

Egypt: Two Years After Morsi (Part II)

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Madam Chairperson and members of the Subcommittee:

Thank you and the Ranking Member for the invitation to appear before you to discuss Egypt two years after Morsi. As you are well aware, the United States has invested \$76 billion into since 1948. Egypt is important to the United States because it is at peace with Israel; it operates the Suez Canal, which is critical to both global trade and U.S. security policy; and it provides logistical support for American forces operating in and around the Middle East and the Horn of Africa. There was tremendous hope that after former President Hosni Mubarak fell in February 2011 that Egypt would make a transition to democracy, providing an opportunity for its people to live prosperous and dignified lives. Unfortunately, these hopes were misplaced.

The coup d'état that ended the brief presidency of the Muslim Brotherhood's Mohammed Morsi and brought General Abdel Fattah al-Sisi to power has not resulted in stability, prosperity, or democracy in Egypt. The most often-cited figures indicate that, since Morsi's ouster, an estimated 41,000 Egyptians have been jailed, and about three thousand have been killed. Those numbers are certainly too low since they do not include the political violence of 2015. In addition, seven hundred soldiers, officers, and policemen have lost their lives to an extremist insurgency in the Sinai Peninsula. In November 2014, the homegrown Egyptian jihadist group Ansar Bayt al-Maqdis (Supporters of the Holy House—meaning Jerusalem) pledged its allegiance to the self-declared Islamic State and changed its name to the Sinai Province.

The four most important facts that members of Congress must understand about Egypt today:

- *The Egyptian state is weak.* Egypt's leaders often seem to be in a state of perpetual confusion and unable to cope

with Egypt's multilayered political and economic problems. Frustration with Sisi's presidency seems to be on the rise as activists are currently planning a large demonstration on the five-year anniversary of the January 25 uprising, and even supporters wonder if he has the capacity to lead. As in the darkest, most contested days of Morsi's tenure, Egypt's failure once again seems plausible.

- *Sisi has not consolidated his power.* That Sisi does not command the state should not be surprising. It took Mubarak the better part of his first decade in power to clear away all of his competitors. In Egypt today, there is a struggle among multiple, competing centers of power that include the presidency, the armed forces, the General Intelligence Directorate, the Ministry of Interior, and the senior judiciary. These five groups agree on a single issue: The period between Mubarak's fall in February 2011 and the coup that toppled Morsi on July 3, 2013, was an aberration that is not to be repeated. The intervention in 2013 was intended to reestablish what these groups consider to be the natural political order. Since that time, however, their unity of purpose has frayed as they each maneuver for position and advantage. Competition between the Ministry of Defense and the Ministry of Interior, which plagued the eighteen-month period between Mubarak's fall and Morsi's election continues. The judiciary is intent on defending its prerogatives. Sisi both needs and fears the Ministry of Interior. The military does not want to be responsible for law and order, and the police generals know it, which gives them a free hand to do as they please. The senior command of the military must placate lower rungs of officers who believe that Sisi has not been tough enough on opponents of the new order. And the General Intelligence Directorate and the Ministry of Interior are at odds over the institutional differences between intelligence and police work.
- *Egypt's hyper-nationalist political discourse is both polarizing and radicalizing.* The Sisi-mania of 2013 sought to embed in the minds of Egyptians the legitimacy of the political order through a cult of personality around Egypt's new leader. That discourse has evolved in what can only be described as an uncompromising "hyper-nationalism." The main characteristic of this discourse is that those who have spoken out against or asked questions about the quality of politics in Sisi's Egypt are declared "un-Egyptian." Many who have been arrested, including members of the press, stand accused of aiding and abetting terrorism, but their actual transgressions have everything to do with their willingness to challenge the official version of events. Still others face criminal prosecution for "defaming Egypt." A critical component of the hyper-nationalist discourse is the vehement, and at times even seemingly irrational, insistence on the part of officials and their supporters that all is actually well in Egypt and that only a Muslim Brother—in the country's current political vernacular, the intended meaning is "traitor" and "terrorist"—would see things otherwise. The wave of nationalism, which is infused with an underlying paranoia about foreign plots, has had a polarizing effect on Egyptian society.
- *Sisi has not learned the lessons of the Mubarak period.* Specialists on Egyptian politics are often asked: "Is Egypt stable?" Despite the grim picture I have drawn above, the intellectually honest answer is: I do not know. That said, Sisi has provided us with clues about Egypt's prospects. There is a gap between what the Egypt's leadership tells its citizens about stability, prosperity, and democracy and the objective reality of most Egyptians who have limited economic prospects and who fear the random violence of both the state and terrorists. It is also a system that is dependent on patronage, sometime called "bribery." Toward that end, Sisi has sought to purchase the political quiescence of Egypt's almost seven million man-strong bureaucracy and the military's officer corps with rounds of pay raises. Finally, Egypt's leader has sought to establish political control primarily through violence. This heavy reliance on coercion and patronage are inefficient means of establishing and ensuring stability. In this way, the new Egypt looks strikingly similar to the old one. However, unlike Mubarak's Egypt, which was routinely described as authoritarian and *stable*, Sisi's Egypt is authoritarian and *unstable*.

