



Written by [Alex Newman](#) on September 5, 2012

Obama Prepares Huge Bailout for Muslim Brotherhood in Egypt

The Obama administration is close to finalizing a massive \$1-billion bailout for the increasingly totalitarian Muslim Brotherhood regime ruling over Egypt, according to U.S. government officials cited in [news reports](#). The move is already drawing fierce criticism from opponents arguing that bailing out the new Islamist ruler, who is already working to bolster Egyptian ties with the communist Chinese dictatorship while becoming [increasingly despotic at home](#), would be a mistake on multiple levels.



In addition to forgiving the \$1 billion in Egyptian government debt, almost a third of its total burden, the administration is also working with the International Monetary Fund (IMF) — largely funded by American taxpayers — to secure a \$5-billion loan for the regime. On top of that, U.S. officials are in the process of creating multiple funds and programs worth almost \$500 million to help politically connected U.S. and Egyptian businesses.

All of that taxpayer money — presumably to be printed by the Federal Reserve or borrowed from the communist Chinese dictatorship — would be in addition to the regular “security” and “foreign aid” packages. The long-standing U.S. government assistance to Egypt’s rulers, set to continue indefinitely, has amounted to around \$1.5 billion annually for the past several decades under the deposed dictatorship of Hosni Mubarak.

The plan to bail out the new Egyptian regime was originally announced over a year ago. However, opposition on Capitol Hill and the prosecution of U.S. government-funded “democracy activists” operating in Egypt had temporarily soured relations between the two governments. It seems the scheme is now back on track.

According to U.S. officials, the massive unconstitutional flows of taxpayer money are meant to encourage the new regime to act how the U.S. federal government wants it to. “Progress will only be possible if the talents of all citizens are drawn upon and all have a voice — men and women, all religious groups, and all parts of the country,” U.S. Undersecretary of State Robert Hormats was quoted as saying without specifically noting the worsening plight of Coptic Christians under the new regime.

The security of Israel is also said to be a factor, with supporters of the bailout claiming it will help keep the new Islamist government in check and prevent a potential violation of the Camp David accords. Critics of the move, meanwhile, say it could put the Jewish state in greater danger as the Egyptian government becomes more hostile to its neighbor in line with popular Islamic sentiment within the nation. The Israeli government has [reportedly](#) expressed its support for continued U.S. government aid to the Islamist regime.



Written by [Alex Newman](#) on September 5, 2012

Proponents of the latest bailout within the administration also claim that the packages are aimed at bolstering Egypt's fragile economy. Since the Western-backed "revolution" that toppled the former U.S.-backed tyrant, the economic situation has continued to deteriorate, with massive unemployment, surging inflation, and more trouble almost certainly imminent.

Tourists and foreign investors have largely stayed away from Egypt since the unrest began, too. But now, the State Department is preparing to lead a delegation of dozens of politically connected U.S. companies — Boeing, General Electric, Google, Citigroup, and more — to encourage investment in Egypt.

"The United States is working to help relieve Egypt of part of its immediate fiscal and balance-of-payments pressure in support of the Egyptian government's own, home-grown reform plan," said Hormats after meeting with Egyptian officials last week. He also noted that the Obama administration was offering almost \$500 million in loans and guarantees to Egyptian businesses.

Other bailout supporters believe it could help keep the new Islamist regime within the U.S. government's sphere of foreign policy-influence. However, newly elected Egyptian President Mohammed Morsi — a radical Islamist from the [socialist-oriented Muslim Brotherhood](#) who is under fire for [cracking down on the press and his opponents, seizing vast powers for himself, and purging Muslim Brotherhood critics from power](#) — has already shown signs of gravitating away from the West.

Mursi's first official foreign visit outside of the Middle East, for example, was to Beijing, seeking and obtaining broad support for his government from the brutal communist dictatorship ruling over mainland China. His controversial and increasingly tyrannical administration is also reportedly warming up to the Iranian regime despite the growing hostilities between the U.S. government and Tehran. An assortment of wealthy Islamic dictatorships is also backing Egypt's new ruler.

