

CHAPTER III

THE DYNAMIC OF US FOREIGN AIDS TO EGYPT

This chapter explains the beginning of United States foreign Aids to Egypt in Anwar Sadat era and the provision of US foreign Aids during Husni Mubarak and Muhammad Mursi administration. After the coup of Muhammad Mursi in 2013, Adly Mansour was appointed as interim President of Egypt which led to US suspension its assistances to Egypt because of human rights violations that occurred in Egypt. Then, in 2014 under Abdel Fattah Al-Sisi administration United States continue annual aid of \$ 1.3 billion to Egypt.

A. The Beginning of United States Foreign Aid

Provision of United States foreign aid to Egypt began in 1979 in the era of Anwar Sadat which is \$ 1.3 billion in military assistance and also provided economic assistance of \$ 815 million. This assistance is provided by the US under the Camp David agreement. Overall, the total assistances given to Egypt each year during Mubarak's reign reached \$ 2.1 billion (Meital, 1998) and have ranked Egypt as the second largest recipient of US's aids after Israel among Middle East countries. The assistance continues until the government of Husni Mubarak.

When inheriting the presidential seat of Anwar Sadat, Mubarak was confronted with the fact that his country was ostracized by the Arab World because of a 1979 peace agreement with Israel. Egypt was expelled from the Arab League and the Arab League Secretariat was moved from Cairo to Tunis, Tunisia. However, it did not make him recede and cancel the peace agreement. Mubarak is well aware that peace with Israel, domestic secular political policies and the vital meaning of the Suez Canal, is a priceless trump card in the presence of the Western world.

So, Husni Mubarak also tried to improve relations with the Arab world through another way which is utilizing conflicts, which often occur in the Middle East region. Egypt cleverly decided to side with and help Iraq in the Iran-Iraq War to win

over Saddam Hussein, who at the time was one of the most influential leaders in Arab countries. This strategy works. As soon as the Iran-Iraq War ended in 1988, Egypt was no longer isolated in Arabia and two years later the Arab League headquarters was returned to Cairo. After the affairs of the Arab World were completed, Mubarak also sought greater influence in the world. When Iraq invaded Kuwait in August 1990, Egypt became one of the first countries to oppose and urge Iraq to withdraw immediately. Egypt became the first Arab country to join a US-led multinational coalition force to kick Iraq a country that had saved it from isolation from Kuwait, 1991. Its huge attitude and role in helping Western forces in the Gulf I War (including allowing warships crossing the Suez Canal) got a few prizes. The US persuaded its allies in Europe, the G-8, and Arab countries in the Persian Gulf region to remove Egyptian debt to the value of US \$ 14 billion. Throughout the 1990s, US assistance to Egypt continued to increase. Egypt is the second largest recipient of aid from the US after Israel with an average aid value of 2 billion US dollars per year (Kompas, 2011).

To control the growth of attitudes and the possible actions that Arab countries can make to the United States, the US holds the key actor, Egypt. Under the pretext of military and economic assistance for peace, the United States managed to make Egypt reconcile with Israel until Arab countries stopped their assistance totally to Egypt. Mubarak became president after Anwar Sadat was killed when he wanted to improve economic conditions that were completely bad when left by Sadat. The assistance provided by the US is very much and only requires peace with Israel. Therefore, Mubarak can easily obedient to US power.

In order to survive against a group of countries in the Middle East, the United States already has a "friend" whose position is strong and respected. Although in the mid to the end of Mubarak's administration many committed human rights violations, the US continued to provide assistance. It can also be seen here that assistance provided by the United States is not solely aimed at peace, but rather to maintain an alliance.

The ability to maintain relations with the West made Mubarak's position seem unshakable. He is the connecting "choice" of the Arab and Western world. He is also the only Arab leader who is trusted by Israel. For the West, Mubarak has an almost irreplaceable role. This is why, United States continues to provide assistance, while Britain and other European countries provide political support for Mubarak. Although, on the other hand, the West realizes that Mubarak's regime is known as corrupt, has a long record of human rights violations, often manipulates elections, and represses political opponents (Fitria, 2011). Despite using an iron fist and running an undemocratic government for almost three decades of his rule, Mubarak has full support from the US and other Western countries. Mubarak was supported by the West to stem Islamic extremism and anti-Israeli sentiments (Kompas, 2011).

Disputes between the US and Egypt reappeared in 2008, because the Mubarak regime which adopted an authoritarian system in its government was pressured by the US to carry out domestic reforms by implementing a democratic system. When President Barack Obama took office (2009-2017), Obama shifted the focus of his foreign policy to the promotion of democracy as a whole. In May 2001 in his speech President Obama promised to increase the promotion of democracy and human rights as the main pillars of US foreign policy. Egyptian protests to overthrow the Mubarak regime exploded in 2011 and the US strongly supported revolutionaries to welcome changes in the country (Akbarzadeh, 2011).

The period between ends of 2010 to early 2011, Middle East region experienced political upheaval called as "Arab Spring" or also called "Jasmine Revolution". This movement aims to overthrow the authoritarian regime and replace it with a democratic system. This political upheaval began to emerge in Tunisia, followed by Algeria, Yemen, Bahrain, Libya and also Egypt. The main factor behind this movement was mostly triggered by repressive regime amid of economic difficulties among the people (Yasmine, 2015).

