



## The Middle East Lobby: How International Cash Affects American Policy

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### I. EXECUTIVE SUMMARY

The foreign lobby has existed in the United States from its inception and has continuously grown in both scale and controversy in recent years. The brief will cover how these groups influence American foreign policy and how their power can be contained with policy implementations.

### II. OVERVIEW

International lobbying is a critical contributor to the creation and implementation of American foreign policy decisions. The influence stretches from trade agreements to aid arrangements to weapons deals, influencing the proportioning of the American aid and military budget as well as critical decisions in war and peacetime. Despite multiple legislation efforts in countering the sheer influence of these select groups, the overall amount of campaign money and private meetings and arrangements remain as large as ever and so does the lobby's influence. This paper investigates the background of the power of the groups, how they influence policy, and how their influence is manifested into real-world effects.

#### *A. Relevance*

When examining the history of each major country lobby, a pattern can be seen of mid-20th century origins and growth. This period after

World War Two where there was immense ability for a reshaping of world politics centered around the United States led to a major convergence of foreign lobbying groups. Since then, the lobby has grown significantly in power and cash flow, with their influence seen in Congressional action. One notable example is the pro-Israel lobbying group AIPAC, which has donated to 349 (out of 535) members of Congress and has notably had significant influence on some elections as well as on Congress' policy on Israel. It is also estimated that the sizable Israel lobby is actually only the 10th largest spender since 2016. This shows the immense influence of the foreign lobby, primarily of a few select lobbies.

### III. HISTORY

#### *A. Current Stances*

The foreign lobby has been a long standing global phenomenon, but the United States has historically been heavily suited by a variety of countries looking to reap the benefits of the country's powers in its social, economic, and political spheres. This system has generally consisted of expenses to members of Congress but manifests itself in different ways ranging from PAC donations to the organizing of dinners and private jet travel. In total, according to Open Secrets, the foreign lobby has poured in \$6 billion since 2016 on members of Congress, not even fully counting the full scale of campaign contributions and the entirety of the lobby.

Additionally, it is important to acknowledge that lobbying can start at the very beginning of a politician's career advancement, with many lobbying groups investing in "high-potential" candidates, so even if the total dollar amount isn't high, the personal relationship formed over time gives them influence. While campaign finance is often focused on when looking at monetary totals, the lobby often wields its resources in other ways to maximize their resources, including through major fundraising dinners and conventions and through grassroots organization help. While almost every country has some interest to protect in the United States, a few select countries spend a large proportion of the total lobbying amount and have the largest gained influence. According to foreign lobby trackers, the top 10 countries in lobbying expenses (China, Japan, Liberia, South Korea, Saudi Arabia, Marshall Islands, Qatar, United Arab Emirates, Bahamas, and Israel) comprise more than half of all lobbying expenses. Some of the money comes directly through the nation's government or from companies, but some is peddled through loopholes such as by using spouses of lawmakers, American born and based lobbyists, or any other way to work around the requirements of the previously instituted Foreign Agents Registration Act, which requires individuals directly lobbying from foreign groups to register with the Department of Justice. The scale of the lobby has resulted in candidates and lawmakers being desperate for their resources during campaign season, while the sheer power of the groups has often led to many lawmakers being targeted for going against whatever country the lobby represents. This also impacts their chance of being neutral, as they tend to

follow the general stances of the donating lobby when making policy decisions or go directly against it if not receiving any form of support.

## POLICY PROBLEM

### *A. Stakeholders*

The primary stakeholders are all entities in the Middle East, whether they are allies or adversaries to the United States or civilians or government officials. America's focus and power utilized within the region and on the global military and economic stage as a whole results in Middle Eastern states/actors being heavily impacted by American decisions in the region. These decisions can manifest in sanctions, trade deals, weapons deals, and more. These actions and the entire decision-making process within the United States is heavily influenced by the lobbying of these actors on American officials. Ideally, there would be more objective rationale employed in decision-making and a fair argument from both sides heard rather than a financial division to ensure that the actions with repercussions in the region are fair and just.

The United States itself and American corporations and politicians are stakeholders as well, as lobbying often manifests in positive agreements that help the nation expand influence and increase trade and partnerships. Additionally, many politicians are reliant on foreign lobby groups for raising campaign money and other critical services in electoral periods. However, the biases in these organisations that are a product of this foreign money are what cause (and further exacerbate) Middle Eastern issues and a lack of objective American foreign policy in the region. Therefore, it is pivotal to curb the power of these groups on American politicians and corporations

to enhance objective decision-making.

### *B. Risks of Indifference*

The risk of indifference to the impact of the various Middle East lobbies lies in the perpetuation of existing biases and the resulting loss in stability and peace in the region as well as unjust advantages to certain Middle Eastern stakeholders. If stakeholders continue to neglect the problem at hand, it is a given that the conditions that have created conflict and inequality in the region will continue and potentially worsen. This is not to mention that inaction would continue to erode trust in government among American voters, resulting in a worse domestic civic health as well. Therefore, it only makes sense for there to be action, rather than inaction.

### *C. Nonpartisan Reasoning*

Because Middle Eastern policy and the repercussions of various lobbying entities on it doesn't just affect individuals, but rather societies and communities themselves, it is imperative that nonpartisan intervention takes place. The benefits of such intervention include but are not limited to the following:

- 1) Economic growth and overall increase in productivity within the Middle East: Reducing barriers to advancement for Middle Eastern countries lobbied against by certain, more powerful national lobbies in the region benefits the economy of both the said nation and the United States. When nations can have more access to international trade and aid with the United States, they are able to not only improve economic conditions on the

whole, but also the overall social scene because of greater wealth and investment. Consequently, it can be said that there is to be an increase in American income as well from the increase in new trading partners/investment opportunities as well as opportunities to grow soft power and reputation in the region. Unlocking the full potential of these nations unable to create lasting cooperation with the United States is therefore beneficial for the Middle East and United States as a whole in foreign power, total wealth, infrastructure, and more.

