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US civil society aid & its effects on democratization in Egypt case study: the NGO Service Center project

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THE AMERICAN UNIVERSITY IN CAIRO

SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT OF POLITICAL SCIENCE

US CIVIL SOCIETY AID & ITS EFFECTS ON DEMOCRATIZATION IN EGYPT
CASE STUDY: THE NGO SERVICE CENTER PROJECT

NAHLA SHAFIK MESBAH

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS

FOR THE DEGREE OF MASTER OF ARTS IN POLITICAL SCIENCE

NOVEMBER 2009

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OF ARTS

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ABSTRACT

The last few decades have witnessed a dramatic increase in Democracy Assistance which has spurred a debate regarding the effectiveness of this type of aid in achieving Democratization in recipient countries especially in "semi-authoritarian" settings. This thesis addresses Democracy Assistance provided to Egypt through USAID with a particular focus on civil society targeted programs. The main hypothesis of this thesis is that the failure of USAID civil society assistance to achieve Democratization, using the NGO Service Center Program as a case study, cannot be attributed alone to the nature of the political system in Egypt but that it may also be the result of (1) the narrow definition of civil society used by USAID namely equating it to non-governmental organizations mainly service NGOs while excluding HR NGOs which are critical of the Egyptian government and (2) the nature of the beneficiary Egyptian civil society organizations targeted by USAID. The findings in the context of this thesis provide substantial support to the arguments presented in the hypothesis. The USAID's narrow definition of civil society has limited the effects of Democracy Assistance especially with the exclusion of advocacy or HR NGOs which are genuinely interested in promoting the democracy agenda. Furthermore, the nature of beneficiary Egyptian NGOs, which are plagued by a variety of problems from lack of internal democracy to low interest in constituency involvement in decision making, has also proved to be detrimental to the project's ability to foster democratization. Moreover, the lack of cooperation between the various Egyptian NGOs has also negatively affected their ability to influence decision makers.

CHAPTER ONE

INTRODUCTION

This thesis addresses Democracy Assistance provided to Egypt through USAID with a particular focus on civil society targeted programs. The NGO Service Center Program will be used as my main case study. This issue is of great importance due to the rising amount of aid allocated to this sector and the debate on the effectiveness of Democracy Aid in achieving Democratization in recipient countries especially in "semi-authoritarian" settings. The introductory chapter describes the research objectives and hypothesis, provides the outline of the thesis, and presents the research methodology used to achieve the thesis' objectives.

1.1. Research Objectives and Hypothesis

The literature suggests that Democracy Assistance in general has failed to foster democratization in Egypt due to the restrictions imposed by the regime. This thesis examines the reasons underlying the failure of USAID Democracy Assistance to civil society in Egypt to foster democratization in general and to improve civil society performance in particular using the case of the NGO Service Center Program. My Hypothesis is that the failure of USAID Democracy Assistance Programs targeting civil society cannot be attributed alone to the nature of the political system in Egypt but that it may be also the result of (1) the narrow definition of civil society used by USAID namely equating it to non-governmental organizations mainly service NGOs while excluding HR NGOs which are critical of the Egyptian government and (2) the nature of the beneficiary Egyptian civil society organizations targeted by USAID.

1.2. Outline of the Thesis

In order to achieve the research objectives, the thesis is organized as follows:
Chapter 2 provides the background for the thesis research by discussing how Democratization theories have affected the evolution of Democracy Assistance, the approaches that direct Democracy Assistance, the focus on civil society, and an overview of existing studies evaluating the impact of Democracy Assistance. The definition of civil society has been an issue of great debate, a brief overview of this debate will be presented with a special focus on the relationship between civil society and democratization as it relates to the subject of the thesis. The literature on Democracy Assistance effectiveness presents contradicting findings; some positive and some negative. One of the most prolific writers on Democracy Assistance, Thomas Carothers, currently the vice president for studies at the Carnegie Endowment for International Peace, has accumulated over two decades of qualitative research and case studies that show that Democracy Assistance can work in certain settings while in other cases, namely in authoritarian and semi-authoritarian settings, it fails to achieve its objectives. Finkel, Perez-Linan and Seligson have conducted the most comprehensive quantitative studies on the effectiveness of Democracy Assistance in which they found that Democracy Assistance has a positive effect on Democratization, however, they remarked that the Middle East did not follow that pattern and were not able to explain this anomaly within the framework of their research.

Chapter 3 provides a historical background on USAID in Egypt and the evolution of its projects as well as providing an overview of USAID projects in Egypt targeting the civil society sector with a focus on non governmental organizations. USAID projects in

support of civil society started in the first half of the 1980s, with the USAID Neighborhood Urban Services Project (1981-1985) that provided funding and technical assistance to both local government and NGO services in Cairo and Alexandria, this project was followed by the Local Development I and Local Development II projects starting the second half of the 1980s (1986-1992) which expanded the activities started in the Neighborhood Urban Services Project to all Egyptian governorates. In 1992, The USAID started the PVO Development Project (1992-1999) which began with a focus on strengthening the organizational capacities of NGOs and stressed toward the end of the project on developing PVO capacities in governance and advocacy. The focus on governance and advocacy was at the core of the NGO Service Center project which concentrated on the promotion of civil society participation in public decision-making.

Chapter 4 presents the case study of the NGO service center, a seven year USAID project, which aimed to increase the ability of civil society organizations to advocate and establish a permanent organization that can provide technical and material support to NGOs. The chapter provides background information on the legal setting under which the project started working and the evolution of laws governing NGO formation and activities during the project starting with Law 32 of 1964 up to Law 84 of 2002. The aim and operational scope of the project as well as the respective roles of USAID and the Egyptian Government on paper and in practice will be analyzed through the review of the original project documents, amendments made to these documents throughout the project and information collected through interviews with USAID officials and NGO Service Center personnel. An evaluation of the project impact on selected beneficiary NGOs working in advocacy will be conducted through the compilation of USAID evaluation

documents on the project as well as reviews from the literature in addition to information collected through interviews with USAID officials, NGO Service Center personnel, and Experts in Egyptian civil society.

Chapter 5 draws a conclusion based on a synthesis of the information and findings shown in earlier chapters.

1.3. Methodology

Due to the nature of the research objectives, which are exploratory, a qualitative research approach will be used. Both secondary data analysis and in-depth interviews will be conducted to achieve the research objectives and test the hypothesis. The secondary data analysis will provide a review of the literature on Democracy Assistance and USAID projects in Egypt in the sector of civil society as well as USAID project documents and evaluations. The in-depth interviews will be conducted mainly with USAID officials, NGO Service Center personnel, and Experts in Egyptian civil society to complement the secondary data available through the literature review.

CHAPTER TWO

DEMOCRACY ASSISTANCE

2.1. Democratization Theories and the Path of Democracy Assistance

In order to understand the genesis of Democracy Assistance, it is important to look at how different theorists view the process of democratization since their views have affected how Democracy Assistance was channeled and the areas it focused on. The road to democratization is a complex one in both reality and theory. Laurence Whitehead (2002, 27) defines democratization as "a complex, long term dynamic and open ended process [consisting of] a progress towards a more rule-based, more consensual and more participatory type of politics". A review of the literature reveals three main approaches seeking to explain the road to democratization: the Modernization, the Structural and the Transition approaches. The foundation of the Modernization approach was laid down in Seymour Martin Lipset works in 1960. Lipset used a number of economic indicators to link democracy to economic development or modernization. His main argument was that "the more well-to-do a nation, the greater the chances that it will sustain democracy" (Potter 2005, 11). Even though the original study that Lipset conducted showed only a correlation between economic development and democracy, he tried to establish a causal relation between these two variables in subsequent work (Potter 2005). The Modernization approach implies that at a certain level of development or a specific "threshold", countries shift from being authoritarian to democratic and it also implies that even if democracy is attained in poorer settings it will not survive due to conflicts relating to distribution of wealth (Pzerwoski and Limongi 1997, 134). The Structural Approach,

similarly to the Modernization Theory, situates the democratization process outside the political sphere. Barrington Moore, who laid the foundation for this approach in his 1966 work *Social Origins of Dictatorships and democracy*, proposes that democracy is a result of structural changes namely the change from agrarian to industrial societies. Moore argues that the rise of the bourgeoisie and their struggle with the landed classes was the decisive factor in establishing liberal democracy. Thus, capitalist development, as opposed to Lipset's economic development in general, is seen by Moore as leading to democracy (Potter 2005, 19). The Modernization and Structural theories have affected the path of Democracy Assistance giving rise to what Carothers (2009, 5) calls the "developmental approach" to Democracy Assistance. The "developmental approach" adopted a "broad" view of democratization as "a slow, iterative process of change involving an interrelated set of political and socioeconomic developments" (Carothers 2009, 5). Followers of the developmental approach, who believe that improved socioeconomic conditions leads to democratization focused on improving socioeconomic conditions, emphasized the value of cooperation with the recipient country and avoided activities that could lead to political clashes even which meant that even when engaging in democracy promotion they supported the use of subtle methods to assist democracy through focusing on human rights (Carothers 2009).

Both the Modernization and Structural approaches have been criticized for downplaying the role of political actors in bringing about democratization and for focusing only on either the level of economic development or the evolution from agrarian to industrialist societies as the main source for achieving democratization (Pzerwoski and Limongi 1997). In an attempt to explain the process of democratization in terms of

"actions" and not "conditions", Dankwart Rustow challenged Lipset's approach and introduced an alternative theory in his article "Transitions to Democracy" (Potter 2005, 13). Rustow saw democratization as the outcome of "political bargaining" between "hardliners" and "soft liners" rather than socioeconomic factors or conditions (Polidano 2002, 261). In contrast to the Modernization Theory basic premise, Rustow also argued that poverty could actually lead to democracy (Polidano 2002). As opposed to Lipset who was interested in the factors that can lead to a "stable" democracy, Rustow was more interested in how democracies can "come into being", he proposed a "route to democracy" that started with a country's achieving "national unity" followed by a "political struggle" that results in the adoption of democratic values by the elites only as a "compromise" and ending with a "habituation" phase where democracy becomes embraced by the new elites instead of being a mere compromise (Potter 2005, 14). O'Donnell and Schmitter later work in 1986 *Transitions from Authoritarian Rule* built on Rustow's Work and is considered the "key reference" for the Transition theory; they divided the process of transition into three phases: Liberalization, Transition and Consolidation (Grugel 2002, 57). The Transition theory gave rise to what Carothers (2009, 5) calls the "political approach" to Democracy Assistance. The "political approach" adopted a "narrow" view of democracy which perceived democratization as "a process of political struggle in which democrats are trying to gain the upper hand" (Carothers 2009, 5). Followers of the "political approach" directed Democracy Assistance to what is perceived by the donor country as democratic "political actors" such as political parties and "politically oriented" NGOs or to independent institutions that "help to level the political playing field by securing and guaranteeing fair procedures

for the democratic actors and by checking the power of the nondemocratic actors" such as the judiciary or the media (Carothers 2009, 7). The "political approach" followers are mainly concerned with creating a politically competitive and open environment which makes them focus on political advocacy (Carothers 2009). Based on the belief in the Transition Approach sequence starting with liberalization and ending with consolidation, donors directed Democracy Assistance in authoritarian settings to create an "opening" through empowering civil society and the media till the perceived "breakthrough" takes place, they shifted their focus to elections, and finally they turned to "consolidation" efforts focusing on the legislature and judiciary (Finkel, Perez-Linan and Seligson 2007, 410-411). However, the basic premise of the Transition Approach, that countries trying to steer away from dictatorships are essentially on the road to democracy, has been discredited by the rising number of countries that did not follow the predicted sequence in addition to those countries which have managed to achieve democratization without going through the transitional sequence (Carothers 2002). The Transition Approach was also heavily criticized for its neglect of "underlying conditions and structures for democratic success" (Carothers 2002, 24).

With the rising criticism of the Transition Approach, revamped versions of the Modernization and Structural theories started to resurface to provide plausible explanations for the failure of consolidation. Both the Modernization and Structural theories have been revisited a number of times by other theorists. With respect to the Modernization theory, Pzerwoski and Limongi (1997) suggested that while causality is not well established between the level of economic development and the incidence democracy, it is still evident that democracy survives better in wealthy nations. They

concluded in their research that democracy is not a "by-product" of economic development and that it could be established by political actors at any level development, however, it can only survive in "growing" economies (Pzerwoski and Limongi 1997, 177). Diamond also added other elements to the Modernization theory namely political culture and civil society which he considered instrumental in the survival or consolidation of democracy (G, 50). The Structural Approach was also revisited by a number of other theorists such as Dietrich Rueschemeyer and his colleagues who viewed the rise of a working class and not the bourgeoisie as the instrumental structural change that can bring about democratization (Shapiro, 80). Carothers (2002, 24) suggested an amalgamation of both suitable "conditions" and "structures" for successful democratization; he listed several "core facilitators" that can help to promote democracy namely the stage of economic development of the country in question, the level of centralization of its resources, the homogeneity of its society, and the level of democratization of the region surrounding it. Carothers (2002) argued that the more a country is economically developed, the more decentralized its resources are, the more homogeneous its population is, and the more democratic the region is, the easier it is for a country to achieve democratization.

Carothers (2009) argues that even though some have tried to identify the American Democracy Assistance with the "political approach" while identifying the European Democracy Assistance with the "developmental approach", this is not the case. He cautions against the belief of the existence of a unified American or a unified European approach to aiding democratization especially taking into account the existence of a number of players and variety of interests on both sides. Carothers critiqued Richard

Youngs' identification of European Democracy Aid as purely developmental. Youngs, who makes the distinction between "Democracy as a Product vs. Democracy as a Process", argues that Europeans generally see democracy as a process whereby political reform is seen "as a part of a general process of social and economic modernization" (as cited in Carothers 2009, 16). However, Carothers argues that even though the developmental approach is relatively emphasized in European Democracy Assistance, it still draws on the political approach in certain instances. He attributes Europe's interest in the developmental approach to both its commitment to further the development in recipient countries "for development's sake" as opposed to having a security agenda that they are trying to promote, and European "pessimism" with respect to democracy in unfavorable economic circumstances due to the "violent mutations and reversals of democracy" they witnessed with fascism (Carothers 2009, 17). Carothers (2009) contends that the data on US Democracy Assistance shows equal amount of funding drawing on both the political and developmental approach. He argues that the U.S. Agency for International Development (USAID) Democracy Assistance projects generally draw on the developmental approach while the National Endowment for Democracy (NED) and the Department of State usually adhere to the political approach. He also points out to the fact that USAID substantially large amounts of assistance is overshadowed by the highly noticeable politically oriented assistance provided by other US actors. Carothers (2009) puts forward the proposition that the two approaches should be studied further to understand their use and effectiveness in different settings especially in semi-authoritarian regimes which have perfected the ability of projecting an image of democracy while actually making it devoid of essence.

2.2 The "Take-off" of Democracy Assistance

Democracy Promotion has gradually become an accepted foreign policy objective over the last two decades. Michael McFaul (2004, 153) argues that this newfound "legitimacy" can be attributed to the "erosion of the state sovereignty norm" which has been brought about by the efforts of the international community to establish norms to safeguard human rights. International treaties and laws became increasingly far reaching to the extent that it gave external actors the "right" and the "responsibility" to protect human rights (McFaul 2004, 155). External actors became involved in Democracy Promotion as the idea of the Right to Democracy became incorporated into the issue of Human Rights. Many tools were used by different external actors in their quest to promote democracy in other countries, ranging from providing Democracy Assistance, offering multilateral institutions' membership, conditioning aid or imposing sanctions, to the more controversial military interventions. Democracy Assistance, one of the most used tools of Democracy Promotion, is defined as "aid programs specifically designed either to help nondemocratic countries become democratic or to help countries that have initiated democratic transitions consolidate their democratic system" (Carothers and Ottoway 2000a, 4-5). Peter Burnell (2000) identified three criteria that distinguish Democracy Assistance programs. The first criteria being that the main goal of the assistance should be to promote Democracy. The second criteria relates to the method by which the assistance is made namely that it's done in a "peaceful way" and that it involves "transfer of resources of one sort or another" (Burnell 2000, 5). The third being the concessionary nature of the Assistance which means that it is provided in the form of a grant. Burnell attributes the "take-off" of Democracy Assistance in the 90s to a number

of "push" and "pull" factors. The "push" factors were the end of the Cold War and subsequent fall of the communist model which made it both "safe" and "smart" for western governments to promote the liberalized democratic model as well as the fact that Democracy Assistance gave donors the opportunity to revamp the tarnished image of aid after years of supporting dictators. While the "pull" factors were the rising demand for reform in many countries especially in central and eastern Europe in addition to a number of African countries as well as the change in perception regarding the relationship between economic and political development with the rise of theories questioning the idea that economic development is a "requisite" to a stable democracy and the rise of the idea that political reform improves the potential benefits of development aid and economic performance (Burnell 2000, 39).