Advocates of the bailout scheme, however, said they expected Mursi and his new government to behave more responsibly going forward — at least if the regime manages to stay on the Obama administration's payroll. But critics say that is a naïve notion that is bound to result in more problems or potentially even a disaster.

"This view could hardly be more misguided," [observed](#) retired D.C. attorney Paul Mirengoff in an analysis for Power Line. "Arab extremists don't 'grow in office' by becoming more solicitous of the peoples' welfare. They grow in office by crushing those who oppose them. This reality binds together Arab leaders as otherwise diverse as Saddam Hussein, the Iranian [Persian] mullahs, and the Assads."

Other critics slammed the notion that the aid was somehow intended to promote "democracy" after the landslide victory for Islamists. "Talk of 'bolstering the transition to democracy' are weasel words, because what is really meant here is helping the Brotherhood, the beneficiaries of democracy, stay in power," [noted](#) analyst Daniel Greenfield in *FrontPage* magazine, blasting the administration's efforts to prod big American businesses into deals with Egypt as well.

Comparing the latest bailout to U.S. government aid that helped keep the mass-murdering Soviet regime in power, Greenfield also suggested that the Obama administration was hoping to perpetuate the radical Muslim Brotherhood's domination in Egypt. The Islamist group, of course, is also known for its socialist roots despite its Muslim character.

"Just like the USSR, the Brotherhood expects the West to bail out its regime and stabilize it, while promising stability and a friendly environment," Greenfield added, pointing out that the looming economic crisis might bring down the Egyptian regime without continued U.S. government assistance.



Written by [Alex Newman](#) on September 5, 2012

“And then the hammer comes down. History is repeating itself once again.”

It was not immediately clear where in the Constitution the administration believed it found the authority to bail out foreign governments, or which federal statute purported to authorize the massive wealth transfers. U.S. officials said at least some of the money would be coming from unused funds previously allocated as “foreign aid” to assorted Middle Eastern regimes.

Of course, as with the vast majority of federal activities today, showering American taxpayer dollars on foreign governments and businesses is not authorized anywhere in the Constitution — in other words, the Obama administration does not have any legitimate power to hand out the people’s money. There are also pragmatic issues cited by opponents of the scheme.

The U.S government, for instance, is borrowing over \$1 trillion per year, hardly placing it in a position to continue squandering money propping up and taking down various regimes around the world. Meanwhile, countless studies show foreign aid hurts the people in receiving countries while benefiting only the ruling elite. And numerous factions within Egypt are opposed to continued U.S. government aid as well as the “strings” that come attached to it.

Then there is blowback. It appears that once again, American taxpayers will be [financing tyranny](#) in the Middle East. And, as always, there will be consequences. Christians in particular are already facing grave threats in Egypt. If history is any guide, the U.S. government will be creating even more problems by unconstitutionally meddling in the affairs of foreign nations against the advice of the Founding Fathers - not just for Egyptians, but also for the American people and perhaps the world.

Related articles:

[After Arab Spring, Fears of Islamist Tyranny Grow in Egypt](#)

[Islamist Wins Presidency of Egypt](#)

[Egyptian President Calls for Terrorist’s Release](#)

[Clinton Fends off Shoes, Tomatoes & Charges of Collusion with Muslim Brotherhood](#)

[George Soros Allies With the Muslim Brotherhood](#)

[Egypt Islamists Win Big in Election, Sparking Fears](#)

[Egypt Revolt Leading to Military Dictatorship](#)

[Egyptian Regime Kills Dozens of Christian Protesters](#)

[Egypt’s Relations With U.S. Strained as Military, Islamists Reign](#)

[Christian Massacres: A Result of U.S. Foreign Policy](#)

Photo: Egyptian President Mohammed Morsi speaks to reporters during a joint news conference with Tunisian President Moncef Marzouki, unseen, at the Presidential palace in Cairo, July

13, 2012: AP Images



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.

Subscribe