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The Middle East Partnership Initiative: An Overview

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Summary

On December 12, 2002, Secretary of State Colin Powell announced the creation of The Middle East Partnership Initiative (MEPI), a program designed to promote political, economic, and educational development in the Middle East. This report provides an overview of the program, its perception in the Middle East, and its role in the debate over U.S. public diplomacy toward the Arab world. This report will be updated as developments unfold.

Overview

On December 12, 2002, Secretary of State Colin Powell announced the creation of The Middle East Partnership Initiative (MEPI), a program designed, in the words of Secretary Powell, to be a “continuation, and a deepening, of our longstanding commitment to working with all peoples of the Middle East to improve their daily lives and to help them face the future with hope.”¹ In light of the continuing war against terrorism, the Iraq crisis, and increased violence in Israel and the West Bank and Gaza Strip, MEPI is an attempt to “broaden our approach to the region”² emphasizing what some analysts call the softer elements of U.S. foreign policy: foreign aid, trade, education, and democratization. The goals and objectives of The Middle East Partnership Initiative are divided into three broad categories as defined by Secretary Powell.

- Economic: MEPI is designed to help “bridge the job gap” in the Middle East region by supporting programs that encourage economic reform and private and public sector development.

¹ “The Middle East Partnership Initiative: Building Hope for the Years Ahead,” U.S. Department of State, December 12, 2002.

² *Ibid.*

- Political: MEPI's second objective is to "bridge the freedom gap" in Arab countries by supporting local initiatives that strengthen Arab civil society, expand political participation, encourage a more open media, and promote women's rights.
- Educational: MEPI also is designed to "bridge the knowledge gap" in the Middle East by providing more access to higher education for young people and raising the quality of education in local schools.

Socio-Economic Conditions in the Arab World

Underlying the three pillars of the Middle East Partnership Initiative is the stated desire of the Bush Administration to help improve living conditions in a region which has seen stagnant economic growth over several decades. Despite a region-wide 3.1% growth rate between 1991-2000, Middle Eastern economies face serious economic and social challenges. According to the World Bank:

Integration with the rest of the world still lags behind other developing economies in East and South Asia and Latin America. Mounting concern exists over unemployment rates, which average more than 15% regionally, with low female participation in the labor force. Much of the region is still characterized by large public sectors, with centralized governments, large and over-staffed civil services, and weak systems of accountability. Several countries continue to be extremely vulnerable to adverse weather and commodity price shocks due to the limited economic resource base on which they depend. And water shortages and desertification constitute already a pressing challenge.³

Arab countries combined generate only 1% of the world's non-oil exports. According to the United Nations' *Arab Human Development Report 2002*, 14 million Arab adults lack the job skills to provide enough income for even the most basic of necessities. From a demographic standpoint, many Arab countries continue to experience steep increases in their populations, which could lead to as many as 50 million more Arab workers crowding job markets in the next 8 years.⁴ In addition, the *Arab Human Development Report* concluded that out of the seven world regions, the Arab countries had the lowest freedom score in the late 1990s. Many observers are concerned that slow growth, in conjunction with rapidly rising populations and restrictions on personal freedoms which vary from country to country, could lead to expanding regional instability in the years ahead.

Winning "Hearts and Minds"

In the aftermath of the September 11th attacks on the United States, the Bush Administration has placed a much greater emphasis on countering anti-American sentiment in the Middle East, as well as taking concrete steps to improve the underlying socio-economic and political conditions in Arab countries, which some observers believe could lead to less extremism in the region. In a speech before the Council on Foreign

³ "World Bank: Middle East and North African Strategy Paper," The World Bank Group, 2003.

⁴ "Arab Human Development Report 2002," The United Nations Development Program, Arab Fund for Economic and Social Development, 2002.

Relations, Ambassador Richard Haass, head of the U.S. State Department's Policy Planning Department, remarked that "by creating what might be called a democratic deficit — we missed an opportunity to help these countries become more stable, more prosperous, more peaceful, and more adaptable to the stresses of a globalizing world."⁵

Some analysts believe that The Middle East Partnership Initiative can have a positive impact on the region by promoting democracy and economic development. However, critics of U.S. public diplomacy efforts in the Middle East suggest that programs such as MEPI will have little effect countering anti-Americanism in the region because some Arab governments and Islamist opposition groups use anti-American rhetoric as a tool to distract their public from their own failed policies.⁶ Other skeptics even suggest that MEPI will only encourage opponents of U.S. policy in the region, who may perceive the program as an exercise in U.S. imperialism or an imposition of democracy from the west. Some critics of U.S. policy assert that there is an inherent contradiction in U.S. foreign policy in the Middle East, in which the United States advocates liberalization in the region, while bolstering ties with autocratic regimes with similar strategic interests. Others suggest that no amount of public diplomacy can overcome the Arab perception that the United States is too closely aligned with Israel. Finally, there is criticism of the amount requested for MEPI, \$145 million, as tokenism compared to other U.S. national security commitments in the region.