Carothers (1999) sums up the types of Democracy Assistance into four categories; (1) aid provided to state institutions, (2) political parties, (3) aid for the design and implementation of elections and (4) aid provided to civil society. Aid provided to state institutions started in the 60s, it covered aid provided to draft a new constitution or amend an existing one, aid to improve relationship between the military and society, aid to strengthen legislatures, judiciaries and local government. Democracy Assistance in this category excluded the executive branch as a result of donors' perception of it as "overly strong"; therefore, they feel the need to strengthen other state institutions to "counterbalance" the effect of the executive branch (Carothers 1999, 159). Most aid to state institutions targeted the judiciary; it started in the 60s with programs targeting legal education and lawyers and developed in the mid 80s an emphasis on reforming criminal law systems with the aim of safeguarding human rights. "Law-oriented aid" or "Rule of

Law Assistance" became an integral part of the assistance provided to the judiciary sector in the 90s, it covered a variety of areas from efforts to update and rewrite civil and criminal laws, the introduction of new commercial laws, to strengthening the institutions and associations working in the legal sector among other areas (Carothers 1999, 164).

The second type of Democracy Assistance which is provided to political parties is the most controversial type of aid due to its association with "political interventionism" raising the question "whether it is legitimate for an outside actor to seek to shape the internal political life of another country" (Carothers 1999, 144). Official aid provided to political parties started modestly in the 80s and expanded in the 90s, however, it was mainly dominated by West European actors specially Germany. Most of the aid provided to political parties came in association with electoral aid to strengthen the political parties' capability to run for elections, still, a part of aid was also provided in between elections to foster the organizational development of political parties in the long term. This type of aid provided training for political parties on many aspects such as choice of candidates to run for elections, fundraising, mobilization of voters, and training of volunteers.

Carothers traces the origin of electoral aid to the mid 80s with aid provided to Central America. Electoral aid targeted five areas. The first provided help in the "design of electoral systems" in recipient countries which included deciding on the number of rounds for the election, the size of the legislative districts and the registration of political parties (Carothers 1999, 125). The second ensured the "good administration" of elections by crafting regulations that control campaign spending for political parties, how ballots are distributed and collected, and how voter registration is checked(Carothers 1999, 125).

The third area focused on "voter education" in terms of knowledge of voting procedures and the importance of their vote in the context of democratic elections (Carothers 1999, 126). The two remaining areas, "election observing" and "election mediation", were connected to some extent, the first ensured that elections were "free" and "fair" while the second tried to make the losing party abide by the results of the election (Carothers 1999, 128).

Civil society, a term that has been reintroduced in the 90s and has since grown in appeal, has become the target of many donors who view it as a "bottom up" approach to democratization (Carothers 1999, 207). Even though, in theory civil society comprised of many sectors, in practice donors mostly identified civil society with non governmental organizations. Although the focus of aid provided to non-governmental organizations in the 70s was on improving socioeconomic conditions rather than promoting democracy, this trend shifted in the 90s with the launch of "Civil Society Assistance" as part of Democracy Aid, the focus became on prodemocracy and advocacy groups (Carothers 1999, 210). Donors provided two types of assistance to civil society Organizations: training mainly focusing on advocacy skills and financial support for the purchase of equipment and materials needed by these organizations.

2.3. The "Rise" of Civil Society Assistance

The rising amounts of foreign assistance provided to civil society in recent years brought about a heated debate about the definition of civil society and its effect on democratization. From a historical perspective, the term "civil society" seems to have been equally used by different schools of political theorists, however, the concept has acquired different meanings and attributes according to its proponents. Political theorists

and political economists differed in their conception of civil society as a connected or separate entity from the state and whether this entity actually encompasses the market or is different from it (Abdelrahman, 2004). When the term "civil society" was first used in the work of ancient Greek philosophers, it was in connection with the state. In the late 18th century, a number of political thinkers starting with Thomas Paine to George Hegel developed the concept of civil society to refer to an independent sector from the state where citizens come together and form groups based on their shared interests (Carothers, 1999-2000). While Liberal theorists saw the nature of civil society as harmonious, Leftists saw it as essentially of a conflicting nature in need of regulation and differed on the entity responsible for providing this regulation whether it is the state or members of civil society itself (Abdelrahman, 2004). In contemporary political thought, even though there seems to be an agreement that civil society is one of the elements of society besides the market and the state, there is a lack of consensus on the type of organizations that it encompasses and whether it is separate from political society, i.e. political parties and other entities that are in pursuit of state control (Carothers and Ottoway, 2002). Amy Hawthorne (2005, 82) defines civil society as "the zone of voluntary associative life beyond family and clan affiliations but separate from the state and the market" which includes "nonprofit organizations, religious organizations, labor unions, business associations, interest and advocacy groups, societies, clubs, and research institutions, as well as more informal political, social, and religious movements" while it does not include political parties. Schmitter agrees with Hawthorne's view that civil society is characterized by "non-usurpation" i.e. that it does not seek power (whitehead 1999, 73). Amany Kandil (2006), Egyptian civil society expert, also believes in the exclusion of

political parties from civil society since they mainly seek power and that once their target is achieved, these parties may monopolize decision making thus contradicting the essence of civil society. I believe that the exclusion of political parties and all other entities which are seeking power from civil society is justifiable since many of the functions performed by civil society require an objective view of political institutions and their performance which is not achievable in the case of those seeking control over the state. Carothers (1999-2000), on the other hand, argues that the definition of civil society is wider and that it includes all entities outside the state which means it includes political parties. He contends that Donors, however, seem to equate civil society to Non-Governmental Organizations. Furthermore, Carothers and Ottoway (2000a) make the point that even though donors have provided funding to NGOs that aim at alleviating socioeconomic hardship, the view that donors have of civil society, as essentially associations that aim at fostering democracy and ensuring state accountability, made them direct most of their funding to advocacy groups and NGOs working in areas related to democratization such as election monitoring and political and civil rights.

Carothers (1999, 222) argues that the link between civil society and democratization was based on Tocqueville's[1] view of civil society as a platform for "civic participation" that gradually leads the government to become more democratic as well as more "responsive" to the demands of citizens. According to Diamond (1999), civil society plays an important role in democratization by performing a number of roles. At the most fundamental level, civil society plays a "checking and limiting" role in terms of holding the political institutions accountable and monitoring their performance

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[1] Alexis de Tocqueville, a French thinker and political writer, wrote in his book Democracy in America (1835) about the role of civil society in establishing Democracy in America.

(Diamond 1999, 241).Civil society also plays an educational role in spreading the values of "democratic political culture" by raising the people's awareness of their political rights and encouraging political participation (Diamond 1999, 242). Additionally, civil society functions as an intermediary or a link between the society and the state and helps in the articulation and representation of interests of the various segments of society ensuring that none of these segments is marginalized (Diamond 1999, 243). However, in order for civil society to fulfill its role, certain conditions need to be met. Mustapha Al-Sayyid (1995, 271) identifies three pre-requisites for the development of a viable civil society: the existence of a variety of civil society organizations that represent the different social classes and groups, the presence of a "spirit of tolerance" of minority rights, and an end to the "arbitrary" nature of state control. Amany Kandil (2008) points to the importance of constituency support and good internal governance practices for civil society's ability to play an active role on the political scene. Kandil (2006) also highlights the importance of cooperation between the different Civil Society Organizations in increasing their ability to influence decision makers. While I believe in the ability of civil society to play an important role in democratization, as set forward by Diamond (1999), I think that, as outlined in my hypothesis, in the Egyptian setting civil society has been hampered by a variety of internal problems besides the state's aggressive policies towards it. Furthermore, I believe that the segment of civil society that can really perform all the functions stated by Diamond (1999) is advocacy or HR NGOs, especially those critical of the Egyptian government, which have been excluded from being beneficiaries of the NGO Service Center project which required the Egyptian government's approval of grantees.

Carothers and Ottoway (2000a) argue that the heightened interest in civil society is in fact the result of the role civil society played in the fall of the Berlin Wall and donors' perception of civil society organizations as essentially having a "non partisan" nature giving donors the opportunity to seek their objective of democracy promotion without "explicitly playing politics" (Carothers and Ottoway 2000a, 12). Carothers and Ottoway (2000a) also credit the failure of other types of Democracy Assistance programs to produce democratization for donors' heightened interest in civil society aid. Carothers and Ottoway (2000a) point to the fact that Democracy Assistance which focuses on the state incurs high cost and generate in most instances high level of opposition from the top echelons of state institutions who are not eager to reform because they have vested interest in the status quo. Thus civil society aid which requires substantially less funding proved a more appealing alternative to donors. However, Michael Edwards and David Hulme (1998, 9-10) point to the lack of "empirical" evidence to show that "NGO provision is cheaper than public provision" or that it is better "value for money" in addition to the fact that NGOs may direct funding to areas that are not a priority for national development because they have "weak central oversight". Carothers (1999-2000) questioned whether in reality a strong civil society can lead to democratization, as he pointed to the rise of Hitler in Germany even though Germany's civil society was quite active in the 20s and 30s.

With the growth of civil society Assistance and its inability to foster democratization in many instances especially in the Arab World, different justifications started to surface to account for this failure including the belief that the "bottom up approach" was inadequate in authoritarian settings, the idea that assistance for civil

society Organizations' had negative effects on their performance, their legitimacy and accountability which limited their capacity to promote democracy, and the notion that the design and implementation of Assistance programs were flawed which limited their impact on democratization. Hawthorne (2005, 92) argues that the two trademarks of authoritarian regimes mainly "state repression" and the "political apathy" of citizens have contributed to the failure of civil society Assistance to bring about democratization in addition to the fact that in many authoritarian settings civil society Organizations may be controlled by "apolitical, pro-government, or even illiberal" leaders who are not interested in seeking democracy. Michael Edwards and David Hulme (1998, 6) claim that "dependence" on assistance could "compromise performance in key areas, distort accountability, and weaken legitimacy". They argue that increased foreign assistance may lead to the "bureaucratization" of NGOs to meet donors' requirements and thus affect their performance by reducing their flexibility and ability to innovate (Edwards and Hulme 1998, 11). They also argue that foreign assistance to NGOs compromises their ability with regards to advocacy by making them vulnerable to state attacks on their credibility and its portrayal of them as pawns in the hands of external players. With respect to legitimacy, Edwards and Hulme question the ability of NGOs to have their own agendas while being dependent on foreign assistance. With regard to accountability, Edwards and Hulme (1998, 17) contend that foreign assistance "may reorient accountability upwards" with NGOs being more accountable to donors and less accountable to grassroots and internal constituencies which may result in making NGOs concentrate on areas that donors would be more willing to fund while neglecting other areas that are more important for their constituents.

Hawthorne (2005, 102) criticized the donors' design and implementation of civil society assistance projects. She questioned the donors' focus on service non governmental organizations and prodemocracy groups which have the "shallowest roots" in the society which were in reality unable to mobilize citizens or even create alliances with other non governmental organizations or other sectors of the civil society. Furthermore, Hawthorne (2005) argues that donors ignored the issue of lack of autonomy faced by non governmental due to the legal restrictions imposed on them by authoritarian regimes and that even in many instances donors allowed governments to take part in the decision making process for funding beneficiary NGOs which actually enabled the state to hamper non governmental organizations further.

2.4. Evaluation of Democracy Assistance

Imco Brouwer (2000, 42) identifies three levels on which the impact of Democracy Assistance programs should be assessed; the "Micro" level which refers to the impact on individuals and specific organizations, the "Meso" level which refers to the development of an "active" civil society, and the "Macro" level which refers to the impact on the political regime. Brouwer argues that at the Micro level, most projects have a positive impact whether in terms of sustaining current civil society Organizations or creating new organizations in addition to increasing the targeted civil society Organizations efficiency, transparency, and accountability as well as increasing the skill level of their staff. At the Meso level, Brouwer (2000, 43) points to the fallacy of confusing the growth in civil society Organizations numbers with the presence of an "active" civil society and calls for assessment on the basis of the effect that civil society

Organizations have on the policy making process of the government as well as conducting public opinion polls measuring the "civic mindedness of citizens".

At the Macro level, Brouwer questions the seriousness of the objectives set by donors in public in terms of regime change, while in private most of these donors would be content to achieve less drastic unpublicized goals such as maintaining stability in a specific geographical area or collecting socioeconomic and political information that is normally inaccessible to them. He also points out the fact that when assessing the impact of Democracy Assistance in Egypt, Democracy Assistance does not seem to have a positive impact, he argues that the environment in which civil society Organizations operated in 2000 is actually more restrictive that that 15 years ago as a result of the highly restrictive laws imposed by the Egyptian government in recent years.

Most studies conducted at the Micro level, looking at the effect of specific projects on individuals and organizations, are conducted by donor agencies. Carothers (1999) questions the objectivity of these studies, which are usually focused on the projects' overall performance and conducted during and shortly after the end of assistance projects, since most of the information collected for these evaluations usually comes from project officers and a number of interviewees from beneficiary civil society Organizations who are also selected by the project officers which means that all interviewees are direct beneficiaries of the aid projects whether by being project personnel with a stake in project success or aid recipients afraid of assistance being cut if negative information is reported. Carothers calls for a more balanced information collection approach that combines information collected from project officers,

beneficiary civil society Organizations and other stakeholders who have no vested interest in the aid project and are knowledgeable about the sector the project is serving.

At the Meso and Macro levels, looking at the effect of specific projects on the development of an active civil society and on the political regime as a whole, a number of qualitative and quantitative studies have been conducted by donor agencies and scholars in the field of democracy promotion. Two challenges face studies evaluating Democracy Assistance Programs: the difficulty of identifying success criteria and that of proving a causal relationship between Democracy Assistance programs and changes in the recipient countries (Carothers, 1999). Carothers contends that due to differences in political cultures there are no agreed upon "objective" criteria to be used in measuring the success of Democracy Assistance programs (Carothers 1999, 283). As for establishing causal relationships, he points out that any Democracy Assistance Program represents one element in the bigger picture that incorporates a multitude of other elements whether in terms of other programs being implemented at the same time or other direct and indirect influences, thus, the "causal link" built into aid programs, that lets aid workers attribute positive changes in their work field to their efforts whether a "plausible link" exists or not, is highly questionable (Carothers 1999, 295). Both Brouwer (2000) and Carothers (1999) point to the problems underlying the use of quantifiable indicators, without supporting it with qualitative information and analysis, as a measure of movement towards democratization since quantifiable indicators capture only part of the bigger picture and therefore can be misleading as in the case of voter registration going up while the voting system is fraudulent.

The most extensive scholarly work in the field of qualitative evaluation of Democracy Assistance, with a focus on USAID efforts in this sector for more than a decade, is that by Thomas Carothers who also collaborated with others including Marina Ottoway to produce several books and a multitude of articles to analyze the effect of Democracy Assistance on democratization and the development of civil society in a variety of geographical locations and settings.[2] Richard Youngs, currently a senior research fellow and coordinator of the Democratization Program at FRIDE[3], is also one of the most prolific writers who contributed to the literature on Democracy Assistance with a focus on European Aid.[4] In the Egyptian context, Maha Abdel Rahman[5] and Amany Kandil[6] have both provided a number of invaluable studies focusing on Egyptian civil society organizations, their nature and the effect of foreign aid in general on some of these organizations.

As for quantitative studies, the most comprehensive studies to date, in terms of number of countries covered as well as number of years, were conducted by Finkel, Perez-Linan and Seligson (2006 and 2008) and focused on the effect of USAID

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[2] The books authored and/or edited by Thomas Carothers include: Uncharted Journey: Promoting Democracy in the Middle East, co-edited with Marina Ottaway (Carnegie, 2005); Critical Mission: Essays on Democracy Promotion (Carnegie, 2004); Funding Virtue: civil society Aid and Democracy Promotion, co-edited with Marina Ottaway (Carnegie, 2000); Aiding Democracy Abroad: The Learning Curve (Carnegie, 1999).

[3] FRIDE is a think tank based in Madrid that aims to provide insights into Europe's role in the international arena with a focus on peace and security, human rights, democracy promotion, and development and humanitarian aid. For further information please refer to http://www.fride.org/page/5/about-fride.

[4] The books authored by Richard Youngs include: Europe and the Middle East: In the Shadow of September 11 (Lynne Reinner, 2006), International Democracy and the West: The Role of Governments, civil society and Multinationals (Oxford University Press, 2004), and The European Union and the Promotion of Democracy (Oxford University Press, 2002).

[5] Maha Abdel Rahman is an Egyptian sociologist. Among her recent publications is the book entitled "Civil Society Exposed: The Politics of NGOs in Egypt" (Taurus Academic Studies, 2004).

