It has been all too common to criticize the Obama administration for a lack of strategic vision in responding to the Arab uprisings. While such criticism may be valid, it is time to move beyond critique and articulate not just a bold vision, but one that policymakers can realistically implement within very real economic and political constraints. During the remainder of its second term, the Obama administration has an opportunity to rethink some of the flawed assumptions that guided its Middle East policy before the Arab Spring—and still guide it today. Chief among these is the idea that the United States can afford to continue turning a blind eye to the internal politics of Arab countries so long as local regimes look out for a narrow set of regional security interests. With so much policy bandwidth focused on putting out fires, the United States has neglected the important task of thinking about its longer-term engagement in the region. Crisis management is the most immediate concern for policymakers, but it’s not necessarily the most important.¹

Instead of providing an overarching framework for a new democracy push in the Arab world, President Obama’s response to the Arab uprisings in places like Egypt, Libya, and Syria has been purposely careful and modest—episodic rather than strategic. This is partially due to exogenous events; it is an unfortunate accident of history that the Arab uprisings happened just as the United States and Europe were in the throes of crisis and self-doubt, after the Iraq war and economic recession. These events have given the United States reason to pause before launching into transformational strategies, especially in a region like the Middle East.

The phrase “leading from behind” has become the pejorative description of choice for critics of the Obama administration’s foreign policy. But this term—itself reportedly coined by an administration official—does capture an important shift in U.S. policy.² Nina Hachigian and David Shorr have come closest to defining what ties together the

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The Washington Quarterly • 36:4 pp. 95–105
http://dx.doi.org/10.1080/0163660X.2013.861716
administration's seemingly ad hoc policy initiatives. They call it the “Responsibility Doctrine,” a strategy of “prodding other nations to shoulder the burdens of fostering a stable, peaceful international order.” It is telling, though, that their otherwise comprehensive account has little to say about Obama’s Arab Spring strategy.

The line between leading and inducing others to lead can be blurry. The latter is often interpreted as evidence of decline, particularly in the Arab world where the United States has long been disproportionately involved. Successive U.S. administrations have been the Middle East’s effective security guarantor. This is especially true in the Gulf, where states are simply incapable or unwilling to provide for their own security. To be sure, the Obama administration has been actively involved to varying degrees in the transitional countries of Tunisia, Egypt, and Libya. Yet even in these cases, the United States has been reluctant to increase its economic and political commitments on any significant scale. Furthermore, the few actual modifications to foreign assistance, as with the administration’s October 2013 limited military aid to Egypt, have been divorced from any sense of a broader vision. Taken together, these missteps and half-measures have contributed to the growing perception of a United States that is unsure of itself and strategically adrift.

Assessing the Obama administration’s performance is, inevitably, informed by expectations. Early on in the Arab uprisings, Steven Cook of the Council on Foreign Relations argued that “President Barack Obama and his administration handled the Egyptian uprising about as well as could be expected.” More recently, after the July 2013 military coup that ousted Egyptian President Mohamed Morsi, George Washington University’s Marc Lynch wrote that the United States “was right to try to keep a low profile and not be seen as trying to shape Egyptian political outcomes.” He also questioned whether “any alternative course would have been received more positively, given the public mood.” Indeed, if one takes as given the United States’ diminished influence in a context of charged anti-Americanism, then it will seem as if the United States did relatively well considering the constraints it faced.

Many had hoped that a second term might bring a more engaged, even passionate administration, but this fundamentally misunderstands the basic thrust of Obama’s policies in the region: engage where we must, disengage when we can. His seeming enthusiasm in 2009 for resetting relations with the Middle East and getting serious about settling the Arab–Israeli conflict dissipated in the face of resistance. It was simply too messy, too costly, and—particularly in the case of Israel—unlikely to actually change the behavior of key actors. While Secretary of State John Kerry has invested enormous time and attention reinvigorating the Middle East peace process since arriving at Foggy Bottom, it is not clear that any party, the United States included, can stomach the necessary commitments.