Egypt is one of the countries that cannot be separated from the Arab Spring. The revolution initiated by Muslim Brotherhood as one of the largest Islamic-based transnational political organizations in Egypt. The Hosni Mubarak leadership finally was ousted following 18-days demonstration, specifically on February 11, 2011 (Setiawan, 2015). Obama has difficulty in balancing strategic security and national interests along with promoting democracy and human rights in the Middle East after the Arab Spring took place.

B. US Foreign Aids during Husni Mubarak Era

Husni Mubarak became the fourth president after the death of Anwar Sadat, who was attacked by Islamic extremists who strongly opposed the peace agreement between Egypt and Israel. In a victory procession celebrating Operation Badr in Cairo, Sadat was shot on October 6, 1981 by the group (Firman, 2018). Mubarak immediately extended the Emergency Law No. 162 of 1958 which was ratified after the Six Day War in 1967. The points of the Law were extended police powers, constitutional rights deferred, censors legalized and the government could imprison individuals indefinitely and without reason (Tamburaka, 2011). The State Emergency Law is a factor and the other main pillar of the Hosni Mubarak regime to maintain the existence of its power. The enactment of Emergency Law No. 162/1958 is a reaction to the killing of Anwar Sadat by Islamic militant extremists. The law was initially made with the intention of creating political stability and security while reducing the potential for the growth of extremist movements in the country. This is also considered by Hosni Mubarak as a prerequisite for the smoothness and speed of economic, social and cultural development. However, Mubarak saw the law as an instrument that could be used to maintain the existence of his power as long as possible, bearing in mind that this law prohibits people from gathering and association to convey their aspirations.

In the political field, Mubarak is more modernizing according to Western culture. This also triggered the emergence of various Islamic groups and the growing strength of existing Islamic groups (Haynes, 1997). The domestic political problem that made Mubarak troublesome was the problem with the Islamic groups, both radical and moderate. When Mubarak was appointed president, he promised to improve economic conditions and social problems, try to crack down on corruption, and free the religious and political leaders imprisoned when Sadat's government.

Hosni Mubarak retained his power as President of Egypt for 30 years. Mubarak did not want his government to be shaken by anyone who was perceived as threatening his power. All the ways he did so he would keep his government. Mubarak will not hesitate to use the law to suppress his political opponents through his apparatus. In return, law enforcement officials are allowed to corruption. The result is not only to political opponents, but also the weak people will be weaker and the strong will be stronger (Bawazier, 2011). Mubarak also implemented a despotic policy, namely the existence of a security act law which contained that the government could freely arrest anyone without legal proceedings (Abdullah, 2011). These descriptions can illustrate that political conditions in Egypt are quite repressive. Anyone who opposes Mubarak's policies will be punished.

In de jure, the Egyptian government system is a republic since 1952, but de facto Egypt cannot be said as a republic because the state with a republic system is a country whose sovereignty is in the hands of the people. Meanwhile, the Mubarak government will take action against anyone suspected of destabilizing its regime. This is indicated by the limited space for journalists to write news, which of course must be in accordance with government policies.

In his government, Mubarak carried out his three functions as President, namely the welfare of the Egyptian people, maintaining the interests of Israel and the United States in the

Middle East, according to the Camp David Agreement. Mubarak was able to maintain Egypt's stability. He did this by establishing very good relations with the United States, which is the largest donor country in Egypt and has good relations with Israel. Several times he conducted various negotiations with the US, including discussions on US economic and military assistance to Egypt with George W. Bush at the Washington DC White House on April 4, 1989, then the discussion of peace negotiations in the Middle East with Bill Clinton in Cairo in 2000, most recently with Barack Obama to discuss peace talks between the Palestinians and Israel at the Washington DC White House on September 1, 2001 (Cahyo, 2011).

When Mubarak took power, there was a significant increase in US efforts to provide special capabilities and expertise to Egypt for regional stability and the issue of terrorism. The US provides Unmanned Aerial Vehicles (UAVs), and two Teledyne Ryan Aeronautical model 324 Scarab power jets and systems development Sciences Corporation R4E-50 UAV Skyeeye is used on the Libyan and Sudanese borders to monitor and fight any military movements or arms smuggling. Egyptian intelligence acquired other surveillance technologies during the 1980s such as video cameras and also increased wiretapping capabilities (Alhenaki, 2015). The US also provides military assistance of approximately \$ 3.1 billion annually.

Egypt received investment and assistance from abroad, even Egypt became one of the largest recipient countries of assistance from the United States. The United States has provided more than \$ 2 billion in economic and military assistance per year. Starting in the 1984/1985 financial budget, \$ 2,200 million in aid was provided by the United States. This assistance increased in the 1985/86 budget to \$ 2,340 million. Even in 1989-1996, the percentage of Egypt's financial revenues from foreign aid reached more than 75%. The United States is increasingly aggressively providing assistance to Egypt up to 500% of total foreign aid to Egypt. In addition, at the beginning of the Clinton administration, he made three

teams to handle growth and development intended to improve the private sector. This cooperation actually shows that privatization and liberal capitalism will be able to cure political and socio-economic diseases in Egypt (Gerges, 1999). US economic and military assistance continued during the administration of Husni Mubarak.

