



Written by [Alex Newman](#) on March 1, 2012

## U.S. Aid to Egypt Likely to Continue As NGO Tensions Ease

The Obama administration and lawmakers on both sides of the aisle had previously [threatened](#) to withhold about \$1.3 billion in military assistance and some \$250 million in economic aid if the prosecutions were not dropped. And tensions in bilateral relations between the U.S. government and the Egyptian regime — a military junta combined with a radical Islamist Parliament — sank to new lows as the dispute over the trials escalated.



But on Wednesday, following months of heated negotiations, authorities in Egypt decided to let the suspects leave the country after paying bail. Still, none of the charges has been dropped. And the “activists” on trial were released on the condition that they would still appear in court. If convicted, they could face five years in prison and large fines.

The defendants include more than a dozen Americans, some Europeans, and Middle Easterners. Most of them worked for U.S. government-financed “non-governmental organizations” (NGOs) accused of what amounts to subversion, instigating turmoil at the behest of foreign governments, and several other crimes.

The groups involved include the International Republican Institute (IRI), the National Democratic Institute (NDI), the International Center for Journalists (ICFJ), and Freedom House — all of which, despite being labeled “NGOs,” are funded by American taxpayers. The most prominent suspect, Sam LaHood, is the son of U.S. Transportation Secretary Ray LaHood and the head of the IRI’s Egyptian branch.

“Evidence indicates an unequivocal desire and persistence to thwart any attempt at Egypt’s progress as a modern democratic country with a strong economy since that will pose a threat to Israel and American interests,” Egyptian Minister of Planning and International Cooperation Aboul Naga was quoted as saying in official testimony about the charges. “The United States and Israel could not create a state of chaos and work to maintain it in Egypt directly, so they used direct funding to organizations, especially American, as a means of implementing these goals.”

The taxpayer-funded organizations claimed they were simply promoting “democracy.” And more than a few U.S. officials and analysts have tried to characterize the prosecutions as an effort to silence dissent against the new regime while deflecting criticism.

But intelligence reports cited recently in the Egyptian press claimed the “activists” were in fact linked to the U.S. Central Intelligence Agency (CIA). And Egyptians, already suspicious of the West, have



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reportedly been whipped into a frenzy about the case as accusations of foreign conspiracies to undermine the nation dominate the headlines.

Despite the intense high-level U.S. pressure and assorted threats, the Egyptian regime had [promised](#) to start the trials on February 26. The date has now been postponed until April. And all three of the judges involved excused themselves from the case citing “uneasiness,” the Associated Press [reported](#). Egyptian citizens were reportedly furious about the developments, perceiving the lift of the travel ban as caving in to the U.S. government.

Top Egyptian officials in the new regime have said repeatedly they wanted to stop the prosecutions, but claimed they were unable to interfere in the judicial process. The prospect of forfeiting billions in U.S. taxpayer aid, however, almost certainly played a significant role in recent developments.

The justification for borrowing funds at American taxpayers’ expense to send to former Egyptian strongman Hosni Mubarak was essentially to bribe the regime into obeying a peace treaty with Israel, which crushed Egyptian forces on several occasions when Arab armies invaded. But with the Islamist surge to power in recent elections following the revolution, the fate of the agreement with the Jewish state is unclear.

The toppling of the long-serving U.S.-backed dictator sparked concerns among analysts that the massive amounts of military aid paid for by U.S. taxpayers over decades could one day be turned on Israel. Dozens of Coptic Christian protesters have been already [murdered](#) by the Egyptian military since the fall of Mubarak. And tensions are still escalating.

According to a report in the *Congressional Quarterly*, Secretary of State Hillary Clinton told Congress she did not foresee the dispute over the prosecutions continuing much longer. Once both sides make progress on the issue “we can have a broader conversation” about the \$1.5 billion in taxpayer aid, Clinton said. But the State Department has not yet officially decided whether Egypt is pursuing “democracy” with enough vigor to deserve this year’s assistance package appropriated by Congress.

Meanwhile, Clinton said the Obama administration supported massive loan packages for the Egyptian regime being considered by the International Monetary Fund (IMF) and the World Bank. “We have encouraged the IMF and the World Bank and the Egyptian government to bring about aid based on conditions,” she told lawmakers.

Still, the nation must pursue an acceptable form of “democracy” or risk the ire of U.S. officials. “I think we are all on the same side, we want to support Egypt and their democratic transitions but we also want to see a commitment to really sustaining democracy — not just one election, one time,” Clinton said.

Recent parliamentary elections handed control of the legislative body to the [Muslim Brotherhood and various other Islamic extremists](#). Of course, the military junta still holds [much of the power](#) behind the scenes, but the landslide victory of Islamism has led to concerns around the world — and especially among the minority Coptic Christian community in Egypt.

Where the prosecutions of “NGO activists” go from here remains to be seen, but more than a few analysts suspect that U.S. pressure has essentially quashed the prospect of any meaningful trials taking place. Most of the suspects have already fled the country anyway and are unlikely to return — especially faced with long potential prison sentences.

*Photo of Egyptian flag: AP Images*



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