U.S. Development Assistance to the Middle East

After the demise of the British empire in the Middle East in the early 1950's, the United States increasingly began to provide bilateral assistance to individual Arab countries. Under the auspices of the United States Agency for International Development (USAID) and its predecessor agencies, the U.S. government has funded economic and social assistance programs in Morocco (since 1953), Egypt (since 1975), Lebanon (since the early 1950's), Jordan (since 1951), the West Bank and Gaza Strip (since 1975), and Yemen. Some observers have noted that to a considerable extent, there is overlap between the missions and objectives of MEPI and those of USAID, particularly in the economic sphere. For example, while MEPI plans on devoting funds to small business development, USAID has been funding micro-business programs in Morocco and in Egypt since 1988. According to some observers, the major difference between MEPI and the work of local USAID missions is that MEPI will be more targeted in its focus than USAID, emphasizing political, economic, and educational reform in the Arab world.

MEPI Funding

MEPI, which is managed by the State Department's Bureau of Near Eastern Affairs Partnership Initiative Office, received an initial \$29 million in funding in FY2002 for several pilot programs in each of the political, economic, and educational "pillars." Out of the total \$29 million funding for the program's first year, \$5 million came from the

⁵ "The Battle for Arab Hearts and Minds, Shifting U.S. Policy?" The Foreign Policy Association, December 12, 2003.

⁶ Barry Rubin, "The Real Roots of Arab Anti-Americanism," *Foreign Affairs*, November/December 2002.

Middle East Democracy Fund, \$4 million from the U.S.- North African Economic Partnership, and \$20 million from an emergency supplemental appropriation from FY2002. Therefore, at least in its first year, MEPI is an amalgamation of several smaller State Department regional initiatives. For FY2003, there was no Economic Support Fund (ESF) allocation for MEPI, as the program was conceived after the FY2003 budget was finalized.

The FY2003 Emergency Wartime Supplemental Appropriations Bill, H.R. 1559 (P.L. 108-11), provided \$200 million for MEPI, which had been categorized under non-earmarked ESF appropriations.⁷ However, because of earmarks and additions for Afghanistan, the Philippines, and \$10 million to investigate Iraqi war crimes, the Administration had to reduce assistance to MEPI by \$100 million. Out of this \$100 million, \$10 million was set aside for the Islamic Partnership and Outreach Program.⁸ Thus, MEPI received a total of \$90 million from H.R.1559.

For FY2004, the State Department has requested \$145 million in funding, a substantial increase from MEPI's first year. However, the House Committee on Appropriations has recommended \$45 million in funding for FY2004 in the House Foreign Operations Appropriations Bill (H.R. 2800). According to the Committee report, MEPI is "currently defined in only the most general terms" and the level of programmatic and financial detail submitted to the Congress is not extensive and the program is explained in terms of generalizations and goals rather than specifics."⁹ The Senate reported (S.Rept. 108-106) Foreign Operations appropriations (S. 1426) supporting the full budget request for MEPI.

MEPI Programs

Since the debut of MEPI in December 2002, the State Department has organized over 50 programs, some of which are already operating, under each of the three main pillars. Commentators have noted that measuring the effectiveness of these programs will have to be done on a case-by-case and country-by-country basis. Programs that work to increase literacy levels or the investment of capital are inherently easier to quantify than those seeking to improve the health of a country's democratic system. Some programs have longer time horizons for effecting change than others. Countries that are more willing to welcome a foreign-sponsored program like MEPI may already have political conditions that make it easier to encourage internal reforms.

MEPI programs can either operate in one or two countries or cover the entire Middle East region. Morocco is one of the biggest beneficiaries of MEPI, together with Yemen, Bahrain, and other Persian Gulf and North African states. Many of MEPI's host countries have taken some steps to create quasi-democratic institutions such as parliaments, or have

⁷ Out of a total of \$275 million in non-earmarked ESF, \$200 million was allocated for MEPI, \$50 million for the Palestinian Authority, and \$25 million for Djibouti.

⁸ This program is similar in concept to MEPI, with the exception that it enables the United States to fund civil society programs in states with Muslim populations outside of the Middle East.

⁹ *Foreign Operations, Export Financing, and Related Programs FY2004*, House Report 108-222, House Appropriations Committee, July 21, 2003.

allowed some political opposition parties to organize and run in elections. However, MEPI has a much smaller presence in Egypt, where the ongoing battle between the Egyptian government and the Muslim Brotherhood has forestalled internal reforms in one of the largest countries in the region. MEPI has a small presence in ultra-conservative Saudi Arabia, where the authorities are more sensitive to reform-minded initiatives. As a state-sponsor of terrorism, Syria is not eligible to benefit from MEPI.