Given this analysis and Washington's investment in Egypt, the inevitable question is this: What is the appropriate policy toward Egypt? It depends on what the United States wants, an issue with which policymakers have struggled

since the early 2000s. The main policy themes around the Egypt debate that has taken place are:

- *Democracy.* It makes little sense today to talk about supporting a democratic transition in Egypt. There is also little reason to believe that the United States has the capacity to influence the direction of Egyptian politics. It is not simply that the United States has not offered the Egyptians enough resources to give Washington leverage or that Cairo jealously guards its sovereignty, but rather the fact that Egyptian officials define their internal struggles as existential. Under these circumstances Egypt's leaders care little about what the United States says or does about their behavior. The Obama administration has gone so far as to delay military assistance and change the terms of that aid for the future, but to no effect. The temporary suspension of important defense articles like Apache helicopters, M1A1 tank kits, F-16s, and Harpoon missiles neither made Egypt more democratic nor less unstable. Even the United Arab Emirates, which has by some estimates spent two percent of its GDP to keep the Egyptian economy afloat, has been unable to rein in the worst excesses of the Egyptian leadership.
- *Economics.* Some observers have suggested that the United States should focus on helping the Egyptian economy. The World Bank estimates that Egypt's economy will grow 2.8 percent this year and hover around 3 percent through 2020. This is hardly enough to absorb the approximately 850,000 new entrants into the labor force every year. It would thus seem that Washington has an opportunity to help Egypt on economic issues, yet caution is warranted. Egypt's leaders are not in favor of private sector-led inclusive economic growth and the range of neoliberal economic reforms that the United States and the IMF deem necessary to get there. They are actually statists. The expansion of the Suez Canal, the revival of mega-projects that have been in development for years, and the favor given to the military in a number of areas underlines the significance of the state as Egypt's primary economic actor.

It is worth noting that it is incorrect to assume that economic growth generates stability. The conventional view is that the Mubarak period was one of stagnation, but an analysis of the socioeconomic indicators between 1981 and 2011 demonstrate that, at least on paper, Mubarak's rule was transformative. In virtually every category Egyptians were better off at the end of Mubarak's tenure than before. Yet that did not insulate him from significant opposition, especially during his last decade in power when Egypt demonstrated impressive macroeconomic performance. In the end, rapid economic change and growth was actually destabilizing.

- *Security.* Egypt is confronting a significant threat from the Sinai Province and other extremist groups. Unlike the government of Iraq, which has relied on Shiite death squads to reverse the Islamic State's gains, Egypt has used its regular armed forces in the fight. For a variety of reasons related to the U.S. military assistance program, the senior command's resistance to altering its doctrine, and restrictions on the armed forces that stem from the Egypt-Israel peace treaty, the military has proven that it is neither well prepared nor well equipped to take on an insurgency. At times, the senior command has pursued counterproductive policies, such as clearing of the Rafah administrative zone in the Sinai, which demolished 3,255 buildings, resulting in the eviction of thousands of people. The Egyptians are getting critical assistance from the United Arab Emirates and other interested regional powers, but only the United States has the kind of resources and experience to help the Egyptians in this fight. Yet the Egyptian armed forces distrusts the United States. Senior commanders believe that Washington helped enable the Muslim Brotherhood and deeply resent the suspension of aid at a time when Egypt is confronting a major security threat. And they reject the notion that the crackdown on the Muslim Brotherhood in August 2013 produced the insurgency in the Sinai Peninsula, an argument that has been popularized in Washington. The United States will need to find a way to rebuild its relationship with the Ministry of Defense to be effective partners with the Egyptians in the fight against the Islamic State and its affiliates. The Egyptians make it hard to do this, however.

Egypt is a difficult problem made harder by the fact that Washington and Cairo are drifting apart. This is a phenomenon that was happening even before the January 25 uprising that brought Mubarak down. This is not to suggest that a breach in the relationship is in the offing, but rather that as the world has changed in the aftermath of the Cold War, the two governments have developed different priorities and interests. Still, Egypt remains important to the United States. Thus it is worth it for Washington to:

- *Emphasize first-order principles of tolerance, equal application of the law, compromise, and nonviolence in Washington's relations with Egypt.* In May 2011, Obama stated that the United States would look upon the uprisings in the Middle East with humility, but without abdicating our values. The administration and Congress must recommit to this idea. Given my previous analysis, this will likely only be important at the margins, but it does send a clear message that there is no such thing as "back to business as usual," and signals Egyptians who want to live in more open and democratic societies that the United States will not abandon them.
- *Invest in Egypt's political future.* The resources the United States spends on supporting programs that support the rule of law, tolerance, consensus building, political party development, and others that are important to well-functioning democracies are an investment in the future. Egypt looks grim at the moment, but it can change extraordinarily quickly as the recent past has demonstrated.
- *Support Egypt's fight against extremists.* It is true that the Egyptian armed forces have been part of the country's political problem. Autonomous military establishments do not contribute to the development of democratic politics. At the same time, Washington must be sensitive to the fact that the Egyptians are in a tough fight in the Sinai Peninsula. They cannot prevail without outside support. It is no one's interest for Islamic State-affiliated extremist groups and others to make gains in Egypt. It is the largest Arab state (approaching 100 million people), it remains at peace with Israel, and the Suez Canal remains an important global asset. The administration has already signaled its desire to rebuild relations with the armed forces, which is a good start, but the suspension of aid did some damage without effecting the kind of political changes the United States desired. The United States should maintain the assistance package at current levels. It should also encourage the Egyptians through the promise of additional resources if the Ministry of Defense alters its doctrine and mix of equipment to meet what the Pentagon calls "twenty-first century threats." It seems perverse to offer to pay the Egyptians to do something that they should already be doing, but if it is in the national security interest of the United States to help Egypt confront its own extremist threat, this is the most effective path forward.

Policymakers need to be realistic about Egypt. As the history of our relationship demonstrates, investments in Egypt quite often do not produce the desired results. There is significant mistrust between American and Egyptian officials, and Cairo has sought new partners and patrons. As frustrating as it may be, Egypt is too important, though mostly for negative reasons, for the United States to walk away.