During the Reagan administration (1981-1989), the US and Egypt made efforts to strengthen bilateral military relations between the two countries by forming Operation Bright Star in 1981. This joint exercise was carried out every two years. Operation Bright Star is a military training aimed at strengthening relations between the Egyptian and US armed forces. In addition, it also strengthens the military of the two countries in the Middle East to maintain regional security and fight terrorism. Operation Bright Star is designed to enhance military cooperation between the US and its coalition partners by strengthening the commitment to regional stability and mutual interests (Elmenshawy, 2013).

Husni Mubarak's power ended on February 11, 2011 through massive demonstrations carried out by the people of Egypt. Finally, Mubarak surrendered and chose to resign after 18 days of massive demonstrations. Husni was relegated from his position not without reason but there were several reasons behind the overthrow of Husni Mubarak's regime. According to statistical data, 40% of Egyptians who number 80,000,000 experience poverty, the increasing unemployment, Egypt become one of the developing countries with a high unemployment rate during the reign of Husni Mubarak, alleged corruption cases, the political system is considered autocratic and authoritarian, also impose Emergency Law Number 162 Year 1958 (Azra, 2011). The Emergency Law enlarges the power of the police and suspending citizens' constitutional rights, also thwarts anti-government political activities, including street demonstrations. The government regime also limits the political activity and freedom of expression to the people. People who are considered to fight even just express it will be violently acted on.

C. US Foreign Aids during Muhammad Mursi

The revolution that occurred in Egypt in 2011 succeeded in ending the government of Hosni Mubarak. As happened in Iran, the Egyptian revolution was motivated by people's dissatisfaction with the inability of President Hosni Mubarak's government in overcoming the problem of poverty, unemployment, and limited access to express aspirations (Tamburaka, 2011).

After going through various protests and demonstrations, the Egyptian people's struggle finally reaped success with the resignation of Mubarak in 2011. The democracy system then stood in Egypt after the fall of Hosni Mubarak. The Egyptian holds general election which is runs in two rounds. In the first round Muhammad Mursi and Ahmad Syafiq succeeded in winning over the other candidates so they were entitled to advance to the second round. In the second round, Muhammad Mursi finally defeated Ahmad Syafiq and was entitled to become President of Egypt for the next five years (Aljazeera News, 2012).

Muhammad Mursi as the first Egypt president in the post-Mubarak rule faced a new challenge especially in the context of US-Egypt relations. The strong support of the Muslim Brotherhood behind President Mursi was able to influence the direction of Egypt's foreign policy to be more aggressive. Egypt's foreign policy tend to be a hard line against Israel and Western countries, especially the US, since Muhammad Mursi came from Muslim Brotherhood as one of the backlisted-organization under US government. The Muslim Brotherhood allegedly to implement Islamic law in Egypt which seen as threaten to the US and western interests in Middle East especially pertaining Israel and the Camp David agreements. This has become a concern for the US against the new Egyptian government under Muhammad Mursi administration and his Muslim Brotherhood (BBC News, 2013).

To prevent the deterioration of US relations with Egypt, the US made diplomatic efforts by sending Hillary Clinton to Cairo after the appointment of Mursi as President of Egypt. This is done by Obama so that Mursi can act cooperatively in safeguarding US interests in Egypt and not allowing Egypt to fall into a certain group. During this visit the US offered assistance to economic recovery to Egypt which was in economic uncertainty. A month after Hillary's visit to Cairo, US Defense Secretary Leon Panetta also visited Cairo. During the visit Panetta met with Egyptian President Muhammad Mursi and Egyptian Defense Minister Tantawi. The results of the meeting Panetta signaled the Mursi to act independently of the influence of the Muslim Brotherhood. The step of diplomacy carried out by the US was an attempt to get rid of the influence of the Muslim Brotherhood towards Mursi (Aftandilian, 2013). But the arrival of two US representatives did not produce significant results. At that time, the US did not consider Egypt as a friend or an enemy during Mursi's reign. This shows that the US remains implementing cautions foreign policy towards Egypt. The annual US foreign aid was still used as an effective negotiation tool with Egypt to maintain its relations (Sharp, 2014).

Nevertheless, in June 30 2013 there was a large demonstration which demanded Muhammad Mursi to step down from his position. Some reasons why the Mursi quickly lost support in the country and subsequently in the military coup because of: First, the deteriorating economy. Egypt's economic condition has worsened after a year Mursi ruled. Starting from investments that rarely come, food prices skyrocket, and the frequency of power outages is due to lack of fuel causing Egypt's welfare to deteriorate. On the other hand, a soft loan from the IMF has actually been made of US \$ 4.8 billion. However, if it is approved, this loan will force the Egyptian government to cut subsidies in various sectors (Tempo, 2013).

Second, the dominance of the Muslim Brotherhood. The increasing sense of dislike of the people towards the Muslim Brotherhood. Mursi considered giving too many important

positions to the Muslim Brotherhood. Finally, he appointed seven new governors who were all from the Muslim Brotherhood background. But the Mursi supporters denied this, Mursi reasoned that he had offered an important seat in the government to the opposition but all were rejected. Likewise the representatives of secular, liberal, and Coptic Christians who resigned from the assembly.

