is the only country that is trusted by the Arab states as well as the United States and Israel as has been very evident during the peace negotiations between Israel and the Arab states. This has been very evident during the negotiations leading to the formation of the coalition during the Persian Gulf War. As has been discussed in the fourth chapter this understanding guided the Departments of State and Defense along with the President in formulating American foreign policy towards Egypt. Working together they put forward the principles that
linked the United States assistance policy to its overall foreign policy objectives. In the case of Pakistan too, the US assistance policy has reflected its overall foreign policy interests in its orientation and size. The difference was that while Egypt continued to enjoy a robust military assistance, Pakistan in the years between 1994 to 2001, received larger economic assistance.

The Department of Defense has enormous influence because of its monetary powers and because it is the representative of the entire military establishment of America. The Department of State, on the other hand, is significant as it is the leading agency on foreign policy. However, it is the beliefs and the ideology of the Presidents that gives direction to the policy. A famous example of this kind of presidential legacy is the Camp David Accord signed during the Presidency of Jimmy Carter. In the 1990’s President Clinton efforts to bring stability and peace in the Middle East led to the signing of the Oslo Accords. If one is to look at the presidency since the 1988, one finds that the three presidents who have occupied the White House have different views on American foreign assistance policy and the direction that it should take. President George H Bush had to fight the Persian Gulf War (1991). He used foreign assistance especially, military assistance as a tool to gather support for the coalition that attacked Iraq and to ensure that the states, in particular the Arab states, complied with the sanctions that followed the war. From the Madrid conference to the Presidency of Bill Clinton, there was no substantial increase in the military assistance given to Israel and Egypt. However, on the request of Egypt, America has been providing it with more economic initiatives and assistance to liberalize its economy. Israel, on the other hand, has requested a reduction in economic aid. During this period the President placed importance on the economic development of Pakistan along with an improvement of its human rights records and stable government free from the interference of the military. This perception underwent change after the September 11 attacks on the United States.

The events of 11 September 2001 propelled President George W Bush to renew the emphasis on American foreign assistance policy under the various Anti-Terror and Counter-Terrorism programs, which stress on the state using the assistance to provide
protection against the threat of or attack from a terrorist organization. It was found that these programs brought Egypt and Pakistan additional monetary assistance along with high quality modern security equipments, proving the contention that assistance policy is dynamic in nature, responding to internal and external developments. The role of Congress too gives credence to this argument.

The Congress since the end of the Cold War has repeatedly questioned the need for the high levels of military assistance. The Congress has tried to lay equal weight on economic assistance and other forms of humanitarian assistance. It has been famously said that ‘the President proposes and the Congress disposes’. The Congress has the ability and the power to refuse to grant the requests being made by the President for foreign assistance authorization. The Congress comes to the decisions based on the intensive debates that take place among the various congressional committees of the House and the Senate that discuss the foreign assistance policy towards Egypt and Pakistan.

As has been seen in the chapter the Congress laid stress on reforming foreign assistance policy. The Congress has time and again questioned the need to provide such high levels of assistance to both Egypt and Pakistan. The Congress points to the fact that Egypt has been in a state of emergency since 1981 and has very recently extended that period of emergency, which is counter to the principle of democracy that the United States promote. The present state of emergency provides the government with powers to suppress the opposition, curtail the freedom of speech and express and arrest people without warrants. The Congress has pointed out that even according to the State Department human rights reports, there is “convincing evidence” that the Egyptian police use torture to extract confessions, and detain suspects without charge or trial. Freedom of assembly has been constricted because the government fears violence associated with some public demonstrations. Majority of the newspapers are government-owned and tend to follow the government’s dictates. Egypt has in the recent past also been critical of American policies for the region. The Congressional concern has been translated to some degree of restraint on the Executive as evidenced by the recent reforms undertaken by the executive agency USAID. The current USAID strategy is focused on helping Egypt.
participate in the global economy by creating jobs and helping train Egyptians for the modern economy.