[6] Amani Kandil is the executive director of the Arab Network for NGOs in Cairo. She is also a political writer and has written extensively on Egyptian civil society. She has authored a book entitled "Al-Mujtama Al-Madanī wa-al-Dawlah fī Miṣr" or Civil Society and the State in Egypt (al-Maḥrūsah, 2006). She has also collaborated on the UN Human Development Report in 2008.

Democracy and Governance Assistance on democratization. In their review of previous studies, Finkel, Perez-Linan and Seligson (2006) conclude that both qualitative and quantitative studies done in that field seem to reach different conclusions. They contend that early qualitative studies were more concerned about the motivations behind Democracy Assistance than its effects on democratization and that most qualitative studies reach negative conclusions about the effect of aid on democratization with the noted exception of the work of Carothers who has pointed to the positive effect of USAID on democratization in some instances even though he still raises the issue of the limitations posed the national security interest s on the democracy promotion agenda of the US as well as the inadequacy of following the same approach in all settings which end up compromising the effect of assistance on democratization.

As for prior quantitative studies, Finkel, Perez-Linan and Seligson (2006) point out that previous studies generally correlate overall assistance with democratization instead of looking specifically at Democracy Assistance and therefore end up arriving at contradicting conclusions. They point to the Goldsmith study in 2001, which focused on Sub-Saharan Africa and reached the conclusion that aid has a positive effect on democracy as opposed to Knack's study in 2004, which looked at a larger number of countries, found that aid has no effect on democratization. They also point to the study by Paxton and Morishima in 2005, the first to focus on Democracy Assistance as opposed to overall assistance, which found that Democracy Assistance has positive effects on democratization.

In their first study (2006), Finkel, Perez-Linan and Seligson collected information on Democracy and Governance Assistance provided by USAID to 165 countries between

1990 and 2003. They have tried to measure the impact of the assistance provided on democratization of the recipient countries using the Freedom House index[7] which measures the level of political rights and civil liberties, and the Polity IV index[8] which gives a typology of regimes from "extremely autocratic" to "highly democratic". They also developed more specific indicators to measure the performance of each of the targeted subsectors; civil society, Human Rights, and Free media among others. They concluded that "USAID democracy and governance obligations have a significant positive impact on democracy" (Finkel, Perez-Linan and Seligson 2006, 83). However, the study showed that in certain subsectors, namely Governance and Human Rights this positive effect did not materialize. The Human Rights sector even showed a negative effect, which they argued could be due to the increased efficiency Human Rights Associations in reporting abuses rather than an increase in Human Rights abuse. Another important finding, which proved controversial and whose reasons were not addressed by the study, is that the Middle East was an exception to the "general pattern" of the effect of Democracy Assistance on democratization (Finkel, Perez-Linan and Seligson 2006, 87).

In the second study, which covered from 1990 to 2005, Finkel, Perez-Linan and Seligson (2008) tried to use the "political culture" of the recipient countries to explain the differences in the effect of Democracy Assistance. However, they ended up concluding

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[7] Freedom House Index, developed by the American NGO freedom House, is a 7 point scale ranging from 1 being the ideal to 7 being the worst in terms of civil and political liberties. However, Finkel, Perez-Linan and Seligson amended the index and made it a 13 point scale (1 to13) for the purpose of their study. For more information about Freedom House Index rating and its methodology please refer to: http://www.freedomhouse.org/template.cfm?page=35&year=2005

[8] Polity IV index, developed by the Center for Systemic Peace and George Mason University, is a 21 point scale ranging from -10 being fully institutionalized autocracy to +10 being fully consolidated democracy. For more information about Polity IV index please refer to: http://www.systemicpeace.org/polity/polity4.htm

that even though political culture factors especially high level of trust between citizens, increase in political engagement, and low level of nationalistic political orientation seem to improve the positive effects Democracy Assistance, the study could not explain the negative effects witnessed on the Human Rights subsector.

CHAPTER THREE

USAID DEMOCRACY ASSISTANCE PROGRAMS IN EGYPT

3.1. Background of USAID in Egypt

The United States Agency for International Development (USAID) was established in 1961 by President J. F. Kennedy in response to the congress' request for the creation of a specialized agency to implement economic assistance programs. Assistance was perceived as a useful foreign policy "tool" to promote US national security interests (About USAID: USAID History 2009). Globally, the main objective at the start of aid in the 60s was warding "soviet influence" through the provision of aid to "friendly governments" (Carothers 1999, 19). Promoting development, another theme introduced during the Kennedy administration in the 60s, was also used as an indirect tool to counterbalance soviet influence based on the ideas set forward by the "Modernization Theory", which assumes the existence of a "linear model" of development where economic development leads to democracy (Carothers 1999, 20-21). Thus, promoting development was essentially perceived as an indirect way leading to democracy even though this notion was not put forward in aid policy formulation.

With the end of the 60s and the failure of the indirect approach mainly employed in Latin America to put an end to communist influence or to promote democracy, the Nixon administration adopted a "realist approach" which focused on the provision of "basic human needs to third world citizens" (Carothers 1999, 28). The human rights theme rose to new heights under the Carter administration following the Vietnam War, however, the Carter administration mainly used diplomatic measures such as cutting aid

or imposing sanctions rather than providing democracy assistance (Carothers 1999). The rise of democracy promotion came about during the Reagan Administration in the early 80s which witnessed the creation of a private non-profit organization financed by the US government called the National Endowment for Democracy (NED). The NED started by providing grants to anti-communist organizations, but this trend decreased with the end of the Cold War, Eventually, the US adopted a more direct approach to democracy promotion using two main tools: assisting elections and strengthening the administration of justice. These tools were employed in Latin America and to a lesser degree in Asia, however, this focus on democracy promotion did not permeate to the Middle East. In the early 90s, after the fall of the Berlin Wall and the disintegration of the Soviet Union, democracy promotion expanded into Eastern Europe and the former Soviet Union, and started to appear on the agenda for the Middle East as well (Carothers 1999).

Democracy promotion was presented as a priority objective after September 11 as illustrated in a 2005 USAID policy report stating: "Democracy is central to our national security. Today, the primary threat to our security no longer comes from well-organized states with potent military forces, but from terror networks—some aided by outlaw regimes—operating in failed states or weakly governed regions. Countries that lack political freedom, accountability, and avenues for redress can also breed internal instability and threaten regional and international security. Good governance founded on democratic principles is the best hope for facing those threats" (At Freedom's Frontiers 2005, 7). Thus, in the new millennium, assistance became a tool for the fight against terrorism and democracy promotion was the means towards this end as it has been used before as a tool to counterbalance soviet influence in the 60s and till the end of the Cold

War. However, it is important to note, as Fukuyama and McFaul (2007, 29-30) argue, that democracy promotion was "never" the "overriding goal" of American foreign policy; it works more "in concert" with other objectives and is often subjugated to higher objectives.

In the context of the Middle East, the United States sought to secure its national security interests by counterbalancing communist influence and then by promoting the peaceful relations between Israel and its Arab neighbors in addition to ensuring the stability of the oil rich region by promoting disarmament and controlling radicalism. In the Egyptian context, US assistance was used initially as a tool to secure peace between Egypt and Israel. Over the years, US interests became more diversified with the inclusion of securing support for American peace efforts in the Middle East, counterterrorism strategies and the provision of a base for military operations in the region (Dunne 2005).While Egypt has been the recipient of US economic assistance since 1975 during the negotiations of peace with Israel, the amount was not substantial till 1979 after the signature of the Camp David Agreement when Egypt became the second largest recipient of US assistance after Israel. Under the "Special International Security Assistance Act of 1979", the United States provided both Israel and Egypt with economic and military assistance "at a ratio of 3 to 2 respectively" (Sharp 2007, 10). Egypt received on average $2 billion a year in economic and military assistance. Economic assistance amounted to $815 million on average annually. As Israel renegotiated in 1999 a decrease in its economic assistance in return for increasing its military assistance, the reduction in economic assistance was also applied to Egypt, after agreement with the Egyptian government, even though Egyptian military assistance did not increase. Thus, as

illustrated in table 1, economic assistance to Egypt was slashed by almost $40 million a year starting 1999 till it reached $415 million in 2008 (Sharp 2006). Economic Assistance was then reduced drastically in 2009 to reach $200 million to indicate dissatisfaction with the Egyptian government's repressive policies. Furthermore, the delivery of $200 million of military assistance to Egypt became conditional on the testimony of the U.S. Secretary of State "that the Government of Egypt is taking concrete and measurable steps to address judicial reform, police abuse, and smuggling along the Sinai-Gaza border" (Sharp 2007, 11). However, the restriction on the release of the $200 million in military aid was removed later by Secretary Rice in March 2008 (Essam El-Din 2008).

Table 1: US Assistance to Egypt from 1998 to 2008
(In $ Millions)

Fiscal Year	Economic Assistance	Military Assistance
1998	815.0	1,300.0
1999	775.0	1,300.0
2000	727.3	1,300.0
2001	695.0	1,300.0
2002	655.0	1,300.0
2003	911.0[9]	1,300.0
2004	571.6	1,292.3
2005	530.7	1,289.6
2006	490.0	1,287.0
2007	450.0	1,300.0
2008	411.6	1,289.4

Source: Sharp 2008

Up to 2008, economic assistance provided through USAID to Egypt amounted to more than $28 billion. From 1975 to 2007, more than half of USAID economic assistance, $15.21 billion, was allocated to improving the Environment for Trade and Investment while $5.75 billion was spent on Infrastructure projects. Total allocation for

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[9] Even though Egypt was to receive $611 million in FY2003, it has received supplemental aid under the Emergency Supplemental Appropriations Act (P.L. 108-11) to counter the effect of the Iraq War on the Egyptian economy in the amount of $300 million to repay loan guarantees (Sharp, 2008).

democracy and governance was $1.07 billion while the amount allocated for improving basic education was $1.05 billion. Support provided to the Health sector amounted to $934.8 million (Program Overview 2009). Over the past three decades, the focus of USAID has shifted from one sector to the other. In the 70s, USAID projects focused on infrastructure and the provision of basic needs. The reopening of the Suez Canal was among the most prominent infrastructure projects in addition to upgrading the existing infrastructure in terms of electric power and water supply as well as improving telecommunications.

In the 80s, USAID projects were aimed at enhancing the living conditions through implementing projects aimed at improving health services and basic education. USAID projects in this era also supported the Egyptian Government privatization efforts through the facilitation of credit for small private sector companies and programs aimed at facilitating market entry. In the 90s, USAID focused its efforts during this period on improving health services especially to women and children in addition to improving access to the infrastructure services. In the framework of facilitating the move to privatization, USAID also assisted non governmental organizations in developing their skills as an encouragement for private initiative in support of national development efforts. Starting 1999, with the reduction of economic assistance, the emphasis of USAID projects became the improvement investment opportunities and the enhancement of trade. Encouraging "citizen participation" in development became a central objective of USAID projects in the new millennium. USAID also implemented projects aiming at enhancing socioeconomic conditions by providing better education prospects as well as improving health services in addition to environmental protection (USAID-Egypt History 2009).

3.2. USAID Democracy Assistance Programs in Egypt

USAID has been the primary US provider of democracy assistance worldwide; from 1990 to 2005, it has provided almost $8.47 billion in constant 2000 U.S. dollars to 120 countries to fund projects that were either planned by USAID but implemented by contractors or planned and implemented by local or international NGOs in areas of interest to USAID (Improving Democracy 2008). However, democracy promotion is a relatively new objective for US assistance in the context of the Middle East region (Carothers 1999). The new democracy promotion objective became amplified after the September 11th attacks which led in 2002 to the creation of the Middle East Partnership Initiative (MEPI), managed by the State Department, which is perceived as a cornerstone in the Bush administration pursuit of Middle East democracy (Sharp 2005). The MEPI has four goals: political, economic, and educational reform as well as empowering Middle Eastern women. US officials attempted to embellish the political reform objective by introducing the notion of "partnership" with Arab governments in the pursuit of reform (Sharp 2005, 2). The MEPI targeted the Middle East region as a whole, however, its activities are different in terms of scope and size from one country to the other. Its most extensive operation had been in Morocco and Yemen, while its operations in Egypt and Saudi Arabia have been quite limited due to the regimes' opposition of its operational scope (Sharp 2005). In 2003, USAID also revised its 2000-2009 strategic plan and amended it to fit with MEPI objectives by expanding its democracy and governance programs in Egypt. The notion of strengthening political competition was also included as an objective in the revised strategic plan (USAID/Egypt Strategic Plan 2004).

Even though economic assistance to Egypt was on a downward slope for the last decade, democracy assistance did not follow that pattern. As shown in table 2, in 1998, prior to the reduction of economic assistance, total democracy and governance assistance from 1990 to 1998 was $164 million, this figure was more than doubled by 2004 (Finkel, Perez-Linan and Seligson 2006). By 2008, this figure was up to $1 billion almost a triple the amount allocated for the 2004 fiscal year (Program Overview 2009). While democracy assistance figures were modest compared to governance in earlier years, with the reduction of economic assistance in 2009, $45 million, almost a quarter of total economic assistance, was allocated to democracy programs (Sharp 2008). Thus, the democracy component tripled its amount from $ 15 million in 1999 to $45 million, in 2009.

Table 2: USAID Democracy and Governance Assistance to Egypt (1991-2004)[10]
(In Constant 2000 $ Millions)

Fiscal Year	Rule of Law	Electoral Aid	Civil Society	Governance	*Total*
1991			0.37		*0.37*
1992			1.40		*1.4*
1993			2.17	.57	*2.74*
1994			2.99	1.21	*4.2*
1995	11.83		6.22	1.97	*20.02*
1996	23.03		7.86	9.84	*40.73*
1997	13.82		8.86	14.94	*37.62*
1998	4.69		9.52	43.19	*57.4*
1999	5.04		5.10	41.67	*51.81*
2000	2.96		3.46	11.27	*17.69*
2001			2.60	19.36	*21.96*
2002			4.41	17.98	*22.39*
2003	3.44		7.19	4.98	*15.61*
2004	10.25	1.16	5.36	6.58	*22.19*
Total	*75.06*	*1.16*	*67.51*	*173.56*	*316.13*

Source: Finkel, Perez-Linan and Seligson 2006

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[10] The figures presented here are extracted from the SPSS data set provided by Finkel, Perez-Linan and Seligson in the context of their study of the effects of US democracy assistance. The SPSS data file could be downloaded from http://www.pitt.edu/~politics/democracy/downloads/USAID_DG_Programs.sav

USAID democracy and governance portfolio generally includes five components: "strengthening the rule of law and respect for human Rights", "promoting more genuine elections and competitive political processes", "increased development of a politically active civil society", "more transparent and accountable governance", and "promoting free and independent media" (USAID: Democracy and Governance 2009). In the case of Egypt, even though a number of democracy-oriented projects were implemented in the late 80s and beginning of the 90s, democracy promotion was not highlighted as a policy goal until much later. Due to the nature of the aid agreement signed with Egypt, which gave the Egyptian government the authority to decide on the allocation of assistance, the ability to use aid to pursue political reform was quite limited (Dunne 2005). USAID democracy and governance projects in Egypt have traditionally used a "bilateral" approach that required the agreement of the recipient country with regards to the various projects' objectives and implementation which limited the type of projects that could be implemented, however, in 2005 the "bilateral" approach was abandoned, the US Congress stipulated that "democracy and governance activities shall not be subject to the prior approval of the GoE [government of Egypt]" (Sharp 2008, 23).

The first USAID democracy assistance projects in Egypt targeted civil society. Initially, USAID was "reluctant to upset" the Egyptian government which made it avoid funding controversial activities or groups, thus, when attempting to develop an active civil society USAID initially targeted non governmental service organizations that are registered with the Ministry of Social Affairs and avoided the human rights organizations (Al Sayyid 1999, 61). The support for civil society, which in the context of USAID was equated to private voluntary organizations or non governmental organizations, started

with two objectives: promoting democracy and liberalizing the economy (Carothers and Ottoway 2000a). The first projects supporting civil society, namely the Neighborhood Urban Services and Local Development I and II, focused on service NGOs in an effort to promote decentralization and encourage privatization in the 80s and early 90s. These first projects mainly provided grants to NGOs to implement projects they proposed in order to alleviate the hardship faced by the poor in neglected areas. Training was also provided in the context of these projects but was mainly centered on upgrading their management skills. Democracy promotion became more central in the late 90s at the end of the following project, the Private Voluntary Organizations (PVO) project, when the promotion of advocacy skills was added as an objective (PVO Development Project Report 1990). The following project, the NGO Service Center, targeted from the beginning the promotion of NGO advocacy skills (NGO Service Center 2005).