Third, President Mursi sparked controversy by issuing a presidential decree on Thursday, November 22, 2012. The decree issued by Mursi to protect the Egyptian revolution towards democracy but instead drew a lot of criticism. The decree is considered to give full power to the president by removing the power of several government institutions. It was also considered to provide protection to the Supreme Council which was dominated by Islamic groups supporting Mursi. A month after the decree was issued, the Mursi government held a referendum to ratify Egypt's new constitution. This action was criticized because it was considered unilateral and in a hurry. The constitution is considered to only reflect the interests of the Mursi group and is not made by considering other political elements in Egypt (Hanifa, 2012). This chaotic situation made military intervene to coup Muhammad Mursi.

The military as a solid and autonomous bureaucracy can make important regulations to spur economic development, but on the other hand the military must first confront and convince existing social classes so that the steps taken by the military are considered legitimate and good for the country. Before appearing, the military must portray a striking and caring attitude to make it look more convincing, with previously offering standard concepts on the way out to the progress of the country (Horowitz, 1985).

The chaotic state of the country with widespread protests in several regions, made the condition of the government worse and made the military begin to observe to take part in securing the country. This is the momentum used by the military to participate in politics in the midst of chaos. According to Amos Perlmutter, in general, there were pre-conditions for the coup

d'état. First, the transitional state syndrome. Where traditional patterns have been damaged while new patterns have not been formed. In this society, community unity does not yet exist, state institutions and social control have not operated effectively, communication channels are very minimal and there are no symbols of community unity. The military is considered the most capable of overcoming this syndrome because the military can use its symbols to govern, and unite the people with the neutral nature it has, and its ability to establish communication with lower-level people (Perlmutter, 1984).

Secondly, the occurrence of sharp social class gaps due to economic growth and very rapid social change has created a gap between rich and poor. Where quantitatively the poor are far more than the rich. Third, the occurrence of social action based on groups (whether politically conscious or not) and low mobilization of domestic material resources.

During the turmoil and riots, the military began to realize that the government was very dependent on the military, without the support and interference of the military the country would collapse (Nordlinger, 1990). In the end, the turbulent situation reduced the legitimacy of the government. Then many people who will be involved in the political arena launch demonstration actions, showing a strong opposition to the government, the government is deemed no longer having the moral right to govern. Then it further strengthened the military's impulse to carry out a coup.

The military couped when the people and the opposition shouted the failures of the Mursi government, the military used the momentum to appear vague in equating perceptions and leading the people and opposition said if Mursi failed to run the government. The military used the momentum where Mursi's leadership did not show significant economic progress for a year. As well as accusing Mursi of being only a representative who only emphasized the Muslim Brotherhood group, accusing Mursi of not being able to reconcile the riots that occurred in Egypt. Though the riots were also a result of the military provoking at the time of instability in Egypt.

From all the failures that the civilian government did, the military considered Mursi unable to bear the chaos anymore. So on July 1, 2013, the military under the control of Abdel Fattah as-Sisi provided an Murtimat ultimatum to resolve Egypt's political problems within 48 hours. The military threatened to take its own steps if Mursi did not obey the demands of the military. To answer the military's insistence, Mursi, who felt chosen by the people and had the legitimacy of a strong power, refused the military ultimatum. Because the military's request was rejected by Mursi, the military carried out its threat with the takeover of power on 3 July 2013. The military coup ended the Morsi democratically elected power. Al-Sisi mentioned the roadmap taken through four things, namely: (1). Suspension of the New Constitution which has been in a referendum in December 2012; (2). The acceleration of presidential elections, Chair of the Constitutional Court was appointed as interim president until the election; (3). Establishment of a national coalition government; (4). Establishment of the Commission to amend the Constitution. It is not clear on the basis of what authority General Al-Sisi made the statement. When referring to the prevailing constitution at that time, the military should not be involved in practical political activities. They are state instruments that maintain the security and safety of the country, their position is also under the President who is the Commander-in-Chief of the Military. Under certain conditions the president cannot carry out his duties, then article 153 of the Egyptian Constitution states that the one who carries out the temporary presidential duties is the Chairperson of the House of Representatives (*Majlis Sa'ab*). If there is no Representative Council, the temporary presidential duties are run by the Chairperson of the *Syuro Majlis* until there is a presidential election (Basyar, 2015).

D. The Freezing of Foreign Aid

After the coup of Muhammad Mursi in 2013, Adly Mansour was appointed as interim President of Egypt on 4 July 2013 (Kompas, 2013). In his speech, Mansour promised to serve the Egyptian people "I swear to the Supreme Lord to uphold the

repulsive system, respect the constitution and laws, secure the interests of the people, and maintain the independence of the nation and its territorial integrity," Mansour said.