Obama’s other key second-term national security appointments—John Brennan at the CIA and Chuck Hagel at Defense—comprise a competent team for crisis management. It is not, however, a transformational team that is able or willing to think creatively about the United States’ role in one of the most important transformations in
recent decades—the Arab revolutions. The “Yemen model,” likely to be replicated in Mali and Niger, allows the United States to kill terrorists (and sometimes innocent civilians) while maintaining the fiction of a hands-off, non-interventionist policy.

**Bringing the United States Back In**

With the Arab revolts, senior U.S. officials repeatedly argued that this was not about America, emphasizing instead the indigenous nature of the uprisings. After the fall of Mubarak, President Obama declared, “It’s not America that put people into the streets of Tunis and Cairo,” 6 while Secretary Clinton remarked, “These revolutions are not ours. They are not by us, for us, or against us.” 7 There was concern that too much U.S. involvement went against the very spirit of what was occurring in these countries. That may have been true, but doing less during the Arab uprisings—there was, after all, no fundamental reorientation of U.S. policy—meant that pre-Arab Spring policies remained largely intact, particularly in Jordan, Morocco, and the Gulf countries. In the transitional countries—Tunisia, Egypt, Libya, and Yemen—the United States pledged only a limited amount of new aid, despite deteriorating economies.

For the most part, the administration continued “business as usual” even as it promised to back democratic transformations across the region. In Egypt, such pronouncements rang hollow; Washington watched quietly while the Morsi government grew increasingly inept and authoritarian. And when the military subsequently deposed the democratically-elected Morsi, the United States expressed only mild criticism, refusing to call what happened a “coup.” Secretary of State John Kerry even claimed that Egypt’s generals were “restoring democracy,” a bizarre statement given the violent crackdown on opposition forces. 8

These early years of the Arab uprisings tell a story that is largely at odds with the predominant narrative that external actors can and should play only a quiet, supporting role. With the exception of Tunisia, each of the revolutions—in Egypt, Libya, Yemen, and Syria (as well as the one near-revolution in Bahrain)—has been notable for the important, even decisive role of international actors.

In Egypt, as the crowds swelled in Tahrir Square, senior U.S. officials exerted pressure on the military to refrain from using force against protesters. In Libya, the NATO operation provided a protective umbrella for the rebel forces, allowing them to defeat Muammar Qaddafi’s army. Meanwhile, the uprising in Bahrain was quashed when Saudi and Emirati forces arrived to crush the protests led by the country’s majority-Shia population. In Yemen, the removal of president Ali Abdullah Saleh was facilitated through negotiations involving Saudi Arabia, the United States, and other Gulf Cooperation Council (GCC) nations. And Russia’s unfailing support of the Syrian regime has ensured the UN’s inability to take any meaningful action as it slaughters its own citizens. Iran and Hezbollah have helped Assad check rebel advances on the ground, while aid from Saudi Arabia, Qatar, and Western nations has been vital in sustaining the rebellion.

**With the exception of Tunisia, each revolution has been notable for the role of international actors.**
It is also worth noting that perceptions of U.S. influence and leverage in the Arab world very much depend on the preconceptions of whoever happens to be watching. It may be the case that U.S. influence has diminished in purely objective terms, but that does not mean that all Arabs will or must believe it. If the United States acts as if it has diminished influence, then it becomes a self-fulfilling prophecy. Contrary to declinist assumptions, the United States does, in fact, have more leverage in the Middle East than many U.S. policymakers assume. For example, former NSC director Steven Simon argues that the United States can do very little to pressure Egypt’s generals, but the fact remains that there is simply no replacement for the crucial spare parts and equipment that the United States provides, not to mention the thickness of military-to-military relations built up over decades.