As for the rule of law component, USAID implemented a number of projects targeting the civil, commercial, criminal and family justice systems. The Administration of Justice Support projects (AOJS) I and II, which started in 1996 and continued through 2009, were aimed at strengthening the capacity of civil and commercial courts. The first Administration of Justice Support project aimed at increasing the efficiency of two civil and commercial courts in North Cairo and Ismailia. Through the project training was provided to judges and court personnel and efforts were made to automate the court systems. The second Administration of Justice Support project picked up on the first project activities and expanded the use of automated systems developed for the pilot models to civil and commercial courts nationwide. The project also included capacity building of two Ministry of Justice institutions: the National Center for Judicial Studies

and the Judicial Information Center. Other rule of law programs aimed at reforming the criminal justice system including the enhancement of the public defense system and raising awareness of human rights and due process ideals among prosecutors and judges. USAID projects also targeted the family justice system with programs that were dedicated to build its capacity through creating an automated monitoring system for mediation in addition to raising public awareness of legal rights and services provided for families (Programs & Governorates 2009).

Support for elections and political processes was absent from USAID democracy and governance portfolio in Egypt until the Egyptian announcement of allowing contestants in the presidential elections of 2005. USAID provided electoral assistance in anticipation for the elections through the provision of aid to both the Government of Egypt and civil society to create awareness and encourage participation in the elections. USAID granted both financial and technical assistance to three Egyptian domestic monitors in addition to providing an international monitoring team for both the Presidential and Parliamentary elections. USAID provided assistance to the Arab Penal Reform Organization (APRO), a non governmental human rights organization, to help it train 250 of its members as election monitors for the Presidential and Parliamentary elections in addition to helping it advocating for electoral reforms. USAID also provided grants to the NAS to promote the participation of Egyptians with disabilities in their communities as well as providing training for Ministry of Interior officials and local government officials to educate them about the difficulties faced by persons with disabilities. USAID has also developed a project aimed at enhancing the capacity building for political parties and their leaders in terms of providing training on internal

management and campaigning as well as creating collaboration with other political parties in the pursuit for political reform (Programs & Governorates 2009).

With regards to the promotion of an independent media, USAID initially started by providing training to journalists and expanded its activities to include professionals in broadcast media. USAID launched its Media Development Program in (MDP) in 2006 to provide training to media professionals and managers as well as technical assistance to Egyptian media outlets whether print or broadcast in addition to strengthening the capacity of media training institutions. The MDP project is scheduled to run for five years and focuses its activities in Cairo, Alexandria, Aswan and Minya governorates (El Madany 2007).

3.3. The Civil Society Approach to Promote Democracy

Prior to the start of the civil society assistance projects, in 1979, there were close to 2,600 Private Voluntary Organizations (PVO) which were, according to law, registered with the Ministry of Social Affairs (MSA) (NGO Service Center 2005). By 2003, almost 14,000 non governmental organizations were registered with the MSA (Hawthorne 2005). Many attribute this boom in the number of NGOs to the abundance of donor funding for this sector in the last two decades. Egyptian civil society is composed of five sectors: the religious sector, service non governmental organizations, professional associations, solidarity associations, and prodemocracy/advocacy groups (Hawthorne 2005). As mentioned earlier, non-governmental organizations are at the heart USAID projects, thus, the nature of the beneficiary NGOs and their internal as well as external dynamics will be explored in greater detail later in the thesis in the framework of the case

study, however, at this point I will provide a brief overview of the different segments of civil society.

The religious sector, with its variety of organizations and groups, with the exception of the Muslim Brotherhood whom I believe are to be excluded since they seek control over the state, is the most prevalent in terms of political activism and the deepest rooted in civil society as a result of its long involvement in the provision of services to the underprivileged who constitute a large segment of the Egyptian population. Service NGOs mainly play at the very least a supplemental role in the provision of state services if not in certain instances being a surrogate for it (Hawthorne 2005). Professional associations have emerged in last two decades of the nineteenth century with the establishment of the lawyers' syndicate in 1888 and increased continuously to reach 24 syndicates by the year 2000. Traditionally, Syndicates have been quite active on the political front, however, their political role became severely limited after the introduction of the syndicates' law in 1993 (Kandil 2006).

The solidarity associations, which are funded by members and mostly organized in an informal way, mainly provide social services which are limited to their members as opposed to service NGOs which target members outside their organizations. Prodemocracy or Advocacy groups, the latest addition to the civil society scene, remain limited in terms of number and membership and are generally engaged in civic education (Hawthorne 2005). Advocacy groups emerged in the mid 80s and were mainly operating in the area of Human Rights (Kandil 2006). Many of the advocacy groups try to attract attention to the rights of some neglected sectors of society such as youth and women

(Hawthorne 2005). By the end of 2007, there were 61 advocacy groups operating in Egypt (Kandil 2008).

The development of the Egyptian civil society went through various stages. The first stage, in the early 19th and 20th century prior to the start of European colonialism, civil society was mainly populated by guilds and charity organizations some of which funded by Awqaf or Islamic endowments. Following the advent of European colonialism, new forms of associations began to surface such as professional associations and cultural clubs. The third stage, which started after independence, was characterized by the imposition of restrictions on civil society by the new government in its effort to secure its hold over power (Hawthorne 2005). After the ascension of the free officers to power in Egypt, the surge in civil society activism was curtailed whether by means of suppression or cooption i.e., making them part of state institutions. Many organizations were closed, others were swollen by government institutions, and some were forced underground. In 1964, the government formulated law of 32 to control the activities of voluntary or non governmental organizations starting with their formation, which needed authorization from the Ministry of Social Affairs, to their activities which were to be monitored and approved by the same ministry. Funding was a main area of focus for these regulations especially with regards to foreign funding provided through donors not operating within Egypt which stipulated the need for prior approval from the ministry. Some types of organizations were not severely hindered by these regulations, such as the Islamic service NGOs and professional associations which had their own sources of funding, while others faced dwindling funding in addition to being constantly harassed and subjected to the threat of being dissolved (Langhor 2004).

The fourth stage, in the 80s, witnessed a relaxation of the restrictive environment in which civil society operated (Hawthorne 2005). The Egyptian government was willing to let donors fund service NGOs in support for decentralization in the area of service provision which actually supplemented government services and eased the financial burdens of the government and made it focus its efforts on privatization. Human rights and advocacy NGOs were also able to get back into operation sidestepping the restrictions of the 1964 law by registering as civil companies. Among the advocacy groups established in the 80s, Nawal al Saadawi's Arab Women's Solidarity Association and the Arab Organization of Human Rights which was the first human rights group in Egypt with a base in Cairo and extended activities to the rest of the Arab region.

The fifth stage, started by the end of the 90s, with the increased donor attention to civil society and encouragement of advocacy, the Egyptian government became less tolerant of advocacy groups and began formulating a new law to restrict their operations. The new law, law 153, retained some of the earlier restrictions of law 32 with regards to governmental approval for formation of NGOs and receipt of foreign funding, but added new requirements stipulating that NGOs registered as civil companies needed to register themselves under the new law or be dissolved. Furthermore, the law prohibited NGOs from engaging in political issues, thus providing the basis for refusal of registration for a number of advocacy NGOs. Even though the law faced high level of criticism from civil society organizations and donors, the government still passed it in 1999. However, the law was later found technically unconstitutional because of the absence of prior approval by the Shura Council. Still, the Egyptian government formulated another restrictive law, law 84, in 2001. Even though law 84 toned down some of the restrictive elements of its

predecessor especially with respect to the area of political activism which was to be subject to discussion between NGOs and the ministry, it added new restrictions such as the government right to freeze funds allocated to NGOs if they have joined international networks without the permission of the government. Furthermore, while earlier laws have been silent on the issue of getting government permission for foreign funding provided by donors who have been already been working in Egypt, the new law required permission by the ministry before accepting such funding (Langhor 2004).

The United States has been reluctant to support the "bottom up" approach in general in the Middle East in fear of destabilizing a region that is strategically important for the preservation of US interests (Carothers and Ottoway 2000a). Democratization in the Middle East and in Egypt in particular was to be attained through a "gradual" approach with "minimum conflict" not through the promotion of political competition which can lead to instability of a "friendly" regime (Hawthorne 2005, 99). The United States was also reluctant to pressure its major ally in the Middle East on the issue of democracy, so it began targeting civil society in its efforts to promote democratization. In the beginning of USAID assistance to civil society in Egypt, with the emphasis on depoliticizing this approach, assistance targeted only service NGOs and was presented as a tool towards encouraging decentralization and private cooperation in promoting development. USAID saw service NGOs as a platform where citizens can be exposed to democratic processes through participating in decision making for low key issues, leading to the state recognizing the positive impact of these organizations and as a result allowing more participation in decision making. The fact that service NGOs constituted a large part of the NGO community was perceived as an advantage in terms of their ability to

counterbalance state influence. Service NGOs were also non Islamist, therefore, they were seen as a safe choice since empowering them does not threaten the state nor US interest in the region as opposed to the Islamic sector of civil society, which has been ignored by the United States in its efforts to strengthen civil society, even though many believed it to be the only sector in civil society capable of mobilizing the citizenry because of the unique popular support it enjoyed, due to long term involvement in the efforts to alleviate economic hardship (Hawthorne 2005). Prodemocracy and advocacy groups, even though small in number and lacking popular support, were also targeted by civil society assistance. Prodemocracy groups had a special appeal because they are seen as aiming directly to induce democratization (Hawthorne 2005).

In the early 90s, programs of civil society assistance were aimed at strengthening the managerial capacities of service NGOs so that they can manage their service projects more efficiently. The provided training included to a lesser extent some "democracy skills" such as citizenry mobilization skills and supervision of governmental institutions (Hawthorne 2005, 33). In 1997, the US Department of State established the Middle East Democracy Fund that provided additional funding to USAID for supporting prodemocracy groups in developing their management skills as well as launching voter and civic education programs among other areas. By the late 90s, advocacy training became an integral part of training provided to NGOs even though the emphasis remained on its apolitical nature as illustrated in one of the USAID reports which stressed that:

> "Advocacy is defined as an action, rooted in a broad-based community need or interest, taken by NGOs to represent themselves and their constituency to public officials or the public in general. In the Egyptian case, this is exclusive of religious and political interests" (Hawthorne 2005, 34).

In 2008, the United States highly politicized its approach towards civil society assistance by specifying that 50 % of the allocated funds for democracy assistance for fiscal year 2009 should be channeled to Egyptian non-governmental organizations quarter (Sharp 2008).

Civil society assistance provided through USAID suffered from design and implementation problems that limited their effectiveness. With regards to design, USAID adopted a "narrow definition" of civil society identifying them initially with the "politically acceptable" service NGOs (Hawthorne 2005, 17). Targeting service NGOs as a route to democracy promotion presented a problem due to the fact that they do not represent the people nor have a democracy agenda in addition to the fact that they were to a large extent controlled by the government. Even when later on, the focus expanded to include prodemocracy groups, the fact that these groups had no popular support base to draw on made them an easy target for government attacks on their credibility. Furthermore, the assistance to civil society focused extensively on improving managerial skills which was seen as the barrier to a functional civil society that can promote democratization, while it ignored the impediments posed by the legal environment NGOs have to work within. Additionally, the exclusion of political issues from the areas for advocacy to be promoted made the focus on side issues which do not have a direct impact on democratization.

With regards to implementation, the management of projects was characterized by heavy bureaucratization due to the practice of hiring contractors for implementation which resulted in making even a primary issue such as the process of applying for

funding quite tedious. Furthermore, the fact that the NGOs who were to be funded had to be approved by the government not only limited funding to specific type of organizations but also caused delays in funding and allowed the Egyptian government to monitor closely NGOs and their activities. Moreover, funding was also provided to US priority concerns, such as the environment, which were not necessarily primary concerns for the Egyptian society or for the non governmental organizations that sought to get funding which may have resulted in the increase in the numbers of NGOs working in these areas as well as the diversification of activities or shift of focus of some service NGOs, in order for them to be eligible for getting funds, instead of focusing on the actual needs of their communities (Hawthorne 2005).

3.4. NGO Targeted Programs Implemented in Egypt

Even though USAID projects in support of civil society started in the first half of the 1980s, the focus of these early assistance projects was not democracy promotion. Early USAID projects in support of civil society are better seen an illustration of the developmental approach initially utilized by USAID to promote democracy in the Egyptian context. The first project, the Neighborhood Urban Services (NUS) Project, which started in 1981, provided funding and technical assistance to service NGOs, focused on the provision of services to neglected areas, as well as local government in Cairo and Alexandria (Neighborhood Urban Service 1983). Similarly, the following projects, the Local Development (LD) I and II projects, which started in the second half of the 1980s and ended in the beginning of the 1990s, followed the same path as the first project and attempted to expand the activities initiated by the NUS Project to the rest of Egyptian governorates (Local Development 1993). The Private Voluntary Organizations

(PVO) Development Project launched by USAID in 1992 incorporated for the first time the notion of democracy promotion and actually focused towards the end on increasing citizen participation in decision making and added the objective of developing PVO capacities in advocacy to its original objective of strengthening the organizational capacities of NGOs (PVO Development 1990). The following project, the NGO Service Center, continued this trend by shifting the focus of civil society assistance from strengthening the organizational capacities as means in promoting economic development, as an indirect path to democracy, to promotion of civil society participation in public decision-making as the illustrated in the project evaluation report stating in the context of this project: "the purpose of USAID support for Egyptian NGOs was no longer improved services but increased citizen and civil society participation in public decision-making" (NGO Service center 2005, 4). In the following sections, a brief description of USAID civil society projects prior to the NGO service center project is presented, while the NGO center project, which is used as the case study, is discussed in detail in the following chapter.

3.4.1. The Neighborhood Urban Services (NUS) project

The Neighborhood Urban Services project was a five year project, starting 1981 and ending 1985, with a total cost of $ 102.9 million including a $ 13.9 million contribution by the Egyptian government. The Project grant agreement was signed on August 19, 1981. The aim of the Neighborhood Urban project was to upgrade the living conditions of the population in Greater Cairo and Alexandria by supporting decentralization through two main channels: improving the capabilities at the local level and building the capacities of private voluntary organizations which can reach and fulfill

the needs of those unreachable by the government. Initially, the project was to be implemented by a USAID contractor who was to be responsible for operation and implementation of the project while USAID was responsible for setting policies in cooperation with Egyptian government officials. However, due to constant delays suffered in the process of implementing the project, in 1983, a committee combining members from the government, USAID, the technical assistance contractor was established to supervise the project and handle both operational and policy decisions (Neighborhood Urban Service 1983).

Assistance to private voluntary organizations targeted two areas: improving their management capabilities so that they can design and carry on projects, and assisting them in promoting local initiative to satisfy local needs. Three private voluntary organizations groups were identified in the context of the project, well funded welfare organizations that provide individual services, under funded community development organizations, and special interest organizations such as the organizations for migrants. The project targeted only the welfare and community development organizations. The funding for projects carried out by these organizations was perceived as a way to decentralize service provision and to handle it more efficiently especially because of their knowledge of localities and the needs of their population. However as the project unfolded the fallacy of this perception was revealed since most of the private voluntary organizations were actually run by upper class individuals who did not reside in the areas their organizations provide services to, therefore, they were actually providing social welfare. Still there were some organizations which were actually interested in "community development" (Neighborhood Urban Service 1983).

Furthermore, the project suffered a number of structural problems that limited its impact. First, the fact that the objective of the project was a bit imprecise in terms of goals to be achieved by the end of the project led to an arbitrary allocation of funds between the different types of capacity building activities and also made evaluating the outcomes of the project. Second, due to legal stipulations that prohibit direct contact between a PVO and foreign entities, access was possible only through MSA and funding was made available only to organizations recognized by MSA. Third, to be entitled to project funding, a PVO had to meet three criteria: having a sound annual plan, keeping regular records and the presence of technical staff in addition to a functioning board of directors. As a result of the criteria set for funding, most funds went to welfare groups rather than going to community development groups who were not as well established as the welfare groups. Fourth, the fact that the government shared in the funding of the project, a share that was delayed, and that funding needed to go through MSA has affected the planned allocations, by 1983 the expenditure on the improvement of districts' capabilities have surpassed the allocated funding while the expenditure for funding private voluntary organizations was seriously lagging behind. Initially 13% of total project funding was supposed to be allocated to the PVO component of the project. However, after two years from the start of the project, only $ 2.6 million were spent of the $ 4.2 million allocated for this phase (Neighborhood Urban Service 1983).

3.4.2. Local Development (LD) I and II Projects

The Local Development I and II projects, which initially extended from 1986 to 1992, started as a follow up to the Neighborhood Urban Services Project. The projects were mainly aimed at decentralization and they included a Private Voluntary

Organization (PVO) Component based on the conception of private voluntary organizations' pivotal role in "the development of citizen participation" and their ability to "ensure privatization as an approach towards development" (Local Development 1993, 7). The activities, initiated by the NUS project in Greater Cairo and Alexandria, were extended to the rest of the Egyptian governorates. The program goal was still identified, similarly to the NUS project, as "to improve the life of low income residents in rural and urban Egypt by providing greater access to essential basic services" (Local Development 1993, 7). After the end of the LD II project in 1992, it was followed by a transition period with the aim of monitoring the expenditure of the grants and providing technical assistance to PVOs (NGO Service Center 2005).

