



## Progress in Egypt?

Standard Note: SN/IA/5982

Last updated: 24 May 2011

Author: Ben Smith

Section International Affairs and Defence Section

---

The note looks at the constitutional referendum held in Egypt and on political developments in the country.

- The 77% vote in favour of an amended constitution and early elections will play into the hands of the more conservative forces in Egypt: the Muslim Brotherhood and the remnants of the Mubarak regime's National Democratic Party
- Many commentators see tacit cooperation between these two supposed enemies in order to prevent more rapid change
- At the parliamentary election set for September 2011, a three-way split is foreseen between the former NDP, the Muslim Brotherhood and the liberal groups that powered the uprising
- If liberal groups fail to unite their forces, it may mean that they fall far short of getting a third of the seats in the new parliament
- Religious tensions have been on the rise
- Stopping the economy from collapsing may be the most important job at present.

This information is provided to Members of Parliament in support of their parliamentary duties and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as being up to date; the law or policies may have changed since it was last updated; and it should not be relied upon as legal or professional advice or as a substitute for it. A suitably qualified professional should be consulted if specific advice or information is required.

This information is provided subject to [our general terms and conditions](#) which are available online or may be provided on request in hard copy. Authors are available to discuss the content of this briefing with Members and their staff, but not with the general public.

## Contents

<b>1</b>	<b>The SCAF's balancing act</b>	<b>2</b>
<b>2</b>	<b>Muslim Brotherhood</b>	<b>3</b>
<b>3</b>	<b>NDP</b>	<b>4</b>
<b>4</b>	<b>Liberal forces</b>	<b>4</b>
<b>5</b>	<b>The military</b>	<b>5</b>
<b>6</b>	<b>Religion</b>	<b>5</b>
<b>7</b>	<b>Economy</b>	<b>6</b>

### **1 The SCAF's balancing act**

Since the fall of Hosni Mubarak, the political situation in Egypt has been unclear. The decision-making processes of the ruling Supreme Council of the Armed Forces (SCAF) are opaque and activists in the country do not know which groups' views the military takes into account in its deliberations. Whether the military men running the country want to return to their barracks and hand over to a genuinely democratic civilian government remains to be seen. Many observers think that the military wants to retain ultimate control of the situation and permit only a superficially democratic regime but one that will handle the mundane details of daily government.<sup>1</sup>

The military is keen to see a re-establishment of order in the country, partly because of the dire economic situation brought about by a collapse of tourism and foreign investment. Following the fall of the Mubarak government, disorder reigned, as the police force appeared to have lost confidence. Police and security service brutality and repression are thought to have been one of the main drivers of the uprising in Egypt.<sup>2</sup> Having failed to win the support of the army in repressing the uprising, the police and security services are in disarray and have ceased to police the streets effectively, and the public is reported to be very concerned about crime.<sup>3</sup> Sporadic demonstrations continued, calling for faster reform and the bringing to justice of members of the Mubarak regime thought to have been corrupt. Strikes, which were widespread at the time of Mubarak's fall, remained a problem.

Faced with a need to re-establish order while at the same time going some way to satisfying the democratic aspirations of the people, the Supreme Council of the Armed Forces appointed a committee charged with proposing an amended constitution within ten days. The committee was chaired by a respected judge, Tareq al-Bishri, but excluded all representatives of the Tahrir Square movement and of any other political tendency, and contained no women. On 28 February, the SCAF announced a tight schedule: the referendum on constitutional amendments on 19 March; parliamentary elections in June; the

---

<sup>1</sup> For an example of this argument, see "[Muslim Brotherhood on the march but cautiously](#)", Stratfor, 19 May 2011

<sup>2</sup> "Time for justice: Egypt's corrosive system of detention", Amnesty International, April 2011

<sup>3</sup> "[Assessing Tahrir's first ballot box](#)", Foreign Policy, 21 March 2011

presidential election in August. The timetable was later eased, with the parliamentary election not to be held until September, and the presidential election by the end of the year.

The proposed package requires a Constituent Assembly to be nominated by the new parliament and says that the new president *may* introduce a new constitution, but it is not clear that this is a requirement, nor does the amended constitution give any timeframe for its own replacement.<sup>4</sup> The amended constitution does little to limit the wide powers of the presidency, other than to impose a limit of two four-year terms and to restrict the ability to impose states of emergency for more than six months.

Opposition activists saw the proposed ‘patches’ to the constitution as benefitting the conservative forces in Egypt: the Muslim Brotherhood and elements of the ousted ruling party, the National Democratic Party (NDP). Opposition forces in the Wafd Party, Tagammu, April 6 Youth Movement, the Coalition of the Youth of the 25 January Revolution and Al Ghad condemned the constitutional amendments and the timetable for the elections and campaigned for a “no” vote.