When it comes to the Gulf, the threat of Iran, while often overstated, continues to loom large, but in a way that affirms U.S. leverage. Instead of viewing the United States as dependent on the Gulf, the reverse is more accurate, especially now with U.S. domestic energy production rapidly expanding. Meanwhile, in the face of Iranian aggression, the Gulf states have never been more dependent on U.S. security provisions including advanced weaponry and efforts at coordinating regional missile defense. As long as the Iranian threat festers, the United States has an opportunity, one which will almost certainly diminish if Iran gives up its nuclear ambitions and reconciles with the West. In other words, Iran currently provides an opening for the United States to adopt a more comprehensive approach of linking what have until now been treated as discrete concerns—security and reform.

Developing a New Strategy

Arab attitudes toward the United States are inelastic. Anything short of a major policy overhaul—including tinkering around the margins with well-intentioned but small-scale initiatives—will not make much of a difference. (In contrast, decisive action, as in Libya, drove favorability ratings for the United States to all-time regional highs, putting Libyans on par with Australian and Israeli attitudes.9) With this in mind, we propose that the United States reorient its policy based in part on ideas that have emerged, but stalled, within the Obama administration itself.

The centerpiece of this new approach would involve establishing a Multilateral Endowment for Reform (MER) with an initial funding stream of $5 billion. This endowment builds on the administration’s proposed MENA Incentive Fund, a tool designed to encourage governments in the region to make measurable reform commitments in return for significant increases in U.S. economic aid.10 Our proposed MER, which operates on similar principles but at a much larger and multilateral scale, would provide the contours of a new framework to incentivize reforms and could reshape our basic relationship with the Middle East.
While the idea of a “Marshall Plan” for the Middle East may be misplaced—the historical analogy is faulty and the post-WWII geoeconomic calculus fundamentally different—the metaphor does speak to the scale of imagination and ambition required of any adequate policy response to the Arab uprisings and their aftermath. The core of such an effort must include a sustained, systematic attempt at tying much-needed economic assistance to explicit democratic reforms—something that has never before been attempted in the Middle East.

This isn’t just about morality or doing the right thing; the success of democracy matters for very practical reasons. Authoritarian “stability” is the brittle kind that can collapse at any moment, as we saw in 2011. Repressive regimes may offer short-term comfort by suppressing terrorism along with dissent. However, by blocking meaningful political competition, they also increase the likelihood that citizens will consider violence as an alternative. To be sure, democratization is messy and elections will occasionally bring objectionable individuals and groups to power, but in the long run governments that are responsive and accountable to their people are more stable and therefore more reliable as allies. Importantly, a sustained effort at supporting Arab democracy would also better align U.S. interests and values, thereby neutralizing one of the key sources of tension—and incoherence—in the United States’ post-2011 Middle East policy.

If genuine democratic reform is a desirable goal as well as a core U.S. interest, at least in the long term, then how can various policy tools be employed to promote it more effectively? For one, using aid as leverage only works if there are meaningful consequences when countries don’t meet minimal expectations and significant reward when they do. With this in mind, the new funding platform we propose would need at least $5 billion initially with the aim of reaching $20 billion in ten years (compared to the mere $580 million requested for the Obama administration’s MENA Incentive Fund in FY14).