The Local Development projects were implemented, as the previous NUS project was, by a USAID contractor. On the Egyptian side, there were two government counterparts in the implementation of the project, namely the Ministry of Local Administration (MLA) and the Ministry of Social Affairs (MSA). During the course of the project, changes were made to its guidelines and it was stipulated that policy decisions for the project needed approval from the Ministry of Planning. The variety of procedural requirements imposed by the number of ministries involved on the Egyptian side caused delays in funding and consequently in the implementation of the project. The PVO component provided grants and training to PVOs to the 26 governorates. Grants were given to PVOs to carry on their proposed projects in addition to training on planning and carrying out projects, assessing the needs of their localities, evaluating the implemented projects, garnering the local support necessary for their projects and consequently getting additional sources of funding. PVOs were also trained on how to

design training programs and implement them in the areas of fund raising and enhancing citizen participation. The PVOs approved projects were financed through USAID grants as well as a 5% contribution by the Egyptian Government in addition to a 10-25% being financed by the PVO that proposed the project. Within the framework of the project, a tracking system for monitoring funds given to PVOs was also designed and installed at MSA and in the governorates' Regional offices. The project included four cycles of funding to PVOs. By the end of the fourth cycle, PVOs have received grants from USAID through the LD II project amounting to LE 150 million to implement their projects. Almost all allocated funds for the first three cycles were spent, however, only 84% of the allocated funds for cycle 4 were spent which was the main reason the project added a transitional period towards its end to monitor the expenditure of these funds (Local Development 1993).

With respect to the training component which was initiated in 1989, the Ministry of Local Administration was the governmental counterpart for USAID. By the end of the project, only 34% out the total allocated funds for training in the 26 governorates were spent with some governorates not use any of their allocated funds such as the Red Sea, Damietta and North Sinai. Training was provided to 7455 members of PVOs in the 26 governorates. The poor performance of the project's training component was a result of the poor coordination and delays of funding. Governorates' offices were also reluctant to allocate funds for training of PVOs who were seen as capable of getting funding for training on their own. The training component suffered many problems due to the lack of trainers in certain desert and Upper Egypt governorates in addition to the hiring of

unqualified personnel as trainers because of their personal connections (Local Development 1993).

3.4.3. Private Voluntary Organizations (PVO) Project

The Private Voluntary Organizations (PVO) Project actually started in 1992 before the end of the transitional phase of the Local Development II project and ended in 2000 (NGO Service Center 2005). In describing the Private Voluntary Organizations (PVO) Project, breaking away from earlier projects' objectives' formulation, the project document stated that "this project is a major element of USAID's program objectives to promote open societies, democratic pluralism and popular participation in Egypt's development" (PVO Development 1990, 4-5). The inclusion of democracy as an objective was a new notion as opposed to the regular objective of increased popular participation with a developmental context that was the theme of previous projects. However, the PVO project was still shaped by the perception of the weaknesses of Egyptian NGOs in terms of organizational and managerial abilities. Thus, the PVO Project aimed to build up these abilities. The budget for the project was $6 million for private voluntary organizations that were already registered with USAID in addition to $0.5 million to those in the process of registering (PVO Development 1990).

As a result of the problems encountered in the previous project in terms of complexity of funding and lengthy approval procedures, the PVO project grants were not routed through the local government. The project used an Umbrella Management Institution (UMI), as opposed to the use of contractors in previous projects, the National Congress of Negro Women (NCNW), a U.S. PVO, was responsible for channeling grants to the beneficiary NGOs. The project also created a PVO Advisory Council (PACE) that

included members from USAID, beneficiary NGOs, representatives of the Ministry of Social Affairs and experts in civil society. The role of the council was to perform certain tasks to ensure the project's efficient operation which included reviewing grant selection criteria and the procedures used by the UMI in implementing the project. The grants were directed to improve the PVO capabilities as opposed to the NUS project grants which were mostly used to buy equipment. Still, the project document stipulated that "funds are granted for only these types of activities which have the support of the [Government of Egypt] GOE and USAID" (PVO Development 1990).

The Project had two phases: the first phase started January 1992 to be followed by the second phase which started October1996 and ended January 2000. Total Funding for both phases amounted to $27 million. More than a year after the start of phase two, in October 1997, a new objective was added to the project namely "to increase citizen participation in decision making" (NCNW Response 2000, 2). However due to time limitations and the fact that the initial design of the project was not to promote the advocacy skills of PVOs, the UMI was unable to fulfill the new objective. Beneficiary Egyptian PVOs were concerned about the new objective and were reluctant to be labeled as advocacy groups even though the UMI has tried to put advocacy in a "development context" by designing training modules for different sectors such as health, women and children rights (NCNW Response 2000, 9). As a way to encourage NGOs to work collectively to increase their ability for advocacy, the UMI held two symposiums for NGOs. Among the PVO Development Program achievements in the field of strengthening advocacy abilities of NGOs, the initiation of a debate about the draft of the new law for NGOs by beneficiary PVOs during a symposium held by NCNW in 1998

which led to a series of meetings between NGOs and government officials to discuss the new NGO law (NCNW Response 2000). However, as mentioned earlier, the attempts to influence the Egyptian government with respect to the law formulation have failed in terms of relaxing restrictions on NGOs as I will discuss in the next chapter.

CHAPTER FOUR

THE NGO SERVICE CENTER PROJECT

4.1. The Context of the Project

To understand the course the NGO Service Center project took and evaluate its impact, it is imperative to understand the surrounding legal and political environment. The project started in an already hostile environment described as "more authoritarian" than in the mid 80s (Brouwer 2000, 23). Prior to the initiation of the project, starting the early 90s, the Egyptian government tightened the restrictions on almost all forms of political activity which marked the end of the relaxation of state control that characterized the previous decade including making changes to the penal system in 1992 to allow the government to impose harsher penalties on whomever it defines as a terrorist, passing of laws restricting Islamists' control of syndicates and the further cancellation of elections of syndicates where these laws failed to enforce this limitation, the violent confrontations that accompanied the 1995 people's assembly elections, and the new law of associations passed in 1999 (Al-Sayyid 2000). Even before the passage of the new associations' law, the Egyptian government has started its attack on NGOs and especially human rights organizations after the publishing of the US state department report on human rights in Egypt. The Egyptian government first made it clear to donors that no funding should be made available to human rights organizations then proceeded with a media campaign attacking the legitimacy of these organizations based on their dependence on foreign funding and accused them of defaming Egypt's reputation on the international scene (Fouad, Ref'at and Murcos 2005). After the passage of law 153 of

1999, which replaced law 32 of 1964, some of the restrictions of its predecessor were kept in terms of requiring NGOs to be registered with the Ministry of Social Affairs, their funding being subject to approval from the ministry, and their survival being at the mercy of the same ministry which can dissolve them at any moment. The new law went the extra mile and closed earlier loopholes in its predecessor by requiring advocacy groups, which escaped the previous law by registering as civil companies, to be registered under the new law or close down and since the new law, as its predecessor, denies registration to NGOs engaged in political activities, this meant that the only way to go for some of these advocacy groups was to close down. Needless to say, both NGOs and donors tried to oppose this law. Efforts made by NGO representatives to help draft the law were in vain as all their propositions were ignored (Langhor 2005). The U.S. ambassador in Cairo discretely approached Egyptian officials raising US concerns about the NGO law while the U.S. State Department spokesman overtly criticized the law (Dunne 2005). USAID has also poured funds into studies for possible alternatives to the law (Brouwer 2000). Despite the opposition of Egyptian civil society and donors alike, law 153 of 1999 was passed imposing heavy restrictions on non governmental organizations. After the passage of the law, some human and women's rights associations have tried to escalate the issue by calling for a united position on the part of all non-governmental organizations in opposition to the new NGO law. However, these efforts failed due to lack of cooperation and rising disagreement between the NGOs, some of which actually went on with registering under the new law compromising the united stand taken by other NGOs refusing registration (Langhor 2005).

Langhor (2005) attributes the failure of NGOs in their campaign against the 1999 law to a number of elements including the lack of internal democratization of NGOs as well as the lack of consultation and cooperation between the different NGO groups, the disagreement between NGOs on whether they actually should have a political role or not, and the fact that almost all advocacy groups are dependent to a large extent on foreign funding which made them the target of attacks on their legitimacy. The fact is that advocacy NGOs, which were leading the effort to block the passage of the law, were dependent on foreign funding made it possible for the government to attack their legitimacy. Even when these groups have forsaken the foreign funding for the rest of their campaign to avoid the government's accusations, they were unable to generate local funding because of their lack of a popular base and hence they became less able to mount an extensive campaign against the law. The problem of funding was also coupled with the problem of getting other types of NGOs to support their cause especially those who were mainly engaged in service delivery and even in certain cases other advocacy groups who saw themselves as weak and technically and financially underdeveloped and thus unable to oppose the regime (Langhor 2005). The fact that the NGOs mounting the opposition constituted a small part of Egyptian civil society also raised the issue of their representativeness of civil society which was used by the government to indicate that the opposition to the law is not universal and thus further weakening the position of the NGOs who were trying to block the law (Fouad, Ref'at and Murcos 2005).

Beyond the legal restrictions imposed by the Egyptian government, it is also important to point to the special relationship between the Egyptian and the US governments resulting from American reliance on the Egyptian government backing its

policies in the Middle East making the US keen on preserving "good relations" with Egypt and averse to any activities that may portray it as "interfering" in Egyptian internal political affairs (Al-Sayyid 2000, 56). This relationship has at times led to the subordination of the democracy promotion objective to what the US considers priority foreign policy objectives, which resulted in a mild American stance vis-à-vis the Egyptian government's repressive policies as illustrated by the response of USAID director in Egypt when questioned about US reaction to human rights' violations in "friendly" countries that are recipients of US economic assistance when he indicated that in these cases the United States will offer "advice" and "encouragement" but will not "exert pressure" (Al-Sayyid 2000, 62). In the case of the NGO law, high level pressure was not exerted because the primary concern at the time for the U.S. was the Middle East peace process and to some extent Egyptian economic reform (Dunne 2005). Furthermore, the fear of the possibility of a duplication of the "Algerian Scenario" has often held back US democracy promotion strategies in Egypt (Brownlee 2002, 12). The United States and Western donors in general seem to be reconciled with the idea that it is better to have friendly authoritarian regimes in power than running the risk of having Islamists in control which actually makes them exclude Islamists from their support of civil society even though many believe these groups enjoy massive popular support and have the most potential of standing up to the government (Al-Sayyid 2000). However, it is important to note, as illustrated in the previous chapter, that the United States approach to democracy promotion in Egypt took a new turn on the eve of September 11th attacks. Even though this new approach did not impact directly the NGO Service Center project design or implementation, it have contributed to certain changes in the political environment which

will be discussed at a later stage in this chapter when addressing the impact of assistance on the political regime.

4.2. Project Objectives and Operational Scope

The NGO Service Center was a high profile project with heavy allocations in an era of decreasing US economic assistance which indicated a certain level of commitment to democratization (Al-Sayyid 2000). The design of the NGO Service Center Activity started in 1995 with bilateral talks between the Governments of Egypt and the United States. By September 1998, these talks culminated in the signature of the USAID Grant Agreement between Egypt and the United States which designated the "increase in civil society participation in public decision making" as the objective for the NGO Service Center Activity (NGO Service Center 2005, 3). This objective marked a shift in USAID assistance projects to civil society which previously focused on improving civil society organizations capabilities in the provision of services. The NGO Service Center Activity fell under USAID "Strategic Objective 3: Increased Citizen Participation in Public Decision-Making" which had three intermediate results as identified by USAID and stated by the project documents: "improved civil society advocacy skills, strengthened CSO organizational basis, [and] Egyptian NGO Center established" (Mid-Term Evaluation 2003, 2). A fourth intermediate result added by the contractors responsible for implementing the project was the "increased citizen awareness of CSOs' roles in/contributions to public life, including in public decision making" (NGO Service Center 2005, 66).

Even though the project was set to start May 1999, the start date was shifted to April 2000 as a result of the Egyptian government formulation of the new NGO law. The

new law, which was issued in 1999 as the NGO Service Center Activity was ready to be launched, expanded the Ministry of Insurance and Social Affairs' powers over non governmental organizations allowing it to dissolve NGOs without recourse to the legal system. USAID decided to freeze the implementation of the project until the new law's executive orders are issued since they may directly affect the institution to be established by the project i.e., the NGO Support Center, which would be registered under the new law and could face dissolution at any point as a result of the law's stipulations. However, discussions with Egyptian civil society leaders convinced USAID to launch the project while reframing its statement of objectives. Eventually, the projects' objective was changed in February 2000 in response to the Egyptian government's criticism of the project objectives "overly intrusive" nature, to fall under USAID Strategic Objective 21 "Egyptian Initiatives in Governance and Participation Strengthened" with the intermediate result "Capacity of Civil Society Organizations Improved to Participate in Development". This change in the objectives of the activity was made, as stated by project documents, to "bring them [project objectives] more in harmony with Egyptian political reality", however, the modification of the project's objective did not have an effect on the project design but were viewed as being merely "a modification in the level and wording of the strategy" or simply an indirect way of stating the intended objectives which has no bearing on the design of the activity (Mid-Term Evaluation 2003, 21). USAID also changed the terminology used in describing the targeted CSO skill to be improved through the project from "advocacy" to the "more diplomatic phrase" the ability to initiate "public-private dialogue" while maintaining that the "development"

being promoted by the project was in the area of policy and decision making (NGO Service Center 2005, 66).

Strengthening Civil Society organizations, in this case mainly NGOs, was seen as conducive to overall strengthening of Civil Society. Besides the improvement of technical skills that customary training sought to improve and to which advocacy was added, the NGO service center project aimed to tackle three issues that were seen as reasons for the weakness of Egyptian Civil Society: the shortage or lack of support organizations that provide assistance to civil society, the lack of networking and cooperation between civil society organizations, and the lack of awareness of the citizenry regarding civil society contribution. The project identified three strata of Civil Society Organizations (CSOs): "primary", "intermediary" and "tertiary" CSOs (NGO Service Center 2005, 6). The first stratum, primary CSOs which account for up to 95% of Egyptian CSOs, exist at the local level and are engaged mainly in service provision whether for their members or for the society as a whole. The second stratum, intermediary CSOs which account for 2-3% of Egyptian CSOs, exist on the district level and are mainly providing support for primary CSOs whether in terms of facilitating access to technical support or political institutions that are usually beyond the reach of primary CSOs, still, they may also be engaged in service provision. The third stratum, tertiary CSOs which account for up to 1-2% of Egyptian CSOs, are present at the national level and serve as the channel through which both primary and intermediary CSOs reach decision makers. Tertiary CSOs also seek to protect the CSO sector interest as a whole (NGO Service Center 2005). Recognizing the shortage of organizations at the intermediary and tertiary levels as well as the need for networking to build a stronger

civil society, the NGO Service Center project aimed to establish a "legacy institution", the Egyptian NGO Support Center (ENGOSC), which would continue providing services similar to that provided by the project to Egyptian NGOs (NGO Service Center 2005, 5). To improve NGO networking during the span of the project itself, two national civil society conferences were held in Cairo in November 2001 and September 2003 in addition to a number of regional conferences in Beheira, North Sinai, Sharqiya and Aswan. Three resource centers, in Cairo, Tanta, and Assiut, were also set up and equipped with libraries and web access to provide information to CSOs as well as to provide them with a base for networking. The resource centers held roundtable discussions for NGOs as a forum for communication and networking and also provided NGOs with manuals and other resource materials that could be useful for their operations (NGO Service Center 2005). With regards to increasing awareness of civil society organizations' contributions, the project focused its efforts on increasing the coverage of CSOs in the media to raise citizens' awareness levels as a step towards encouraging citizen participation in civil society (NGO Service Center 2005).