Based on a road map designed by the military, Adly Mansour will serve as interim president until a new constitution is drawn up and elections are held. Mohammed Morsi, who was listed as the first democratically elected leader, was detained at a military base after the ouster he called a military coup

The relations between US and Egypt deteriorated due to a policy plan taken by Obama to cancel military training, arms sales, and economic and military assistance due to human rights violations in Egypt. It needs to be stressed that Obama's actions were carried out not because of the coup against Mursi by the military, but the post-coup conditions in which there were acts of human rights violence including restraint of freedom of expression with detained 18 journalists and dozens of others released on bail, even one journalist sentenced to death for allegedly spreading false news and incitement. For example Mahmoud Abu Zeid was sentenced to prison without trial. This clearly shows the possibility of the new government silencing critical media (Reporter's Guide- Human Right, 2015). Detention, arrest and prohibition of activists and organizations is rampant. At least 22,000 people were arrested including 3000 Muslim Brotherhood leaders (Amri, 2018).

According to the National Council for Human Rights (NCHR), more than 2,500 civilians, including 1,250 members of the Muslim Brotherhood and security personnel were killed in June 2013 until 2014 (Masriya, 2015). From July 2013 to May 2014, more than 41,000 civilians were detained, most of them is Mursi's supporter (Human Right Watch, 2015). Although President Obama did not recognize Mursi's affairs as a coup, but Obama continued to announce a freeze on military aid to Egypt. The US officially announced the suspension of US \$ 1.3 billion to the Egyptian military related to human rights violations after the coup. The large-scale military assistances to Egyptian government will temporarily be suspended for political reasons (BBC News, 2013).

President Obama said that “This morning we notified the Egyptian government that we are canceling our biannual joint military exercise, which was scheduled for next month (Global Security)”. “We deplore violence against civilians. We support universal rights essential to human dignity, including the right to peaceful protest,” he said in his first public remarks since the crackdown began (Steve Holland, 2013). The statement on Obama's policy stressed that although Egypt was one of the most important US alliances in the Middle East, it would not deter Obama's stance that upheld democracy and human right as the main pillar of the United States foreign policy (Dettmer, 2014).

The violence escalating across the country mainly in Cairo after the two parties namely pro and anti-Mursi administration. This led to Egypt is politically and economically unstable and pushed Obama to ask military to be involved in order to save democracy. Although President Obama did not recognize Mursi's decline was a coup but Obama continued to announce a freeze on military aid to Egypt as well as a statement that United States wanted to avoid a breakdown in security relations between the two countries. US continues to impose sanctions on Egypt in the form of cancellation of military training, on July 24, 2013 the US decided to postpone the shipment of four fighter jets F-16, October 2013 US also decided to suspend some military aid to Egypt related to human rights violations after the coup conducted by the military . In addition, the US has detained the delivery of several Apache helicopters, Harpoon missiles, M1-A1 tank parts, and F-16 fighter planes, as well as \$ 260 million in Egypt's general budget (Landler, 2013). From October 2013 to March 2015 President Obama detained a number of assistance to Egypt (Trager, 2015).

E. US Foreign Aids during Abdel Fattah Al-Sisi

In June 8, 2014 Abdel Fattah Al-Sisi sworn in as Egypt's new president after winning the elections. It was noted that Sisi dominated the election with a vote of 96.91%, while rival Hamden Sabbahi only got 3.1% of votes (BBC, 2014). The number of voters who used their votes in this presidential

election was recorded at 47.5%. This victory was predicted long before the former military chief announced his candidacy. Many voters say Abdul Fattah Al-Sisi is the decisive leader needed by Egypt (BBC, 2014).

At his inauguration, President Sisi stated that Egypt in his reign would try to overcome terrorism and bring Egypt into a safe country. His statement convinced the US to establish cooperation in the field of security which is an incentive with Egypt. On July 22, 2014, the US government sent John Kerry as US Secretary of State to visit Egypt so that Egypt would know that the US was still interested in actively engaging with Egypt. During the meeting, the two state representatives discussed humanitarian issues in Gaza and tried to find a solution to the ceasefire agreement between Israel and Palestine (State Gov, 2017).

In his inaugural address, Al-Sisi said he would improve Egypt after experienced chaos and violence in last recent years. Al-Sisi also said that he wants to push military take a role in the country's economic affairs. In his speech Sisi said, "I told them that challenges in Egypt are very, very, very tough. You have no choice but to put your hands in mine in rebuilding the Egyptian state." The statement revealed that he would to provide a role for military to improve Egyptian economy (Saleh, 2016). Since the elected of Al-Sisi as president from Egyptian military circles led the US to continue its strategic cooperation and foreign assistances.

Empirically, Egypt under the leadership of President al-Sisi will back to "Mubarak era intelligence-sharing relationship" with United States, considering that President Al Sisi has the same military background with the previous Mubarak period. Many policies and interests below the previous Mubarak government was reappointed by President Sisi. Both of them still have the same interest in the security category guarantee the relationship of "intelligence-sharing" namely security and stability fight terrorism. This interest brings relations between the two countries improvement compared to the previous Muhammad Mursi government. General Muhammad Farid El-

Tohany as Director General of Egyptian Intelligence said that there are no changes in relation to US spy agents, although there were some delays in sending US weapons to the military Egypt since 2013 (Ignatius, 2013).