- 2) Increased stability within the region : An improved, wealthier, less impoverished population with better access to services is significantly less likely to turn to terrorism or other means of violent extremism than the populations in many Middle Eastern countries today. Because of this, it is only inevitable that a Middle East where there are overall positive relationships with the United States and, by extension, other Middle Eastern nations would be likely to be not just more developed economically, but safer as well. Additionally, these newly created partnerships (helmed by the United States) create increased opportunities for positive diplomatic negotiations between nations to ensure peace and stability. Therefore, removing these barriers for peace and economic well-being brought upon by biased, heavily agenda-driven lobbyists with imbalanced amounts of power today would benefit not one but all relevant stakeholders.

- 3) American civic health: As seen through different real-life examples, lawmakers who defy the expansive Middle East lobbies are challenged by the major money and influence machines that are these lobbies. When politicians are able to speak their mind and support foreign policy decisions that they can outline in a campaign, American voters can have access to the right information on the policy positions of candidates and increased trust in the honesty of politicians, all improving trust in government and general civic health.

#### IV. TRIED POLICY

The primary action that has been taken to increase openness of information regarding foreign lobbying in general is the Foreign Agents Registration Act (FARA) passed in 1938, which has had a very different role in its 80+ year history. Initially a propaganda tracker, from 1966 onwards the FARA took on the role of tracking all lobbyists representing any foreign government or political party directly, with those under the act's purview monitored by the FARA unit at the Department of Justice.

However, the policy received criticism for the fact that it had no monitoring of those who were working to represent foreign non-state actors. In 1995, the Lobbying Disclosure Act was instituted, monitoring all lobbyists (even those working for domestic actors) would be tracked by Congress and registered. In 2007, the Honest Leadership and Open Government Act increased access to the public for all data regarding lobbying contributions while also prohibiting certain gifts

and increasing punishments. There are limitations to the power of the acts, however. For one, there is no actual limitation on how much money and service a lobbying firm can provide, but merely only some tracking and mild limitations. Additionally, there are loopholes within the act such as the fact that lobbyists can be placed in roles like "strategic advisor" for instance and not require registration from the act, amongst others. The weak enforcement, loopholes, and overall small scale of the current legislation targeting foreign lobbying allows Middle East lobbies to wield significant amounts of influence on policy.

#### V. POLICY OPTIONS

##### **Institutional FARA Reform**

The financial and political muscle of lobbying can hamper politicians' ability to look at policy issues neutrally. Middle Eastern policy can follow the same phenomenon, where biases fueled by lobbying can cloud judgement which leads to unfair decisions. This prevents progress within both the Middle East and the United States.

To overcome this, I recommend a multi-faceted approach to reform the already existing (but weak) Foreign Agents Registration Act. This change would be instituted at a Congressional level and enforced by the Department of Justice and specifically the FARA unit underneath its purview.

##### **Closing the "revolving door"**

When Congresspeople retire, they leave with a wealth of experience in getting legislation made and passed as well as connections with those making the decisions in Congress, making them valuable targets for any lobbying firm. Deemed the "revolving door," a multi-pronged approach



to counteract this can limit the interwovenness and scale of lobbying operations. Although Executive Order 13770 created a precedent that banned all members of the Executive branch from serving for any institution mandating FARA registration, it had three major flaws: one was the fact that it did not cover those in Congress who often make up the bulk of the revolving door; two was the lack of restriction on serving for non-state foreign entities that often lead the lobbying efforts in the Middle East; and three, it was revoked by President Trump on the final day of his first term to allow members of his White House to take these positions. A federal policy following the “Close the Revolving Door Act” in 2017 and the “Drain the Swamp Act” of 2016 would create lifetime bans on all members of Congress, senior Executive officials, and any employee in a position of confidentiality or policymaking from any FARA-covered activity and all Congressional lobbying.

### **Enforcement Reform**

Although the Justice Department already covers FARA tracking through a dedicated unit, gaps persist due to a lack of power for accessing records, speed in conducting investigations, and size for total capabilities. Proposed policies like the Foreign Agents Registration Amendments Act, if strengthened and further enhanced by provisions in the proposed Foreign Agents Registration Modernization and Enforcement Acts would ensure that a new office within the DOJ would be able to levy stronger enforcement of FARA, loopholes allowing usage of the Lobbying Disclosure Act rather than FARA would be closed, and the FARA enforcement office would be able to conduct investigations and enforce punishments much quicker. The

increased investigations and the higher amounts of tracking would provide more accurate information, monitor lobbying activities more closely, and limit the overall lobbying by non-state foreign entities.

## **VI. CONCLUSIONS**

In this paper, I have explored the history and current status of multiple different Middle Eastern lobbies, going into an in-depth analysis of manifestations and overall scale of the operations and consequent policy options. The best solution is one that would institute a major reform to the existing Federal Agents Registration Act that would limit the scope of non-state foreign lobbying, increase investigations in both quantity and speed for those who break existing lobbying laws, and a restriction on members of the government in both the Legislative and Executive from lobbying.

The scale and the influence of the various Middle East lobbies are vital concepts and understanding the full scope and influence of these organizations would require combing through significant amounts of data, some of which may not even be accessible from the general public. Though the total eradication of lobbying is impossible due to its protection under the freedom of speech and petition, limitations on the foreign lobby's influence that drives a flawed Middle East policy can be instituted. The overall alteration of the system would be a tough, hard-fought process against some major players when it comes to wealth and tie-in to Washington; however, change is still possible to ensure a level playing field in the Middle East.

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