The assistance provided through the NGO Service Center Project included three components: grants, training and technical assistance. The NGO Service Center project targeted the different CSO strata using different types of assistance. For the primary CSOs, the project provided small sub grants while it provided larger sub grants and technical training for intermediary and tertiary CSOs. The provided training focused on enhancing CSO self governance and management as well as advocacy skills. Self governance training focused on the issue of transparency and accountability while management skills' training aimed at enhancing CSO project design and operational

abilities as well as developing financial sustainability. In general, five types of grants were provided to beneficiary NGOs. The first type, "Civic Action Micro-grants" (CAMs)", was directed to smaller and recently established CDAs (Community Development Associations) with the aim of strengthening NGO advocacy abilities and assisting in citizen mobilization for participation in development efforts. The Second type, "Civic Action Partnership" grants (CAP), targeted intermediary and well established primary CSOs with the aim of improving networking between both groups in addition to enhancing the intermediary associations' ability to provide grants to primary associations as well as improving the primary associations' advocacy and citizenry mobilization skills (NGO Service Center 2005, 19). The third type, "Institutional Development Grants" (IDGs), targeted medium sized well established CSOs with the aim of improving their advocacy skills with regards to issues of "national concern" with a specific focus on women, children, the disadvantaged and the handicapped. The fourth type, "Institutional Support Grants" (ISGs), was initially targeted to strengthen NGO networks, however, due to shortage of networks and lack of applicants in this category, the grants were reallocated to create opportunities for CSOs to engage with each other and with decision makers in discussions on "public concern issues" through the use of public forums (NGO Service Center 2005, 20). The fifth type, "Intensive Capacity Development Grants" (ICDGs), was actually added towards the end of the project and aimed at strengthening the capacity of the specific CSOs which showed significant improvement in terms of organizational capacity during the project span (NGO Service Center 2005, 21). The project also provided training to CSOs to familiarize them with the terminology and practices in the field of advocacy as well as issues of internal

governance and sound management. Training focused on five areas: "advocacy, governance, management, networking and gender" (NGO Service Center 2005, 30). Technical assistance, which as opposed to training mainly focused on the particular needs of the different organizations, was also provided. Pre-grants technical assistance aimed at improving CSOs proposal writing abilities while post-grant assistance focused on the improvement of a variety of abilities related to CSO internal functioning as well as their relationship with their constituencies (NGO Service Center 2005, 38).

The project beneficiaries, according to the agreement between the American and Egyptian governments, had to be registered with the Ministry of Insurance and Social affairs and also approved for receipt of funding which meant the exclusion of human rights organizations (Al-Sayyid 2000). The design of the project did not set specific priority areas for which NGOs receive grants. The provision of grants was engineered to be "demand-driven" which meant that the NGOs were the ones proposing the area of funding or the sector they wish to cover so that they can target priority areas of their community (NGO Service Center 2005, 28). The tools used by the project, namely the provision of grants, training, and technical assistance, were perceived as playing an essential role in "empowering of NGO memberships to act on their own and their communities' behalf" (Mid-Term Evaluation 2003, 27). The NGO Service Center Activity was built on the notion that civil society is a "viable channel" for mobilizing citizens to take part in development (Mid-Term Evaluation 2003, 26). For NGOs to perform that role, it's essential that citizens take part in the design and operation of NGOs so that they can develop a sense of ownership with regards to the achievement of NGOs as a result of their involvement in decision making. Consequently, the positive effects of

citizens' involvement for themselves and for their community encourage them to continue their efforts and help build a larger constituency for NGOs. The assumption, on which the intended results were based, was that the provided assistance to NGOs through the NGO service center project would lead to the increasing efficiency of those NGOs in fulfilling citizen needs which would lead to convincing citizens of the value of participation in NGOs and eventually lead to greater citizen participation in NGOs (Mid-Term Evaluation 2003). The following model, figure 1, was used by the NGO Service Center project evaluators to explain how the project is intended to lead to increased community and citizen participation in decision making (Mid-Term Evaluation 2003, 27).

Figure 1: Community and Citizen-Based Model of the NGO Service Center
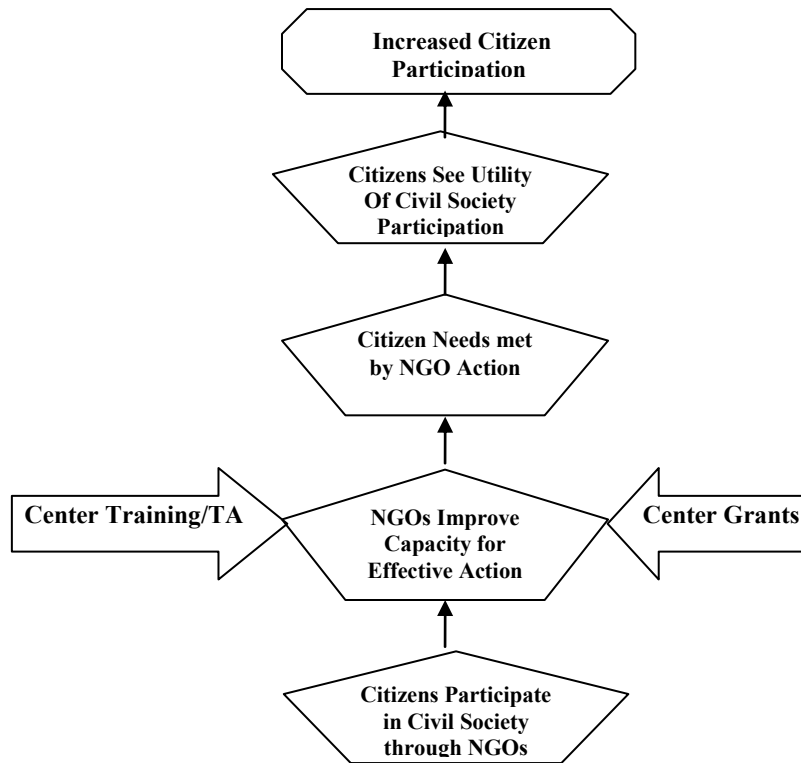
Source: Mid-Term Evaluation of the NGO Service Center 2003

4.3. Project Stakeholders

The project stakeholders besides beneficiary NGOs include the US and Egyptian governments, the USAID, the contractors responsible for the implementation of the project, and the Egyptian Government counterpart in the implementation of the project namely the Ministry of Insurance and Social Affairs (MISA)[11]. The project design also provided for two entities set up by the project namely the NGO Advisory Board and the Steering Committee which combine representatives from the original stakeholders. The NGO Service Center Activity, similarly to other USAID projects, was to be implemented through contractors. Three contractors were awarded in conjunction the implementation of the project: Save the Children, America's Development Foundation (ADF), and Infonex. Each contractor had a specified role in the implementation of the activity: Save the Children, which was the main contractor, was responsible for financial matters including management of the project's grant system while ADF was responsible for the project's technical assistance component including training, and Infonex was responsible for the monitoring and documentation of project progress as well as reporting to USAID. The three contractors represented what was called by project documents as the Project Implementing Entity (NGO Service Center 2005). The role of the US and Egyptian governments was more pronounced in the initial design of the project, it mainly consisted of developing an agreement that will set the course for the project objectives and implementation. The negotiation process was quite difficult due to the opposition of the Egyptian government to the initial project objectives which resulted at the end in the acquiescence of the US government to the Egyptian government conditions of limiting

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[11] The name of the Ministry of Social Affairs (MISA) was changed to Ministry of Social Solidarity early 2006.

assistance to NGOs registered with MISA and allowing MISA to approve the eligibility of NGOs to receive funding and thus to exclude any organizations that were critical of the government (Dunne 2005).

After the signature of the agreement, MISA and USAID laid the groundwork for the implementation of the project. Both, MISA and USAID were to have representatives sitting on the "Steering Committee" which, according to project documents, was to be chaired by the Minister of Insurance and Social Affairs and to include also representatives of the contractors in addition to two representatives from Egyptian NGOs as well as Government of Egypt officials. The role of the Steering Committee was to approve the eligibility of the NGOs for grants based on the authentication of their registration with MISA and validation of the nature of their work as having a socioeconomic or developmental focus (Mid-Term Evaluation 2003). Anticipating Egyptian government "intrusion", USAID intended to make the steering committee's role an advisory one with regards to project implementation (NGO Service Center 2005). However, MISA hindered the committee's operation which ended up meeting only one time till the mid point of the project and its role was largely assumed by MISA up until USAID intervened to assert the original format of the roles as set in the grant agreement. The "NGO Advisory Board", the second entity besides the Steering committee, was to be established to assist the Project Implementing Entity in the implementation of the project. The Advisory Board, which was to be composed of representatives of ten NGOs, was supposed to provide "guidance" with regards to project implementation to the Project Implementing Entity as well as monitor the progress of the project which they have managed to do satisfactorily during the span of the project (Mid-Term Evaluation 2003).

4.4. NGO Service Center Project's Evaluation

As argued by Imco Brouwer (2000, 42), a thorough assessment of democracy assistance projects' impact should be undertaken on three different levels; the "Micro" level which refers to the impact on specific organizations namely the beneficiary organizations which received the assistance, the "Meso" level which refers to the development of an "active" civil society meaning whether the project somehow had a spill over effect on the various organizations which constitute civil society but were not direct recipients of the assistance in terms of having an impact on decision making, and the "Macro" level which refers to the impact on the political regime in terms of an increased level of democratization. The following sections present an evaluation of the impact of the NGO Service Center project on the three levels identified by Brouwer.

4.4.1. Micro Level Evaluation

Micro level evaluation is mainly concerned with the impact of the project on beneficiary NGOs. As Brouwer (2000) has argued that most projects evaluations at this level tend to show a positive impact on beneficiary NGOs whether in terms of sustaining these organizations or increasing their efficiency, transparency, and accountability as well as increasing the skill level of their staff. The data compiled by the contractors for the NGO Service Center project as well as external evaluators in addition to the data generated through interviews in the context of this thesis seem to provide prima facie evidence in support of Brouwer's argument, however, it still raises some questions about the effect of NGO dependence on foreign funding, as anticipated by Edwards and Hulme (1998), on their accountability namely leading to a distortion of accountability which can be seen in the over bureaucratization of beneficiary NGOs in response to donor

requirements as opposed to their neglect of constituency feedback in shaping their projects. To put things in perspective, let us consider the contribution the project made to beneficiary NGOs in terms of provided grants, training, and technical assistance. By the end of the activity, the center had provided 247 grants, half of which funded capacity-building activities and had no advocacy component. The environmental sector accounted for more than third of the provided grants, as illustrated in figure 2, followed by children and women's rights as well as human resources development. The priority given by Egyptian NGOs to the environment sector was taken by the center officials as a sign of community interest in environmental issues especially in relation to their effect on health (NGO Service Center 2005).

Figure 2: Sectors Selected by Center Grantees for Civic Action
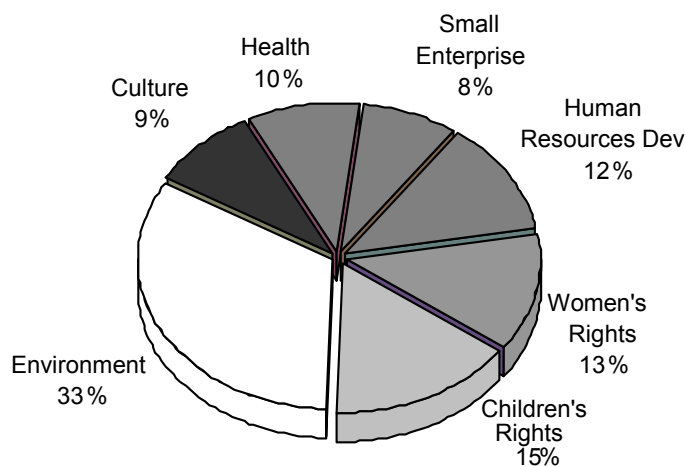
Source: NGO Service Center 2005

Training covered five main areas advocacy, governance, management, networking and gender. Training was provided to 8,301 participants from the 247 grantees of the project. Besides providing technical assistance directly to project grantees, the project team developed 27 manuals that could be used as a reference by beneficiary NGOs (NGO Service Center 2005).

To assess the NGO Service Center project, USAID and the implementing agency set a number of "performance" indicators including: the effect on the organizational capabilities of beneficiary organizations, completion of "designed activity" in "public private dialogue", number of "effective actions" implemented by CSOs, and the success in establishing the "legacy institution" i.e., the Egyptian NGO Support Center (NGO Service Center 2005, 67). With regards to the first performance indicator, an organizational assessment tool was used to measure the performance of large grant recipients only, those who received grants between $100,000 and $500,000. Project evaluation indicated that the project results were in line with expectations which were based on at least 70% of beneficiary CSOs achieving from 8-10% improvement over their baseline scores annually (NGO Service Center 2005). The organizational capacity areas that showed improvements included advocacy, general management, internal governance and financial management. The area that showed the highest level of improvement was that of advocacy, with the scores of the fifty largest grantees increasing from 39% to 71% (NGO Service Center 2005). The second performance indicator measured small grant beneficiary CSOs' completion of a planned activity in public private dialogue or an improvement of their organizational ability. Overall, the project results exceeded expectations which were based on at least 60% of beneficiary CSOs completing a planned activity or achieving improvement over their baseline organizational capacity scores annually (NGO Service Center 2005). As for the third indicator, which was actually added by the implementing agency rather than USAID, number of effective actions implemented by CSOs, effective action, as defined in the NGO Center Activity context, is "an action (output or outcome) whose achievement

significantly enhances the NGO's capacity or performance in its chosen advocacy activity" whether it was "direct" i.e., the NGO directly approached decision makers, or "indirect" i.e., implemented by partners of the beneficiary NGO or highlighted by the media, as a result of NGO activity, in a manner that influences the opinion of decision makers and constituents (NGO Service Center 2005, 72). Results, as reported by the implementing agency, indicate that during the span of the project, beneficiary organizations completed a total of 275 effective actions which exceeded the 150 effective actions anticipated by the implementing agency. With respect to the last indicator, regarding the establishment of the Egyptian NGO Support Center (ENGOSC), even though there were some delays during the span of the project in terms of completion of the needed steps towards the establishment of this institution, the project succeeded before the end at establishing and launching it. All training and technical assistance resource materials developed during the span of the project were given to the Egyptian NGO Support Center in early 2005 to enable it to continue the provision of training and technical assistance to CSOs (NGO Service Center 2005). However, as revealed in an interview with an ex USAID official, even though USAID originally intended to endow the ENGOSC with $42 million to enable it to play its support role for civil society, USAID cancelled its obligation due to a change in its endowments' policies leaving the center to raise its own funds through membership and service fees which limits its reach and the range of services it can offer, still, the center is considered an important contribution to Egyptian civil society assisting currently 200 NGOs through provision of technical assistance and training in addition to providing links to the donor community as well as the private sector. Even though the quantitative indicators suggest the success of

the project, evaluators acknowledged that these indicators were limited in terms of not providing a completely accurate measure of the project's impact since "people level" data was not collected i.e., no assessment was conducted to measure the effect of the grantee's projects on the end beneficiaries, i.e., the people who received grantee NGO services, and no investigation was initiated regarding the effect of NGOs in changing people's perceptions on the importance of becoming active in "managing" their community (Mid-Term Evaluation 2003, 22). Setting aside the performance indicators, one of the most celebrated project achievements is the introduction of new concepts such as advocacy and networking. Initially, as revealed in one of the interviews in the context of the thesis, the notion of advocacy has caused a level of resistance on the part of NGOs which were "afraid" to be seen as involved in "anti-government" activities. However, by the end of the project, most beneficiary NGOs started to accept the idea and conducted a number of what was referred to by the project as effective actions. These effective actions included holding conferences attended by decision makers to discuss issues of concern chosen by the beneficiary NGOs. Even though these conferences provided a forum for interaction between NGOs, government representatives and the general public, the impact they had on decision makers was mixed at best. External evaluators commented on the fact that the outcome of these actions actually depended on the strength of the ministry that the beneficiary NGOs sought to influence where in cases of powerful ministries dialogue and advocacy went no where (Mid-Term Evaluation 2003). As for the idea of networking, sixteen NGO networks were created throughout the project to tackle areas of common concern (NGO Service Center 2005). However, as revealed during an interview with an ex USAID official, these networks suffered from the dominant role played by the larger

"umbrella" NGOs in decision making and management of funds which alienated smaller network members and resulted in only five of these networks being still active after the end of the project.