Reports by the US Government Accounting Office to the Congress point out that the oversight of the assistance that is being given to Pakistan is very poor. Despite the size of assistance that is being given to Pakistan, the Congress finds that the threats from terrorist organizations have not decreased. There was however, a significant degree of support to the continuation of assistance and aid packages to both Egypt and Pakistan from the Congress but based on different objectives. While for Egypt, there was an emphasis on economic assistance along with military assistance in order for it to move towards democracy. For Pakistan, it was to provide both military and economic assistance to support socioeconomic development, in order to tackle the roots of terrorism.

In trying to understand the decision making procedures of the Congress it becomes clear that just like the executive, this legislative body also faces numerous pressures from the lobbying groups, media and public opinions before it arrives at any decision. The congressmen and women have to pay more attention to the domestic constituencies than the President. Thus, while the degree to which Arab lobbies have impacted is not quantifiable, one can inferentially argue that they make a substantial case for a pro Arab policy from the American policy makers on the basis of American national interest, arguing pro-Israel policy harms those interests. Similarly, Pakistani lobbies have contributed to the understanding the linkages between the security needs of America and Pakistan. Among the many issues that they are strengthening, are United States and Pakistan relationship, providing civil liberties and equal opportunities for Pakistani Americans. This has become of vital importance after the backlash being faced by Muslims as a result of the September 2001 attacks. Another important issue for the pro Pakistani lobbyists has been improving and protecting the regional balance of power in South Asia. For these groups strategic defense balance is an absolute necessity for the safety and security of South Asia as any imbalance in military terms, places the entire region under the heavy threat of a nuclear exchange.
In today’s globalized, interdependent world security has also become interdependent. American national security is directly related to the security of its allies like Egypt and Pakistan. It is America’s belief, reinforced by the attacks, that democracies are better for America national security. The result being that America has been trying to promote and establish democratic governments. Egypt, perhaps not the perfect example yet is, a moderate democratic Arab state and the representative for democracy in a region that is dominated by authoritarian regimes and thus America feel the need to build the power both economically and militarily. Pakistan on the other hand has experienced democratic civilian governments in between military led administrations. It is important for the United States to build a modern democratic nation in Pakistan to have a domino effect on Afghanistan. By promoting democracy America believes that it would be able achieve the dual purpose of improving the human rights conditions of the region. The Department of State’s annual human rights records has also shown the region in poor light. America also believes that democracy will open up the economy to America interests. These perceptions mainly guide the approaches of United States assistance policy.

However, it seems that in the war against terror the fight for democracy is losing out. America faces a very difficult task in both in the Middle East and Pakistan. Pakistan has become the epicenter for the war on terror. It may be stated that both Egypt and Pakistan as principal allies in this war will continue to receive the maximum foreign assistance. Through, America has made it clear that the war on terrorism is not a war against Islam; unfortunately, religion and politics coexist in the two nations. Islam is the preferred form of government America and its ideas of democracy, free market are seen as threats to the ‘old established values’. In the American perception, the situation has further deteriorated as it is the increasing radicalization of Islam that has come to largely represent terrorism.

American fears have been further fueled by the easy availability of nuclear, biological, chemical and other kinds of weapons of mass destruction to these terrorist organizations whose primary target is America. America finds itself caught in a vicious cycle in the Egypt and Pakistan-where to large extent due to poverty and unemployment people are
being pushed to believe in the anti-America propaganda of the terrorist groups. They readily believe that America is the root cause of all their problems that they are facing. What further complicates the situation for America is that the majority of people in the Middle East and Pakistan are anti-Israel and the United States constant support both, in the diplomatic arena and through the large quantities of military assistance and economic aid causes anti-Israeli and anti-American feelings.