After Obama stopped aid to Egypt, Egypt began to switch to buying weapons equipment to Russia. Obama, who is worried about Sisi's actions threatening his interests, finally opened the way for the delivery of F-16 fighter jets, Harpoon missiles and M1A1 Abrams tanks to improve relations with old allies (PressTV, 2017). In addition, the US will provide 10 Apache helicopters used by soldiers to fight militants on the Sinai Peninsula. On his visit to Egypt in June 2014, John Kerry stated, "The Apaches will come and they will come very, very soon" (BBC News, 2014). In addition, Kerry stated that the United States would support Egypt to uphold universal rights and freedom of Egyptian society including freedom of expression, peaceful gathering and association.

There are two kinds of foreign assistance provided by the United States to Egypt, namely:

1. Economy Aid

Egypt is one of the developing countries with high unemployment during the reign of Husni Mubarak. In 2011, Husni Mubarak stepped down from his post due to a massive demonstration in Egypt. As a result of the large demonstration, Egypt experienced a drastic decline in investment income from other countries and a significant decrease in the number of tourists, followed by a 60% reduction in foreign exchange reserves, etc (Kingsley, The Guardian, 2013). Then in 2013 there was another large demonstration which claimed Muhammad Mursi to step down because the draft Egyptian constitution that wanted to be made gave great authority to the Muslim Brotherhood. The chaotic situation made the military intervene to coup Muhammad Mursi. The massive demonstrations that took place in 2011 and 2013 made the Egyptian economy very unstable which led to the suffering of the people.

The chaos made prices of staple foods rise and significant increases in unemployment made Egypt in a very bad economic crisis. Besides that, Egypt is also a country with a high number of corruptors which exacerbates the conditions of the Egyptian economy. In 2014 when Egypt was taken over by Abdul Fattah Al Sisi, Sisi made the military play a role in the country's economic affairs. In his speech Sisi said, "I have challenges in Egypt are very, very, very tough. You have no choice but to make your hands in building the Egyptian state ". The statement directed that he would give a role to the military in an effort to improve the Egyptian economy (Saleh, 2016).

The existence of economic cooperation relations between the United States and Egypt has been established for a long time. The United States has helped Egypt a lot in improving its country's economy in the form of financial assistance, such as the Economic Support Fund (ESF) and forms of cooperation such as the Trade & Investment Framework Agreement (TIFA) and The Egyptian-American Enterprise Fund (EAEF). In addition to providing funds to build the Egyptian economy, the aid funds were also aimed at the US for the development of democracy in Egypt.

The Egyptian-American Enterprise Fund (EAEF) was formed to indicate and point to gaps in financing markets for entrepreneurs as well as various small businesses being run. In addition, it also shows investors about the potential benefits of creating opportunities for the private sector to develop. That way, the United States seeks to promote strong business for Egyptian SMEs. The purpose of the existence of business funds includes expanding the range of goods and services offered by the host country, introducing modern technology, attracting new foreign investors to the local market, developing capital markets in host countries, supporting and training local managerial groups, increasing responsibility social responsibility in business and business activities and legacy activities (Devex, 2018).

On September 30, 2012, the economic and development impacts generated by this collaboration were important

development capital given to SMEs and operating entrepreneurs in which entrepreneurs or SMEs had limited private investment capital could develop, in addition more than 300,000 jobs were created or maintained investment and development activities (EAEF, 2018). EAEF has helped Egyptian entrepreneurs in business such as Smart Care, Sarwa Capital, and Fawry.

Smart Care was formed in 2009, the company serves residents who do not have insurance by offering discounts on all services provided and also helping with the process of ordering services in private clinics with the help of media information platforms. In an effort to promote innovation and encourage talented young Egyptians to solve problems, EAEF has invested \$ 1.2 million in Smart Care in May 2016 making it the first investment in a series of early-stage investments.

Sarwa Capital is the largest independent consumer financing provider in Egypt with more than 65,000 clients. Sarwa Capital's own target is an Egyptian resident who does not have a bank account in Egypt. In 2015, EAEF has invested funds in EGP 6.7 billion at Sanwa Capital to assist companies in expanding the company.

Fawry was formed in 2009 as Egypt's first electronic payment network. This payment service company has more than 15 million customers, offering financial services to consumers and businesses through more than 50 thousand locations and various channels. EAEF through a consortium of 10 with Helios Investment Partners and MENA, has acquired a majority stake in Fawry in May 2015.

The Economic Support Fund (ESF) is a relief fund used by the United States to promote the interests of its foreign policy in the economic and political fields. This assistance fund is aimed at the US for allied countries, countries that are in a period of transition to democracy, to support peace negotiations in Middle East countries, financing economic stabilization programs, etc. The ESF is specifically aimed at increasing the role of the private sector in the economy, reducing the role of government in the market, increasing the number of fields of work, increasing economic growth, building and strengthening

government institutions for stable democracy through public sector support, strengthening capacity to manage the human dimension of transition towards democracy and help maintain the poorest sector during the transition period, as well as this financial assistance also to finance the import of commodities (State.gov, 2005).