Regarding the impact of dependence on foreign funding on beneficiary NGOs, within the context of the NGO Service Center project, project evaluators acknowledged the fact that most of the project's beneficiary NGOs were "entirely dependent" on foreign funding for their existence and their activities, they even made the point that in the absence of such funding, many of the beneficiary NGOs will perish or return to providing low quality services (Mid-Term Evaluation 2003, 5). Furthermore, the evaluators have found that most beneficiary NGOs "persist" in pursuing foreign donors as their main source of funding (Mid-Term Evaluation 2003, 8). This heavy dependence on foreign funding has led to what Edwards and Hulme (1998) anticipated mainly the over bureaucratization of beneficiary NGOs as well as a shift of accountability from constituency to donors. While beneficiary NGOs strived to fulfill USAID requirements, they did not seek constituency opinion in their program design nor operations. Beneficiary NGOs altered their financial reporting systems to fit the requirements of USAID and qualify for project funding and kept minutes of board meetings and made it available to the public in response to USAID's requests to increase transparency. However, as reported by evaluators, with respect to the relationship with their constituencies, beneficiary NGOs did not involve their constituency in decision making whether in terms of setting policies or operations to the point where one of the center's senior officials was reported saying: "we know these projects were not chosen through a thorough process of community participation or even consultation" (Mid-Term

Evaluation 2003, 16). In addition to this, evaluators pointed to the "condescending" attitude that beneficiary NGOs maintained vis-à-vis their constituency as well as other NGOs (Mid-Term Evaluation 2003, 17). Evaluators commented on the nature of citizen participation, in the case of beneficiary NGOs, which was mostly limited to their staff and members and not a larger base of constituents. Interviews revealed that among the possible reasons for lack of constituency involvement were: beneficiary NGOs belief that they already know what's good for their community and the perceived effort and cost of involving the constituency. The belief that NGOs already know what is needed for their constituency actually poses a problem since as evaluators found out most community development associations board members came from influential families which made them more interested in keeping the "community balance" rather than the "empowerment" of the community (Mid-Term Evaluation 2003, 14). Evaluators mentioned the project efforts to raise awareness through training of the importance of electing board members based on efficiency rather than lineage, however, no results were reported (Mid-Term Evaluation 2003). As for the perceived effort of involving constituency, as revealed by interviews, beneficiary NGOs felt that the level of effort needed for conducting meetings and round table discussions with their constituents is substantial and therefore opted for focusing on the other two part of the equation in terms of engaging in advocacy, the media and decision makers. As for the perceived cost of involving constituency, NGOs leaders were apprehensive about integrating new members of the community in their work because of the perceived risk they pose if they decide they want a more influential role and decide to run for election within the NGO which may lead to a replacement of the current decision makers namely those leaders

themselves. Interviews also revealed the existence of tensions between NGOs which became clear during the project revealing a sort of "hierarchy" that NGOs created for themselves, based on whether they have been previous recipients of foreign aid or not and the type of donors they interacted with, resulting in a condescending view of those who were not recipient of earlier foreign funding and those who received funding from Arab donors as opposed to Western donors.

4.4.2. Meso Level Evaluation

The meso level evaluation mainly deals with the effect of assistance on the development of an "active" civil society in terms of participation in decision making, looking beyond the particular effects of assistance on beneficiary NGOs to the effect on civil society as a whole. Brouwer (2000, 43) warned against confusing the growth in civil society Organizations numbers with the presence of an "active" civil society. Still, as argued by Mustapha Al-Sayyid (2000), Egyptian political scientist and civil society expert, the abundance of civil society organizations and the variety of services offered by them to the multitude of citizens coming from different classes and professions is one of the perquisites for the existence of an active civil society. Al-Sayyid (2000) argues that the multiplication of civil society organizations over the last decade stands as proof that this condition has been met. This is certainly true in the case of the target of civil society assistance i.e., NGOs. In 2005, after the end of the center activities, NGOs registered with the ministry exceeded 18,600 organizations (Kandil 2006). When this figure is compared to the figures presented earlier, 2,600 in 1979 and 14,000 in 2003, it certainly shows a multiplication of NGOs. However, as put forward by Brouwer (2000), the increase in Civil Society Organizations is not a highly accurate measure of impact at this level but

their effect on decision making is a better indicator. Results of the NGO project at the micro level show that some beneficiary NGOs in certain cases have managed to affect policy making while in other instances they have failed (NGO Service Center 2005). To understand the effect of civil society assistance in general and the NGO Service Center project in particular at the meso level, it is important to assess whether civil society assistance has led to an increase in the participation of civil society in decision making. The review of the literature and interviews suggest that there has been an increased level of civil society activism, however, this activism has not led to an increased role in decision making. In the following section, the campaign opposing law of 1999, which was passed prior to the start of the NGO Service Center project, will be used as a benchmark against which to measure the impact of the project in comparison to two following instances of civil society activism, the campaign opposing the 2002 law and the 2005 parliamentary elections monitoring. The campaign opposing law of 1999 provided insight into the nature of Egyptian civil society, its dynamics as well as the effect of foreign assistance on civil society's role in decision making. As indicated earlier in this chapter, NGO efforts to block the 1999 law failed due to the inability of NGOs to present a common front in opposition to that law as well as their failure to strengthen their position vis-à-vis the government through the mobilization of popular support and their vulnerability to attacks by the regime as a result of their dependence on foreign funding. After the annulment of the 1999 law for its unconstitutionality and two years into the NGO Service Center project, the Egyptian government managed to draft another law in 2002 equally restrictive to law of 1999 in many aspects. Even though, the new law was as its predecessor opposed by both donors and civil society, it was still passed swiftly by

the government without taking into account any of the recommendations of NGOs (Langhor 2005). The law restricted the activities and funding of NGOs and increased the control of the Ministry of Insurance and Social Affairs (MISA) over their operations. Article 2 of the 2002 law gave MISA the right to refuse the registration of NGOs and to dissolve them (McGann 2008). Article 11 of the law prohibited NGO activities in specific areas by stipulating that:

> "Organizations shall not be allowed to conduct any of the following purposes or activities:
> 1. set up military or Para-military formations or detachments;
> 2. Threaten national unity, violate public order or morality or advocate discrimination against citizens on grounds of sex, origin, language, religion or creed;
> 3. Practice any political activity exclusively restricted to political parties under the parties law of trade union activity exclusively restricted to trade unions under the trade union law; and
> 4. Seek profit or practice any profit-oriented activity" (as cited in Mid-Term Evaluation 2003, 4).

NGOs violating the law by engaging in any of the activities outlined in article 11 face severe penalties which include fines and imprisonment that vary in accordance to the activity the NGO engaged in, ranging from being fined US$350 and imprisoned for six months in case of receipt of funds without MISA approval to being fined US$1,750 and imprisoned for a year in case of threatening "national unity" or violating "public morality" (Gershman and Allen 2006, 45). The new law increased the government ability to monitor and control the internal operations of NGOs, article 25 of the law allows MISA representatives to attend and even call for general assembly meetings and article 34 gives the ministry the right to refuse that certain persons be on the board of members of NGOs. The law also imposed harsher regulations on funding than its predecessor which allowed NGOs to accept direct funding from donors who were already operating in

Egypt (Langhor 2005). Under the new law, article 17 stipulates that NGOs cannot accept funds without the ministry's approval and that until approval the funds will be retained by MISA (McGann 2008). The scenario that took place during the opposition to the 1999 law was repeated with NGO opposition and donor criticism. The United Nations Human Rights Commission, the USAID, four political parties and some civil society organizations convened a number of conferences and meetings to oppose the new law and even called on the president not to ratify it. In departure from the earlier campaign, the campaign against law 2002 witnessed an increased level of political activism on the part of NGOs which expanded their call to include political reform. However, as was the case with the previous campaign, alliances were broken and the advocacy groups that took part in the campaign took different paths, some registered under the new law while others created protocols with the Egyptian Ministry of Foreign Affairs using their regional scope to operate without being subjected to the 2002 law. Other groups refused to be registered and a few were actually denied registration by MISA (Kandil 2006). Thus, while the level of activism increased and its political focus expanded, civil society activists have failed in having a role in decision making in terms of stopping the application of the law or changing its content. This failure was, similarly to the previous campaign against law of 1999, a result of the lack of cooperation among civil society organizations and their inability to generate popular support for their demands. The 2005 parliamentary elections monitoring also presents another example of the increased level of NGO activism in the political sphere. While 52 NGOs managed to get government approval to monitor the elections, unfortunately, they were still unable to form a common front due to differences between their leaders resulting in the formation

of three alliances to monitor the elections. On the positive side, NGOs have managed to shed light on the interference of security forces in the elections' process and the violence that erupted in certain areas as well as other illegal practices, however, the fact that the NGOs monitoring the elections were divided into a number of alliances resulted in an unequal coverage of the different governorates as well as a varied level of reporting quality (Kandil 2006). The inability of NGOs to unite even in the presence of a common purpose is an indication of the most problematic characteristic of the Egyptian civil society namely lack of cohesiveness and cooperation.

Before discussing in detail the inherent aspects of Egyptian civil society which have contributed to the failure to play an effective role in decision making, we need to consider the role the United States has played as a donor in the Egyptian case. Some have pointed that the failure at this level was not due to a problem with the project itself nor USAID approach to the project, but was actually a result of the failure of US officials to "back up" the project with "serious, high-level engagement on the Egyptian government laws and practices" which have limited the extent to which NGOs can have a role in advocacy (Dunne 2005, 6). The issue of political reform was not brought up until 2004, when Bush raised it after a meeting with Mubarak, before this date high-level talks were reserved for prospects of peace in the Middle East (Dunne 2005). It is important to acknowledge at this point the effect of the repressive strategies of the Egyptian Government on civil society, Amany Kandil (2008, 63), Egyptian civil society expert, points out to "the continued existence of Egypt's Emergency Law" and "the application of the penal code to infringements of the Association Law" as some of the reasons for the weakness of Egyptian civil society. Al-Sayyid (1995, 271) also includes the presence of

a clear boundary for the "arbitrary" nature of state control over civil society in a set of three criteria that he considers a prerequisite to the existence of a "vibrant" civil society i.e., a civil society that can actually have an impact on decision making. This is clearly not present in the Egyptian case where the use of extralegal measures is rampant and where there are ample cases of arbitrary arrests and torture of civil society activists (McGann 2008). Furthermore, the Emergency Law, which has been effective sine the 1967 Arab-Israeli war, provides a legal cover for the government's arbitrary prosecution of activists. In addition to this, the government has even managed to include in the constitution through a referendum in 2007 certain elements of the Emergency Law (Freedom House 2008). The amendments, which were presented as a crucial for counterterrorism efforts, pose severe limitations on freedom of expression. Article 179 gives the police the ability to scrutinize private communications and subjugate private citizens to military court rulings. Article 88 ended election monitoring by the judiciary which was put in place by the Supreme Constitutional Court ruling in 2000 (Exum and Snyder 2007). Adding to this, the ambiguity of law 84 of 2002 itself, with its reference to "threatening national unity" and "violations of public order or morality", allows the government to have "great leverage" and provides an additional legal basis for its arbitrariness vis-à-vis NGOs since these "broad terms" can be defined by the government not only to hinder NGO activity but also to dissolve NGOs at will (Gershman and Allen 2006, 42).

While the Egyptian government regulations and strategies have undermined the ability of civil society to play an effective role in decision making, a multitude of other elements have actually contributed to this failure, as put forward in the hypothesis,

including the design of the civil society assistance projects in general and the NGO service center in particular and the inherent characteristics of the targeted civil society organizations. The NGO Service Center project, as in the case of other USAID civil society assistance projects, allowed the Egyptian government to play a major role in the project which limited the type of organizations that could be reached by the project to those registered with MISA. In addition to that, the project targeted a limited sector of Egyptian civil society namely NGOs mostly Community Development Associations (CDAs) in addition to a limited number of advocacy NGOs in the field of women and children rights. Even Project evaluators acknowledged the weakness of the CSOs' targeted and its subsequent limitation on project impact at the micro level (Mid-Term Evaluation 2003, 4). The project adopted a rather myopic view of civil society excluding a variety of actors which may have a larger popular support base which would have enabled them to garner support for their advocacy activities (Al-Sayyid 2000). The focus on NGOs and especially CDAs, which are more concerned with service provision and are in many instances an extension of the state apparatus, puts a serious limitation on what the project can achieve especially when these organizations have serious structural problems whether in terms of problems of internal democracy and lack of cooperation between different organizations as well as lack of constituency involvement as seen at the micro level. This brings us to the central contention of the hypothesis namely the effect of the nature of Egyptian NGOs as well as their relationship with constituencies and internal dynamics governing the relations between NGOs from different sectors on their ability to play an active role in terms of participating in decision making. Kandil (2008, 63) points out to the weakening effect of civil society organizations' "lack of good internal

governance practices". Even though, the NGO Service Center project has attempted to improve the internal operation of beneficiary NGOs and increase the effectiveness of their internal bodies as well as increase the transparency and accountability of beneficiary NGOs, evaluators acknowledged the fact that training on internal governance did not result in democratization of NGOs in terms of changing the behavior of NGO leaders (Mid-Term Evaluation 2003). Furthermore, Maha Abdelrahman (2004), who conducted a study with a sample of 60 Egyptian NGOs, reveals that in reality Egyptian NGOs do not fit the idealistic image of agents of change and democracy. The study found that Egyptian NGOs face an internal democracy crisis as well as a hostile environment that does not encourage cooperation and coordination to reach a common goal. With respect to the internal bodies of Egyptian NGOs, most of them proved to be inactive and ineffective with a highly centralized decision making process. In most cases, the general assembly, which in theory holds the board of directors accountable, is actually an "honorary" board that seldom meets and has no actual role in decision making (Abdelrahman 2004, 153). Additionally, most of the members of the general assembly of the studied NGOs came from exactly the same class and professional background as the board of directors not from the constituencies these NGOs seek to serve. With respect to board of directors, their members were mostly from influential families or were civil servants either currently or previously employed by the Ministry of Insurance and Social Affairs, all of them coming from the middle classes and having a higher level of education. The employees of NGOs fall under two categories: those made available through the ministry and those hired by the NGOs. While NGOs face difficulty in retaining their hired employees because of the low salaries they provide, they also face a

difficulty satisfying ministry employees seconded to them since these employees are not granted the additional incentives other ministry employees at headquarters get so they become increasingly dissatisfied with their work in NGOs. Abdelrahman (2004) points to the absence of volunteers who in theory represent the essence and form the backbone of NGOs. She also points to the recent trend of professional volunteerism, as a result of donor funding, where certain volunteers, who are referred to sometimes as "community leaders", became paid agents being employed full time in certain instances (Abdelrahman 2004, 170). Abdelrahman's findings, regarding the lack of internal democracy in NGOs, were replicated in a 2007 study, combining a survey with a sample of 120 NGOs and focus groups with NGO members, conducted by the Arab Network for NGOs assessing NGOs' level of internal governance. The study revealed that mostly the board of directors was responsible alone for making decisions about all internal matters; the findings indicated that for almost half of the NGOs in the sample the board of directors is responsible for all internal decisions and only in less than a quarter of the sample, the general assembly was "consulted" (Kandil 2008, 81). The survey also revealed that in almost half the cases, the board of directors was headed by the same person for ten years or more. With regards to constituency, only 15% of the sample mentioned that they conduct needs assessment and opinion polls. The shortage of volunteers was also brought up; almost three quarter of the NGOs in the sample commented on their inability to attract volunteers. In the focus groups, NGO members recognized the internal problems their organizations were suffering from namely "the absence of a culture of democracy, domination of the chairman of the board of directors, and marginalization of the general assembly" (Kandil 2008, 82).

Both Al-Sayyid (1995) and Kandil (2006) stress the importance of the ability of civil society to cooperate, which is essential for expanding their resource base and their autonomy, in order to increase their ability to affect decision makers. Taking again the case of the NGO Service Center project, the project has tried to tackle this problem by providing forums for networking and encouraging NGO cooperation, however, as indicated earlier in the micro level results, the networks formed suffered from the hegemony of the bigger NGOs and most of them were dissolved after the end of the project. Foreign funding has also proved to be a source of conflict at the micro level between beneficiary NGOs. At the meso level, foreign funding has also intensified the already existing "polarization" of Egyptian civil society with the secularists on one side and the Islamists on the other as revealed by Abdelrahman's study (2004, 186). The two camps' differing ideologies and views of democracy and civil society presented already a reason for conflict and undermined the cohesion of civil society. The Islamic camp view of democracy and civil society as "a part of a western plot" to extend their influence in the Muslim world shaped their response to secular and especially advocacy groups, which are recipients of foreign funding, calling for democracy which led them to dismiss these groups as "mouthpieces" for the west (Abdelrahman 2004, 186-7). In addition to the perception of advocacy NGOs as "puppets" in western hands, they are also accused by Islamists of being "allies" of the government in their support for western influence; Abdelrahman (2004,188) quotes a member of an Islamic NGO saying that:

> "[Advocacy NGOs] are always pretending to be fighting against imperialism and the government. In reality, however, they are no better than the corrupt government; they are also funded by America and other Western countries, and they receive funding in return for spreading American culture and ideas among Egyptians in the name of charity and goodwill".

Advocacy groups are also perceived to be more dependent on the West than the government which still has other resources at its disposal and can preserve a degree of autonomy while advocacy groups will perish without donor financial support. With this negative view of advocacy NGO, cooperation between them and Islamist NGOs seem to be out of the question. Even though, Islamist NGOs, in Abdelrahman's study (2004), expressed their willingness to cooperate with Community Development Associations and Coptic NGOs, there were no prior initiatives of cooperation or any steps taken in that direction. On the other side, Advocacy groups, which are considered to be the most vocal champion of democracy in Egyptian civil society and are the most "prosecuted" by the government, are critical of donors' conceptualization of democracy as limited to elections and of civil society as excluding the "informal" sector which encompasses the family and other semi organized groups (Abdelrahman 2004, 191). The study showed that advocacy groups also held negative opinions of most other NGOs. While they think of Community Development Associations as state tools who have no role in democratization, they view all Islamist organizations as unworthy of being a partner even in dialogues let alone cooperation in activity areas. Even though advocacy groups seem to respect the professionalism of Coptic organizations, they see them as "contradicting the secular nature of civil society" (Abdelrahman 2004, 192).