It is to break this vicious cycle that America makes available assistance to Egypt. Egypt has been criticized as a result of the peace accords with Israel which was seen by the Arab world as a betrayal of the Palestinian cause. Records show that America supplied Egypt with military and economic assistance to protect itself from any possible repercussion. On its part, Egypt has greatly benefited from this relationship; it has a strong military and a stable economy. In turn America has used Egypt to promote itself and counter the anti American feeling in the region. The study found that the Congress routinely approved about $1.8 billion in economic support and $3.4 billion in foreign military sales for the Middle East of which $5.2 billion assistance was being given to sustain the Middle East peace process. In addition a $1.9 billion military assistance and economic support were requested to meet the priority needs arising from the peace conference. The evidence also points out that Egypt is well aware that it needs the support of Washington to remain a major power in the region. It realizes that to maintain its position among the Arab community it needs to be strong not just militarily but also economically. In turn the United States policymakers continue to see Egypt as a strategic asset in protecting the inhibited flow of oil from the region, its proximity to the Gulf, and as America tries to understand the phenomenon of ‘political Islam’ Egypt will play an important role in making America more accessible to the people. The idea of an unstable Egypt with such close proximity to Israel and as a natural leader of the Arab world would be detrimental to the needs of America. America has been able to influence Israel and Egypt to coincide their policies decision with American policies. Thus it can be said that American assistance does change the behavior of the states that receive assistance.
The study found that, Pakistan needs more assistance to shore up its economy and combat Taliban and al-Qaeda militants along its border. Ambassador Richard Holbrooke, a prominent foreign policy expert pointed out, if the United States wants to be successful in establishing peace and stability in Afghanistan, then it has to have a successful policy for Pakistan. The United States has to maintain a balance so as not to create a condition of security imbalance in the region contributing to of an arms race. India has time and again made it very clear that the massive assistance that Pakistan is getting from America for counter terrorism funds have been used against Indian security personals in the state of Jammu and Kashmir. Data show that when all American assistance programs are joined, Pakistan's increase in United States military assistance in the three years after 9/11 has been stunning. Growing from just $9 million in the three years before the attacks to nearly $4.7 billion in the three years after. In the process, Pakistan has become the third largest recipient of American military training and assistance, trailing only longtime leaders Israel and Egypt. India fears that Pakistan will continue to use the weapons and money to create more instability in the region. Confirming this view, American intelligence have also come to the conclusion that rather than use the more than $7 billion in United States military assistance to bolster its counter-terrorism capabilities, Pakistan has spent the bulk of it on heavy arms, aircraft and equipment that American officials say are far more suited for conventional warfare with India, its regional rival.

Overall American assistance policy has long term implications for the two regions and for Egypt and Pakistan in particular. It is a continuing facet of United States foreign policy supported by critical elements on congress and the government. The objectives however, are multi-level and the strategy is multi- pronged. Though questions have been raised on the rationale behind foreign military assistance to these two countries as opposed to negligible development aid, one can say that military assistance is infuses with a number of national goals and interests-political and economic- and in its new international environment it will make it very difficult to phase out foreign military assistance. The United States has paid particular attention to Egypt and Pakistan, as partners and friends that require assistance so as to provide moderate leadership away from radical religious politics to democracy. The two nations are viewed by the United
States as moderate Islamic nations. Together they have been allies of the United States for a large number of years. To further strengthen their alliance the two nations are located in regions that are of great geo-strategic importance to the United States national security. While Pakistan is seen with a view to influence Central Asia and South Asia, Egypt continues to play the role of a leader in the negotiation for peace in the Middle East. Egypt and Pakistan are seen as part of a United States system of security to help confront the major threats posed by such as a combination of state terrorism, nuclear proliferation and the activities of rogue states. Foreign assistance, both military and economic to these two countries is an important constituent of the overall American foreign policy.

To sum up, one can safely say that foreign assistance does play a very significant role in American foreign policy. During the period of the Cold War the threat of communism that dominated the thinking of the American policymakers especially with regards to Pakistan. The post cold war years saw a change in American assistance being given to erstwhile adversaries. The 1990’s was the period when the ideas of Human Rights, democracy, economic stability and non proliferation were given importance in foreign assistance policy. In the post 2001 world American objective for Egypt and Pakistan can not be confined to the narrow definitions of strategic location alone. Nor can oil be regarded as the defining factor in the interest that America has shown towards the Middle East, though it can not denied that it is important. There are a number of other factors that justify American foreign assistance to Egypt as well as Pakistan and the continuous interest for the United States in the two regions. In the post Cold War world, terrorism and weapons of mass destruction have replaced communism as the enemy that threatens America. In one sense, it can be argued that, before the attacks in 2001 in America, terrorism was not very high on the agenda of the United States. Even today, it is perceived that terrorism as defined by America- which is confined to the threats that are being faced by America has yet to include the broader views of threats of terrorism that are being faced by other nations.