In 2004, Egypt received ESF assistance worth \$ 575 million, while in 2005, Egypt as a recipient country received funding of \$ 535 million. Of the amount allocated to Egypt, no less than \$ 200 million must be given as an import commodity assistance program (CIP). In 2011 and 2012, the ESF combined \$ 250 million for Egyptian spending and \$ 100 million was spent on Egyptian debt repayment assistance. In 2014-2015, ESF provided \$ 200 million, of which \$ 35 million has been set up for high occupation programs and scholarships. In 2014, the United States Agency of International Development (USAID) estimated that the \$ 200 million provided by the ESF to Egypt, \$ 6.19 million would be used to build democracy, manage good governance, and for political competition, and \$ 141.81 million would be used for economic development, trade, macroeconomic, agricultural growth, and private sector competition (Sharp, 2017).

When Abdul Fattah Al Sisi served as President after the Muhammad Mursi coup in 2014. There has been no recent cooperation (which is bound by the agreement) in the economic field under Barack Obama's administration. Nonetheless, the United States continues to provide economic assistance in the form of funds to Egypt to stabilize the Egyptian economy which is being hit by a crisis while safeguarding US interests in the Middle East.

2. Military Aid

The United States and Egypt have had very strong military relations since Mubarak led Egypt in 1981. During his thirty years of leadership, US and Egyptian relations, especially the military, were very harmonious. But when Mursi led Egypt in 2012, relations between the United States and Egypt decreased due to Mursi's policies which were not in accordance with US

wishes to support Palestinian independence and condemn Israel's population in Gaza.

When Muhammad Mursi was coup in 2013, relations between the two countries deteriorated due to a policy plan taken by Obama to cancel military training, arms sales, and economic and military assistance due to human rights violations in Egypt carried out by the military. It should be emphasized that Obama's actions were carried out not because of the coup against Mursi carried out by the military, but the post-coup conditions in which there were acts of human rights violence which caused many civilians to die and be injured. According to the National Council for Human Rights (NCHR), more than 2,500 civilians, including 1,250 members of the Muslim Brotherhood and security personnel were killed in June 2013 until the end of 2014 (Masriya, Egyptian Streets, 2015). From July 2013 to May 2014, more than 41,000 civilians were detained, most of them is a Mursi supporter (Human Right Watch, 2015).

Abdel Fattah Al Sisi officially became the leader of Egypt on June 8, 2014. At his inauguration, President Sisi stated that Egypt in his reign would try to overcome terrorism and bring Egypt into a safe country. His statement convinced the US to establish cooperation in the field of security which is an incentive with Egypt. On July 22, 2014, the US government sent John Kerry as US Secretary of State to visit Egypt so that Egypt would know that the US was still interested in actively engaging with Egypt. During the meeting, the two state representatives discussed humanitarian issues in Gaza and tried to find a solution to the ceasefire agreement between Israel and Palestine (Kerry, 2017).

Empirically, Egypt under the leadership of President al-Sisi will return to the "Mubarak era intelligence-sharing relationship" with the United States, given that President Al Sisi has the same military background as the previous Mubarak period. Many policies and interests under the previous Mubarak government were reappointed by President Sisi. Both of them still have the same interest in the security category which

guarantees the "intelligence-sharing" relationship, namely security stability and fighting terrorism. This interest brings relations between the two countries has increased compared to the previous Muhammad Mursi government. General Muhammad Farid El-Tohany as Director General of Egyptian Intelligence said that there were no changes in relations with US spy agents, despite several delays in sending US weapons to the Egyptian military since 2013 (Ignatius, Washington Post, 2015).

The United States revealed that it had disbursed US \$ 575 million in military aid to Egypt which had been frozen since the ouster of President Mohammed Morsi last year. After negotiations with Al-Sisi in Cairo, Kerry stressed the importance of upholding the rights of all Egyptians.

US State Department officials said military aid was given back to the Cairo government ten days ago, after being approved by Congress. Funds taken from US annual military assistance of US \$ 1.5 billion will mainly be used to pay for existing defense contracts. The US also promised to provide 10 Apache helicopters for the military to deal with militias on the Sinai Peninsula (BBC News, 2014).

It is known that since the Egyptian revolution in 2011 it has caused thousands of people were jailed and put on mass trials, and hundreds of people received death sentences including Muslim Brotherhood officials (Dunne, 2014). Seeing the unstable state of the Egyptian economy, President Obama continues to try to improve his relations with Egypt by helping the President of the Security and Economic Sector to face Egypt's unstable political challenges. President Obama told President Al Sisi that he would continue annual aid of \$ 1.3 billion to Egypt. On March 31, 2015, President Obama planned to channel security assistance to Egypt in four categories, namely anti-terrorism, border area security, Sinai security, and maritime security (The White House, 2015).

In the field of security, the United States considers Egypt as a strategic ally, partner in peace, and partner in fighting terrorism. Since 1979 after the Camp David Agreement was

signed, the US has given Egypt considerable military assistance to Egypt. The assistance was intended as an investment in regional stability in order to strengthen military relations between the two countries, in addition to the US providing military assistance to Egypt so that Egypt can get training and equipment for the US military. In addition, the aim of giving US military assistance to other countries, especially Egypt, is to maintain defense cooperation with the US after complicated relations at the time of Mursi, enhance joint capabilities in maintaining peace and humanitarian crises, promote US armed forces standardization and increase defense exports US related to goods and services (Military Assistance, 2015).