Lost between the two opposing camps, Community Development Associations (CDAs) seem to share the Islamist group distrust of democracy and civil society which they fear can open the door to unrest. They also share the Islamist group negative opinions of advocacy groups especially with the rising criticism they get from advocacy groups for their dependence on state funding while the latter are seen as not only dependent on

external funding, foreign donors in their case, but also intellectually dependant on the ideologies provided by the West (Abdelrahman 2004). In addition, CDAs accuse advocacy groups of being collaborators with the government since receipt of foreign funding is conditioned on being registered with MISA and subject to its approval as well as using the same imported "jargon" that the government uses to assert its legitimacy (Abdelrahman 2004, 194). Ironically, CDAs expressed their willingness to cooperate with Islamist NGOs but were hesitant about cooperation with Coptic ones in fear of loosing their "religious neutrality" (Abdelrahman 2004, 194). Coptic NGOs, in the sample, seemed to be quite supportive of the ideas of democracy and civil society. They were also the only NGO type to express their "unconditional willingness" to work with all other types of NGOs (Abdelrahman 2004, 194). This is mainly an illustration of the positive view they have of most other NGOs. They regarded advocacy groups' professionalism with admiration, viewed the limitations of CDAs in terms of redundancy of services as fixable, and considered Islamist NGOs highly committed to serving their communities. However, they acknowledged the constraints placed on them by their constituencies with regards to working with Islamist NGOs because their feeling that services should be limited to Copts especially since most of Coptic NGOs funding comes from Coptic sources (Abdelrahman 2004). Thus, the different segments of civil society hold mostly negative views of each other and as a result they are unwilling to cooperate with each other with the exception of those groups which are small and marginalized. This unwillingness to cooperate restricts Egyptian civil society ability, as argued by Al-Sayyid (1995) and Kandil (2006), to expand their resource base and their autonomy

which compromises their ability to affect decision makers whether in areas that relate to their existence such as the associations' law or in areas affecting their constituencies.

The third and most problematic aspect of Egyptian civil society and the most detrimental in terms of the ability to influence decision makers is its lack of constituency involvement. Even in the case of the NGO Service Center project which has tried to stress the importance of involving constituencies in NGO decision making, evaluators acknowledged the fact that beneficiary NGOs did not involve their constituencies in choice of implemented projects, thus not necessarily meeting the priority areas or needs of their communities as perceived by their constituencies (Mid-Term Evaluation 2003). Furthermore, the study conducted by Abdelrahman (2004) revealed that the lack of citizen participation in Egyptian NGO decision making is a wide spread problem. The study indicated that NGOs were not dealing with their constituents as "equals", NGOs held the view that they know what's best for their constituencies and that they are better equipped to decide what's good for their communities (Abdelrahman 2004, 172). Thus, Egyptian NGOs actually seem to be perpetuating the relationship established by the government towards the people, being on the receiving end with no say in what services they need. The result is that people respond the same way they respond to government, they accept the provided services but do not envision a role for themselves in the shaping or sustainability of these services. Abdelrahman (2004) points to the irony of NGOs, supposedly "people's organizations", not involving their communities in the choice of board members which she argues makes the Egyptian government look more "participatory" and "empowering" than NGOs (Abdelrahman 2004, 174). The only two areas where the study found NGOs involving their constituency were fundraising and

actual project implementation, thus, limiting the interpretation of "empowerment" to letting people shoulder their part of "responsibilities" while providing them with no "rights" in terms of having a say in the choice of projects and services provided to them (Abdelrahman 2004, 175). To back these results, Abdelrahman (2004) also conducted a research in the communities served by the studied NGOs and asserted the fact that the implemented projects by these NGOs did not correspond to what their communities believe to be a priority. Thus, this raises the issue that even when NGOs manage to influence decision making in certain instances, they still are not representing their constituency. This problem is further acerbated in the case of advocacy groups which depend in their survival on their ability to attract funding from donors rather than their ability to mobilize their own constituency, making them actually "isolated" from their constituency which can be seen as a "paradoxical consequence" of civil society assistance (Abdelrahman 2004, 302). The fact is that even in the case of the NGO Service Center, evaluators pointed to the fact that the project did not lead to increased citizen participation in NGO decision making in terms of choice of services to be delivered to them (Mid-Term Evaluation 2003). Therefore, it seems that it is quite unrealistic to expect that Egyptian civil society will actually have a role in decision making when it faces a hostile legal and political environment in addition to inherent structural problems such as its internal democracy problem, lack of constituency involvement, and lack of cooperation within the sector which all combine to weaken the autonomy of the various civil society organizations and subsequently the role they can play in Egyptian political life.

4.4.3. Macro Level Evaluation

The macro level evaluation brings us to the effect of assistance on the regime or in other terms whether assistance has helped in fostering democratization. Before evaluating civil society assistance on the macro level, it is important to put things in perspective with regards to its instrumentality in bringing about democratization. First, we need to acknowledge, as pointed out by Carothers and Ottoway (2000b, 303), that even though civil society can play an important role in increasing the "pluralism" of a political system, it still represents only one of a multitude of elements that combined can assist in bringing about democracy. Second, as argued by Hawthorne (2005), we need to take into consideration that civil society assistance needs to be preceded by socioeconomic and political changes that allows the movement of society towards democratization. Having acknowledged the concerns about evaluating the effect of civil society assistance in general on the macro level, let us point to what many commentators have said about the effect of democracy assistance in general and civil society assistance in particular on the Egyptian political system. Jon Altman[12], director of the Middle East program at the Center for Strategic and International Studies, so aptly described the futile attempts to foster democratization in Egypt through the use of democracy assistance stating in a statement before the congress that "tens of millions of dollars spent on de-concentration of political power, democratization, and capacity building has vanished into the sands" and that the Egyptian government has managed to "strengthen nationalist sentiments" to counter American democracy promotion efforts and dismiss internal voices calling for reform as "foreign agents" while posing itself as "defending the nation

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[12] This remark is an excerpt of Jon Alterman's statement delivered before the House International Committee on the 21st of June as a "Review of U.S. Assistance Programs to Egypt". The whole statement is available from www.csis.org

against foreign intrigue". As for the effect of civil society assistance in particular, Hawthorne (2005, 101) argues that civil society assistance "fell short in contributing to the process of democratization" in as far not being able to "generate popular demand for democracy" nor to change the Egyptian government's harsh position vis-à-vis civic activism nor to lead to political change.

Many indicators have been developed and used to measure the level of democratization of countries, however, the two most widely used are the polity IV and freedom house indexes which were used by Steven Finkel, Perez-Linan and Seligson in their cross-national quantitative studies, described in chapter 2 of this thesis, in which they assessed the impact of democracy assistance on democratization. The "polity score", which combines the democratic and autocratic traits of governments into a single score, places political regimes on a continuum using a 21-point scale ranging from -10 described as "consolidated autocracy" to +10 described as "consolidated democracy". The polity IV index starts with the computation of an autocracy and democracy score for a country and then subtracts the democracy score out of the autocracy to reach a single score, the polity score (Polity 2009). On the other hand, the freedom house index uses the combination of "civil liberties" and "political rights" to indicate the level of freedom of a specific country. A seven point scale, from 1 to 7, is used for both civil liberties and political rights where 1 represents the highest level of freedom while 7 represents the lowest, then both figures are combined to classify a country as "Free, Partly Free, or Not Free" (Freedom House Methodology 2009). To assess the NGO Service Center impact on the macro level, a review of both the polity IV and freedom house indexes' scores before and after the project will be presented in the following section. With regards to polity

score, as the following table shows, while Egypt has maintained a score of -6, classified as "autocracy" mostly throughout the NGO Service Center project, this changed starting 2005 to a score of -3 which is classified as "anocracy", describing mainly a regime that combines certain traits of autocracy and democracy adding up to a score that falls within the range of +5 to -5 (Polity IV 2009).

Table 3: Egypt's Polity Scores (1999-2007)[13]

	Democracy	Autocracy	Polity IV Score
1999	0	6	- 6
2000	0	6	- 6
2001	0	6	- 6
2002	0	6	- 6
2003	0	6	- 6
2004	0	6	- 6
2005	1	4	-3
2006	1	4	-3
2007	1	4	-3

Source: Center for Systemic Peace 2009

Since the polity score focuses on the traits of political regimes, the improvement in Egypt's polity score was mainly a reflection of the change in presidential elections rules in 2005, which allowed other party candidates to run beside Mubarak, which affected one of the components of the polity score namely political competition resulting in the change in Egypt's polity score (Polity IV Country Report 2007). The freedom house scores which focus on political rights and civil liberties give a slightly different view. As illustrated in the following table, Egypt has been classified as "not free" before the start

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[13] This is part of a larger data set that includes data on 162 countries. The data for Egypt covers from 1922 to 2007 and can be downloaded from http://www.systemicpeace.org/inscr/p4v2007.xls

of the NGO Service Center Project and after. The political rights score remained constant prior to, during and after the end of the project at a score of 6 which indicates a "minimal manifestation of political rights, such as some degree of representation or autonomy for minorities". However, the civil liberties score fluctuated slightly in 2000 at start of project from 5, which indicates medium levels of "censorship" and "prevention of free association", to remain for the duration of the project at a score 6, which indicates "severely restricted rights of expression and association", to revert finally at the end of the project and onwards to a score of 5 which is its pre-project level (Freedom House 2009).

Table 4: Egypt's Freedom House Scores (1999-2008)

	Political Rights	Civil Liberties	Status
1999	6	5	Not Free
2000	6	6	Not Free
2001	6	6	Not Free
2002	6	6	Not Free
2003	6	6	Not Free
2004	6	6	Not Free
2005	6	5	Not Free
2006	6	5	Not Free
2007	6	5	Not Free
2008	6	5	Not Free

Source: Freedom House 2009

Even though the image presented by freedom house of Egyptian democratization seems to be stagnant from 2005, freedom house country reports made allusions to the retreat of reforms after the 2005 elections with the postponement of municipal elections in 2006, the extension of the emergency law and the harsh policies vis-à-vis any source of

opposition to the regime (Freedom in the World 2007). Furthermore, in 2008, freedom house assigned to Egypt a "downward trend arrow" as a result of the amendments to the constitution which integrated elements of the emergency law in the Egyptian constitution and limited the judicial monitoring of elections (Freedom in the World 2008).

The failure to civil society assistance to have an impact on the macro level is not surprising given that it has already failed to have an impact on the meso level i.e., the failure to make civil society more involved in decision making which resulted from the variety of reasons presented whether relating to political and legal environment, project design and characteristics of Egyptian civil society. Kandil (2006) points out to the characteristics of Egyptian civil society hindering its ability to play a role in political reform, which have already led to a failure at the meso level, including lack of internal democracy, low level of cooperation between civil society organizations and lack of constituency involvement. In addition to this, Kandil (2006) makes a distinction between the ability to take part in decision making and the pursuit of democracy on the part of civil society. This is especially pertinent in the case of the one segment of civil society which seems to have had an input in the decision making process of the government i.e., business associations. Both Kandil (2006) and Al-Sayyid, in an interview conducted in the context of this thesis, indicated that business associations and think tanks focused on economic issues have managed to influence decision makers successfully in the economic sphere. However, as argued by Kandil (2006), the problem is that this segment of civil society is not in active pursuit of political reform or democracy, but is actually seeking further integration with the government through becoming members in the ruling party and being represented in the various councils. Thus, even if there was a move

towards democratization, as seen in the change in presidential elections rules, it would not be logical to ascribe such a move to civil society assistance especially one that was directed solely to NGOs. The amended rules for the presidential elections could actually be attributed to the short-lived US push for democratization in Egypt from 2003 to 2005 as well as to some extent the pressure from a variety of actors including the Muslim Brotherhood and even some state elements, however, with the success of the Muslim Brotherhood in the parliamentary elections, the United States revised its position and started adopting a mellower approach towards Egyptian political reform. Furthermore, the Egyptian government response mainly to the pressure applied by the US, culminating in the amendment of the constitution to allow direct election of the president eventually leading to the 2005 presidential and parliamentary elections, was limited in terms of producing overreaching and everlasting results. After the success of the Muslim Brotherhood in the parliamentary elections, the Egyptian government "cracked down" on members of the Brotherhood and made amendments to the constitution that banned the formation of parties with religious nature while limiting the ability of independents to run for elections which meant limiting the access of the Muslim Brotherhood to power. In addition to this, the Egyptian government incorporated many aspects of the much criticized emergency law in the constitution giving the executive sector considerable latitude in prosecuting individuals in military courts to the detriment of political and social liberty (Dunne, Hamzawy, and Nathan J. Brown 2007).

With the existence of democratic institutions and the failure to "consolidate" as presented in the sequencing paradigm, or the "third wave" of democratization to take hold as described by Huntington, various new labels have been used to qualify the

Egyptian system. Some have categorized the Egyptian system as falling under "liberalized autocracies" which was defined as "liberal in the sense that their leaders not only tolerate but promote a measure of openness in civil society, in the press and even in the electoral system of their country …. But they are autocratic in that their rulers always retain the upper hand. They control the security establishment, dominate the media, and dole out economic rewards to favorite clients" (Brumberg 2005, 16). Others, basically using similar definitions which maintain the notion of the supremacy of the executive and "limited" civil liberties, have labeled the Egyptian system "semi-authoritarian" (Ottoway 2005, 125). A third label, coined by Gershman[14] and Allen, earned by the Egyptian system was that of a "hybrid regime" which has essentially managed to "retain certain formally democratic procedures, including relatively free (if not fair) elections, and permit civil society organizations to function and receive foreign assistance. But the underlying political realities are manipulated elections, a weak parliament, an overweening executive branch, state-controlled media, rampant corruption, and no recourse to an independent judiciary" (Gershman and Allen 2006, 37).

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[14] Carl Gershman is the president of the National Endowment for Democracy (NED), a private nonprofit organization created in 1983 to promote democracy. He has also helped in establishing the quarterly Journal of Democracy, International Forum for Democratic Studies, and the Reagan-Fascell Democracy Fellows Program.

CHAPTER FIVE

CONCLUSION

In the previous chapter, a thorough examination of the impact of the USAID's NGO Service Center project on the micro, meso, and macro levels was conducted. Findings at the micro level showed a positive impact on beneficiary organizations in terms of improved organizational and advocacy skills. Findings at the meso level showed an increased level of NGO presence in the political sphere, however, this activism was not translated to an involvement in shaping political decision making. As proposed by the literature and anticipated within the framework of this thesis, macro level results showed a failure to promote democracy. While most of the literature suggests that the failure of Democracy Assistance to foster democratization in Egypt was mainly attributed to the restrictions imposed by the Egyptian regime, this thesis aimed to explore whether other factors have contributed to this failure especially in the case of civil society assistance using the NGO Service Center project as a case study.

The data collected in the context of this thesis provides substantial support to the arguments presented in the hypothesis namely that both the design of Democracy Assistance projects as well as the nature of the civil society organizations supported by these projects have contributed to the failure of Democracy Assistance to foster democratization in the Egyptian Context. The USAID's myopic view of civil society, which is equated to NGOs, has limited the effects democracy assistance especially with the exclusion of other civil society elements which are more concerned with the promotion of democracy. The fact that the design of USAID projects allows the Egyptian

government to select and approve the beneficiary organizations limited further the nature of the NGOs that could be reached by the project to those approved by the Ministry of Social Affairs which meant the exclusion of NGOs which are critical of the government namely Human Rights and Prodemocracy NGOs.

The focus on a single segment of civil society has also proven detrimental due to the nature of Egyptian NGOs. Both the specific data regarding the organizations targeted by the NGO Service Center project and the literature show that Egyptian NGOs are plagued by a variety of problems from lack of internal democracy to low interest in constituency involvement in decision making which contributed to the weakness of these organizations. The data compiled in the context of the thesis also show a lack of cooperation between Egyptian NGOs which affected negatively their ability to influence decision makers in several instances and which will continue to hinder their potential to take an active part in Egyptian political life. Even at the micro level, most networks formed within the project suffered from hegemony of larger member organizations and failed to persist after the end of the project. As suggested in the hypothesis, NGOs' dependence on foreign funding has caused a shift in NGO accountability from constituency to donors. In the context of the project, beneficiary NGOs adapted their internal processes and accounting procedures according to USAID requirements while neglecting constituency feedback in their project design and internal operation. NGOs' dependence on foreign funding has also made them vulnerable to government attacks on their legitimacy. These attacks coupled with the initially low level of popular support characterizing beneficiary NGOs raises serious doubts as to their ability to generate popular support for their projects let alone for the pursuit of democracy.

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