In the political arena, MEPI aims to help support the creation of more non-governmental organizations, independent media outlets, polling organizations, and think tanks. The initiative also hopes to train candidates for political office, particularly female candidates. MEPI received \$5 million from The Middle East Democracy Fund to be used in Yemen to run voter registration programs, in Oman to support judicial reform, and in Morocco and Bahrain to train female candidates for parliament.

In the economic sphere, the program would take \$4 million in funding from the U.S.-North African Economic Partnership to help fund commercial law initiatives, debt reform, and the development of information technology infrastructures in Algeria, Tunisia, and Morocco. In addition, MEPI plans to provide capital and technical assistance to entrepreneurs to support new business ventures, as well as establishing new micro-enterprise programs. According to Deputy Assistant Secretary of State for Near Eastern Affairs Liz Cheney, MEPI hopes to help fund retraining programs for Moroccan farmers who could incur financial hardships as a result of a possible U.S.-Moroccan free trade agreement.¹⁰ The initiative also works with the U.S. Department of Commerce to provide internships in American companies for young professionals and to provide training to women entrepreneurs from the Middle East.

In the realm of education reform and assistance, The Middle East Partnership Initiative has a pilot program in Yemen to promote women's literacy, as well as plans to develop greater access to the Internet for rural populations. MEPI also is working to fund teacher training programs at the primary and secondary school levels.

Foreign Reaction to MEPI

The Middle East Partnership Initiative has received mixed reactions, varying from country to country in the Arab world. At the governmental level, MEPI has been largely welcomed by the Arab monarchies of Morocco, Bahrain, Qatar¹¹ with particular support for the educational and economic components. Immediately following Secretary Powell's announcement of the initiative, the Moroccan Foreign Ministry stated its support for MEPI, noting that it intended to strengthen the democratic process in Morocco.¹² Yemen also has welcomed the initiative. However, even among these enthusiastic Arab countries,

¹⁰ Bureau of Near Eastern Affairs Briefing to the House International Relations Committee, February 10, 2003.

¹¹ Most analysts recognize that Bahrain, Qatar, and Jordan have made varying efforts to liberalize their domestic political and economic structures over the past decade. Most observers also agree that the leaders of these countries have kept a slow pace to the process of liberalization.

¹² "Morocco Welcomes Powell's Statements on Middle East Partnership Initiative," *Foreign Broadcast Information Service*, December 15, 2002.

there is still a high degree of sensitivity toward western programs designed to promote what is perceived as western-style democracy. The governments of Egypt, Saudi Arabia, and Oman have been more tepid in their response to MEPI, while the affluent United Arab Emirates has shown less interest than some of the other small Persian Gulf monarchies.

At the unofficial level, the initial reaction in the Arab world to MEPI was largely negative, primarily in the Arab press. In an editorial in the London-based *Al-Hayat*, columnist Jihad al-Khazin wrote that “there is an insult here, which I do not believe Powell intends. This sum [\$29 million] means that only 10 cents will be spent on every Arab man, woman, and child to teach them democracy ... if this figure is increased 10-fold, it will mean that one dollar will be spent on each Arab for the declared goal. This amounts to a tenfold insult.”¹³ In another editorial from the Beirut-based *Al-Safir* newspaper, editor Joseph Samahah wrote the purpose of MEPI was to link “the ambitions of some people in the Arab world to the objectives of the United States, not the objectives of the United States to the ambitions of people in the Arab world.”¹⁴ Some analysts have noted that, in the midst of an escalating conflict in Iraq and the continuing violence in Israel and the West Bank and Gaza Strip, the Arab press viewed the timing of the U.S. announcement with suspicion. Still, others have suggested that the initial criticism of MEPI was based on the \$29 million funding for its first year, and that with a greater U.S. financial commitment to the program, the region could take it more seriously in the years ahead.

The Euro-Mediterranean Partnership Initiative

As a point of reference, the European Union has been funding region-wide political, economic, and environmental development programs such as MEPI in the Middle East /Mediterranean region since 1995. Under the auspices of the Euro-Mediterranean Partnership Initiative (MEDA), the EU directs approximately 14% of MEDA’s budget (\$132 million) toward regional initiatives. In comparison to MEPI’s goal of bridging political, economic, and educational gaps between the Arab world and the United States, MEDA’s objectives are stated in terms of fostering cooperation, dialogue, and integration between the Middle East and Europe. This subtle difference in semantics does translate into a different European approach to programming. For example, MEDA provides funding to train diplomats, run foreign policy institutes, and implement Middle East peace projects, which are currently on hold. In the economic and financial field, the objectives at a regional level are to conduct a dialogue on the alignment of sectoral economic policies, to foster cooperation between non-governmental entities such as chambers of commerce, economic institutes and trade promotion bodies, and to carry out regional projects. At the social level, MEDA supports youth exchange programs, cross-cultural activities, and media interaction programs.

¹³ “Eyes and Ears Column,” *Al Hayat* (London), December 25, 2002.

¹⁴ “Pennywise Commitment to Arab Democracy,” *Asia Times*, January 9, 2003.