The cooperation between the US and Egypt, namely Operation Bright Star (now a multilateral military exercise), International Military Education & Training (IMET), the Combating Terrorism Fellowship Program (CTFP), and providing permanent assistance to Egypt through Foreign Military Financing (FMF) . The aim of this military assistance is to replace Soviet equipment with the US defense system so that the US becomes the strongest alliance in Egypt.

International Military Education & Training (IMET) is a national security assistance program and a form of United States foreign policy in assisting allied countries such as training and education in the form of grants. The program also confronts Egyptian defense personnel to study the military, doctrine and values used by the United States. IMET was designed to help the military of other countries to improve their relations with the US, study US military equipment, improve the military more professionally, and instill democratic values in the military. In addition, the aim is to maintain regional stability through military to military relations which leads to increased understanding and defense of both parties, helping countries that participate in developing new capabilities and are able to utilize existing resources, provide training and education to increase military forces (Military Assistance, 2015).

In 2012, the US issued an IMET fund of \$ 1,389 million, then in 2013 there was a very significant decrease of only \$ 474

million, then there was an increase in funds in 2014 when Al-Sisi became President for \$ 1.8 million, and in 2015 the IMET fund US spending in Egypt amounted to \$ 1.7 million. 30 In 2016, requests for funds for IMET in Egypt amounted to \$ 1.8 million which would support professional military education. It can be seen that compared to the Mursi period, the IMET funds issued to Egypt during the President Sisi's period were larger and quite stable.

The military assistance provided by the US is not in the form of cash, but weapons equipment and services from the US Defense Contractors. In addition, the countries that formed alliances with the US were also given military training through the FMF (Foreign Military Financing) program. Foreign Military Financing (FMF) is a grant in the form of defense equipment, services, and military training from the US. FMF is aimed at promoting US national security by contributing to regional and global stability, strengthening military support for democratically elected governments such as Mursi and Sisi, as well as helping countries that have security threats. In carrying out these objectives, the US seeks to reduce the possibility of conflict and war that could threaten the United States. Finally, this assistance can enhance the defense capabilities of both parties and strengthen military relations between the US and the recipient country.

The FMF program can be used by Egypt to continue strategic relations with the United States and continue to maintain the Camp David agreement with Israel. This is the main objective of the issuance of the FMF program for Egypt. The provision of military assistance to Egypt was channeled through Foreign Military Financing (FMF) in stages to replace the Soviet weapons system owned by Egypt. The FMF program is given The FMF program can be used by Egypt to continue strategic relations with the United States and continue to maintain the Camp David agreement with Israel. This is the main objective of the issuance of the FMF program for Egypt. The provision of military assistance to Egypt was channeled through Foreign Military Financing (FMF) in stages to replace

the Soviet weapons system owned by Egypt. The FMF program was given not through intact funds but was given in the form of weapons (Sharp, 2017). Egypt itself is one of the main recipients of FMF assistance from the US. The requirement for Egypt for the FMF recipient country is Egypt's Foreign Minister Shameh Shoukry must state that Egypt wants to continue its strategic relationship with the US and fulfill its obligations under the 1979 Egypt-Israel peace agreement (Camp David Agreement).

In April 2014, John Kerry stated that Egypt under Sisi's government had fulfilled these conditions in which FMF funds of \$ 572 million (of a total of \$ 1.3 billion) were issued to Egypt. In order for the remaining aid to be released, the Minister of Foreign Affairs must state that Egypt has held a constitutional referendum and supports the democratic transition and Egypt has held a democratic presidential election. In 2015, Congress agreed to spend \$ 1.45 billion in funds to Egypt divided into FMF funding of \$ 1.3 billion (including defense and training) and the remaining \$ 150 million for the Economic Support Fund (covering education, economic growth, and democracy and government programs). For 2016, the amount of FMF's fund receipts was still stable at \$ 1.3 billion (Costello, 2014).

Combating Terrorism Fellowship Program (CTFP), a program launched by the US to provide training to security forces, build and strengthen global networks in combating terrorists, contribute to efforts to fight terrorism, provide flexible and proactive programs to respond to the need to fight terrorism (DscA Website, 2017). In addition to education and training, the US also provides a budget to support efforts to fight terrorism to reduce the spread of terrorist networks. CTFP is tasked with helping allied countries to build their capacity to control borders and ports that are vulnerable to the entry of terrorists. The US action to make this program is in the interests of the US itself to create a safe regional environment. Egypt itself has a security campaign focused on the North Sinai region in September 2013. North Sinai itself is an Egyptian region which is a safe place for terrorist networks. Therefore, the area

is closed to tourists and civilians. In 2014, more than 500 militants were reported killed and at least 2,000 terrorist hideouts were destroyed (Report, 2014).

In 2014, the US issued CTFP funds to Egypt totaling \$ 438,465 and in 2015, CTFP funds to Egypt were valued at \$ 349,293. For 2016, plans to spend CTFP funds in Egypt amount to \$ 576,504 (Congress, 2015). Besides CTFP, the US cooperates with Egypt through the Export Control and the Related Border Security Program (EXBS) to improve Egypt's border security through maritime border enforcement and training especially for Customs and the Ministry of Defense.