The central thrust of this model is the idea that the international community, led by the United States, makes a serious investment in the economic and political future of the Middle East by making available significant new funding above and beyond existing aid commitments. Its multilateral nature would be key to its success, both in terms of reducing the level of direct financial burden on the United States as well as avoiding perceptions that Washington hopes to engineer political outcomes. Europe would be a major partner and contributor to the Endowment. Regional players such as Turkey and Qatar that have shown an interest in skirting the pre-uprising status quo and supporting political change will also be encouraged to contribute significant dollar amounts. Of course, it may be difficult to get countries beyond the usual club of international donors to make large contributions. For the model to succeed, however, it will need to be informed by the kinds of technical expertise and experience found in many countries—from Latin America to Central and Eastern Europe to Asia—which have undergone successful transitions to democracy in recent decades.
A genuinely multilateral response has been one of the great chimeras of the post-Arab Spring period. While the United States and the European Union have established programs focused on supporting the transitions, the whole has been less than the sum of various disjointed parts. The most ambitious assistance platform has been the Deauville Partnership, which dates to the eponymous spring 2011 G8 summit held in the aftermath of the Egyptian and Tunisian revolutions. Its implementation, however, has been another story. Always somewhat vague, the Deauville framework’s precise mechanisms and parameters remain a mystery not only to partner governments in the region, but even to the officials in the G8 nations charged with delivering on its commitments. Its signature elements, such as a $250 million MENA Transition Fund and inclusion of the Arab world within the mandate of the European Bank for Reconstruction and Development (EBRD), have been slow to appear and in any case are focused on spurring economic growth rather than on securing democratic outcomes. What any potential fund needs is a single, dedicated mechanism for aggregating, programming, and disbursing large-scale assistance focused on democratic reform in the Middle East (rather than, say, the economic restructuring that the IMF, World Bank, and other international institutions prioritize).

Like the administration’s proposed MENA Incentive Fund, the MER would take its lead from recent innovations in delivering large-scale development assistance. The Bush administration’s Millennium Challenge Corporation (MCC) is one such example, which established a firm linkage between governance quality—including democracy—and significant levels of economic aid. Based on reform goals agreed to jointly by the Endowment, partner governments, and civil society, the MER would disburse funds against those reform commitments by partner governments. Mechanisms of accountability would need to be built into all partnerships, with clear and enforceable benchmarks, ongoing monitoring, and transparent criteria—not to mention the necessary political will—for suspending or terminating funding if reform commitments are not met.

With the rising tide of nationalism in the region, populist leaders may see this as unwelcome interference in their domestic affairs. But, considering that unused funds would be reinvested back into the Endowment and accumulate over time, politicians in cash-strapped countries would be hard pressed to justify rejecting billions in international support. Moreover, such support can give political cover to democratically-elected leaders—Islamist and secular alike—in their efforts to restructure corrupt government bureaucracies and institutions. Even if funds are ultimately rejected, the Endowment can send a clear message to understandably skeptical Arab audiences that although democracy cannot be imposed, it can be actively and vigorously supported in good faith.

The Obama administration’s proposed MENA Incentive Fund stalled for a variety of reasons. First, the White House structured its funding request in a way that combined both the distinctive incentive mechanism as well as resources pegged to vague “stabilization contingencies.” This diluted the appeal of the former and caused the Incentive Fund to appear to some in Congress as little more than a slush fund. Second, once the idea was launched, the administration did not actively promote or build support for the Fund among appropriators. Finally, given the U.S. fiscal climate, any request for sizeable amounts of new foreign aid was likely to engender resistance. But the
administration missed crucial opportunities to help Republicans on Capitol Hill—who tend to be wary of foreign aid “giveaways”—to understand that the various forms of accountability built in to the Fund meant that it would operate according to foreign assistance principles they support.

Our proposed MER would not avoid all of these pitfalls, but would have at least two clear advantages over the Incentive Fund. First, it would operate exclusively on the basis of transparent and benchmarked incentives measured against actual performance on reform indicators, thereby avoiding any accusation of slush funding. The multilateral nature of the MER would spread the financial burden across a wider range of stakeholders (meaning that the United States would not have to foot the entire bill) and thereby avoid some of the political sensitivities in the region associated with U.S. bilateral funding.

The governance of such an Endowment, which represents a largely unprecedented model, would pose a unique set of challenges. Contributor nations would inevitably have divergent regional interests and agendas. They may not share a wholly common vision of, or commitment to, democracy in the Arab world. However, there is likely to be a sufficient convergence of understanding around the importance of reform, broadly understood as the most sustainable pathway to regional stability. Certain reform commitments, particularly those focused on technical, regulatory, and economic issues, will always be easier to stomach for all concerned when compared with reforming the laws governing elections or allowing for the free and unfettered operation of civil society organizations. The chief challenge, therefore, is to ensure that the Endowment remains focused on the much harder agenda of incentivizing genuine democratic reform.

The Endowment would have benefits beyond promoting democracy. By minimizing their direct involvement, the United States and Europe have allowed a strategic vacuum to emerge in the region, with largely autocratic Gulf countries moving to fill the gap. With its institutionalization over time, the Endowment can reestablish U.S. and European leadership in the Middle East, allowing them more opportunities to help shape critical transitions in the region. In the short term, participants will need to discourage large payouts tied to partisan political developments such as Saudi Arabia, the UAE, and Kuwait’s $12 billion pledge in the immediate aftermath of Egypt’s July 2013 military coup—a move intended to signal support for a return to the pre-2011 status quo. Ideally, certain regional actors would be asked to join the MER’s efforts. Failing that, Endowment contributors will need to use their diplomatic clout to minimize the competition and conflict arising from dueling funding streams.

By now, the United States has a long history of promising to prioritize Arab democracy. But even initially promising efforts like President George W. Bush’s “freedom agenda,” which sought to improve regional stability and reduce extremism by promoting democratic transformation, repeatedly fell short. Like Bush before him, President Obama pledged in a May 19, 2011 speech that it would be U.S. policy to “promote reform across the region, and to support transitions to democracy.” Yet in Obama’s second term, the
old priorities—peace with Israel, counterterrorism, dealing with Iran, and ensuring the stability of oil-producing Gulf monarchies—have taken precedence over any presumed commitment to democracy promotion. This is both understandable and inevitable.

Recognizing this, the MER will require at least some insulation from the political considerations that frequently govern U.S. assistance to the region. It would maintain this distance by operating according to a mechanism that holds both parties—the MER itself and whatever countries it operates in—accountable to a set of publicly agreed reform commitments and associated benchmarks. If the benchmarks are not met, then the funds will not flow, no matter how strategically important the recipient country might be. For the first time, a major and enduring commitment to Arab democracy—wholly separate from security priorities—would be institutionalized as a permanent part of U.S. foreign policy.

**Challenging Conventional Democracy Promotion**

To be sure, this is not about “buying democracy”—a fool’s errand, in any case. We do not envisage that Jordan or Algeria will quickly become bastions of democracy simply because several billion dollars in economic assistance are on offer. The MER will primarily focus on those countries already undergoing transitions, where questions of basic political will are less difficult. Where transitions are driven by popular support, sensitivities about Western countries imposing or bribing countries into democracy will likely be lower—particularly if reform efforts are approached in ways which allow local populations a voice in the process and a direct stake in the outcome.

While the transitional states of Tunisia, Libya, Yemen, Morocco and, at some point in the future, Egypt and Syria represent the greatest opportunities for the Endowment to have lasting impact, its relevance is not limited to these settings. The MER’s success can have important demonstration effects and serve to embolden reform-minded politicians elsewhere in the region. Instead of waiting for unrest to spread, the United States should encourage allies such as Jordan to reform before, not after, domestic problems become insurmountable.

MER funding focused on security sector reforms could generate productive results even in the hard cases of oil-rich Gulf countries generally seen as immune to financial incentives. While these nations are unlikely to undertake serious democratic reforms anytime soon, some are keen to appear responsive to both local and international concerns about their internal security practices. The United States will continue to be the Gulf’s security provider, but it should explicitly tie such provisions to substantive, though reasonable, reforms, tailored to the particular conditions of each country. The participation of Gulf countries could be the first step in a broader process of moving away from the tired paradigm of “security for oil” toward something that, over time, can resemble “security for reform,” drawing inspiration from the model of the Helsinki Accords in Eastern Europe.

In some countries, MER funding could directly support aspects of democratic consolidation such as overhauling the civil service sector, justice sector reform, and anti-corruption initiatives. Approached correctly and at the appropriate scale, this would mean moving well beyond the activities of conventional U.S. democracy promotion such as political party training and civil society strengthening. In many cases, such as
Mubarak’s Egypt, these standard democracy promotion tools were thoroughly co-opted by the regime and integrated into the very mechanisms through which it maintained its hold on power. Under such conditions, small-scale democracy programs amounted, at best, to little more than tinkering around the margins of closed political systems, and at worst as convenient accessories to authoritarianism.

With this in mind, the United States should fundamentally reorient its approach to reflect the changing nature of reform challenges in Arab countries. For example, one of the greatest obstacles to democratization in the Arab world is an ossified civil service habituated to—and in many respects a byproduct of—deeply entrenched autocracy. A changing of the guard in the top echelons of power will only take a democratic transition so far, particularly when there are good reasons to doubt new incumbents’ commitment to inclusive democracy. And while the path to accountable governance certainly must be signaled from above, its realization in practice depends on reformulating everyday bureaucratic processes. This kind of necessarily wholesale, top-to-bottom reform of government institutions is an expensive undertaking that requires resources far beyond the relatively paltry sums of democracy and governance funding the United States currently provides. A tool such as the MER, however, could provide funding of the magnitude needed to make comprehensive bureaucratic change a meaningful prospect, including in the security, judicial, and media sectors.

It is also important to recognize that one-off injections of economic aid, even when sizeable, are unlikely to lead to enduring, long-term reform commitments. Democratic transitions in Central and Eastern Europe (and arguably reforms in Turkey during the 2000s) succeeded because the prospect of EU membership held the promise not just of short-term dividends but also the opportunity of integrating into a lasting economic and political safety net. Painful reforms were worth the effort because of the return. The assistance delivered through the MER could lay the groundwork for a new economic order that can serve to anchor ongoing transitions and embed potentially anti-Western and nationalist governments within an attractive regional framework. While the Endowment on its own cannot serve as the functional equivalent of EU membership, the development of enhanced trade partnerships and foreign investment flows under its auspices can achieve similar effects. The geographic happenstance of the 2011 Arab uprisings—involving several geographically contiguous countries along the Mediterranean littoral—can contribute to positive “neighborhood effects” and political learning across countries.

Something like the MER will not be easy to enact. Figuring out how to structure and govern such an entity, as we have noted, will be a complex endeavor. And many will likely be skeptical about whether the proposed mechanisms can even work, given the mixed track record of aid conditionality. We acknowledge all these challenges. In our view, however, they are outweighed by the need to mount a response that is ambitious and commensurate in scale to the historic shift that the Arab uprisings represent.

Our ultimate conviction is that the United States needs to work harder to rid itself of old and comfortable ways of doing business in the Middle East. Since 2011, many speeches and statements have gestured in this direction, but the follow-through has been wanting. For decades, the hallmark U.S. approach to the Arab world involved refraining from asking hard questions about human rights and democracy, so long as local regimes looked out for its broader strategic interests. Today, even in the face of an
A reform endowment can provide an important and visible push toward a new strategic approach.

unprecedented opportunity to push for meaningful change, the United States has fallen right back into old, bad habits.

In publicly rejecting the idea of security versus democracy as a false dichotomy, the United States has already recognized, in the words of Secretary of State Hillary Clinton, that “the single greatest source of instability in today’s Middle East is not the demand for change. It is the refusal to change.” This dictum applies equally to the United States’ own troubled role in the region and should be reflected in our conduct. No one tool can alter the course of U.S. policy, but a reform endowment can provide an important and visible push toward a new strategic approach, helping return the United States to its traditional role as the most influential external actor in the region, and rejuvenating the process of democratic reform that the Arab uprisings have initiated.

Notes


5. Marc Lynch, “They Hate Us, They Really Hate Us,” Foreign Policy, July 19, 2013, http://www.foreignpolicy.com/articles/2013/07/18/anti_americanism_egypt_muslim_brotherhood/page=0,1