On 19 March, 77.2% of Egyptians, many voting for the first time, agreed to the amended constitution. The strength of the ‘yes’ vote in the face of well-publicised opposition of the liberal forces in Egypt is perhaps an indication of the public’s desire for stability, although it has also been argued that the Muslim Brotherhood and the more radical Islamist forces wrongly persuaded many people that voting ‘no’ would abolish the old constitution and its reference to sharia law.<sup>5</sup>

On 19 April, a fact-finding mission reported on the violence of the uprising. It found that several regime figures including Gamal and Alaa Mubarak, sons of the deposed president, had organised some of the violence that had led to at least 846 protesters being killed and 6,467 injured.<sup>6</sup> On 22 May, a Cairo court issued the first death sentence, for a low-ranking policeman who was convicted of randomly firing his rifle into a crowd of protesters and killing at least 20.<sup>7</sup>

In May, the concentration on the misdeeds of the country’s former rulers continued, as judicial sources announced that Hosni Mubarak would be charged with the deaths over anti-government protesters, and his sons Gamal and Alaa would be charged both with fraud and the killings of demonstrators.<sup>8</sup>

## 2 Muslim Brotherhood

Egyptian activists have alleged that western attitudes towards the Muslim Brotherhood are inconsistent. They ask why western commentators are always concerned that the Brotherhood may introduce some form of Islamic government into Egypt and sharia law, yet Saudi Arabia, which implements an extremely strict version of sharia law and whose political system is entirely closed, gets a relatively good press.<sup>9</sup>

---

<sup>4</sup> [Supreme Council of the Armed Forces Constitutional Declaration](#), Carnegie Endowment for World Peace (contains full text of amended constitution)

<sup>5</sup> Hazem Kandil, “Revolt in Egypt”, *New Left Review*, March-April 2011

<sup>6</sup> [“Fact-Finding Commission Issues Report on Violence Against Protesters”](#), Carnegie Endowment for World Peace, 20 April 2011

<sup>7</sup> “Egypt sentences policeman to death in protester killings”, *Washington Post*, 23 May 2011

<sup>8</sup> “Egypt: Hosni Mubarak and sons to be tried over deaths”, *BBC News Online*, 24 May 2011

<sup>9</sup> Egypt in Transition, Chatham House workshop report, April 2011

The Muslim Brotherhood is, for the first time in its history, about to form a legal political party, the Freedom and Justice Party. While the MB has said that there is no formal connection between it and the Freedom and Justice Party, this is not the case. The MB has, since the beginning of the transition, sought to portray itself as a moderate force that will not dominate the political scene. It has pledged not to stand for more than 49% of the available seats and has said that it will not put a candidate at the presidential election due to take place six weeks after the parliamentary election.

The MB is aware that the military retains power in the Egyptian system at present, and that its influence will not disappear in the foreseeable future. It is also aware that the US continues to fund the military to the tune of some \$1.3 billion a year. Allowing the MB to represent its voters' views without overstepping the mark of what the US-backed military will allow is a balancing act for both the military and the MB.

While the MB's organisational abilities and systems will stand it in good stead at the forthcoming elections, there are reasons to question its future prospects. Its popularity has been based, up to now, on its position as the principal opposition to the unpopular government, and many of its activists were imprisoned and tortured for their efforts. Along with confronting the government, the MB provided health and social services for Egypt's hard-pressed poor, where the government had often failed.

Opposition to Mubarak will no longer be a vote-winner for the group after the introduction of a democratic system, and a more responsive democratic government should take responsibility for some of the MB's social services.

### **3 NDP**

Although most of the NDP's top officials have been removed from their positions of power, more junior officials have retained their jobs and the administrative structure of the party remains intact, particularly in the provinces.<sup>10</sup>

On 12 March, Mohamed Ragab, NDP Secretary General, expelled Hosni Mubarak and other older leaders on 12 March and said that other corrupt members would be ousted, despite calls for the party to be disbanded. The NDP is intent on making a comeback and securing representation in the new parliament, and observers think the NDP, its successor party or 'independents' aligned to the interests of the Mubarak regime will win at least a third of the seats in the new parliament.

As the charging of Hosni Mubarak with the killing of demonstrators was announced and Tahrir Square demonstrators continued sporadically to call for impunity for the alleged corruption and other crimes committed by those close to Mubarak, some commentators wondered whether a pattern of creating high-profile scapegoats rather than dealing with the fundamental issues was emerging.

### **4 Liberal forces**

Since the referendum, many commentators think that the outlook for the forces that brought down Hosni Mubarak is bleak, at least in the short term. The liberal, radical left and reformist Islamic tendencies that were represented in Tahrir Square and were the driving force behind the uprising had very different policy agendas and it seems unlikely at present that they will be able to overlook their differences to form a single political party. If they could, it has been

---

<sup>10</sup> "Ambushing the revolution", *Africa confidential*, 18 March 2011

estimated that they could win a third of the seats in parliament.<sup>11</sup> However, if they remain fragmented, the results of the referendum indicate that at the parliamentary election these forces are likely to win a significantly smaller number of seats than the Islamists or the former NDP elements.

## 5 The military

The military is reported to be unhappy with its hands-on role in governing the country; one of the reasons why its reform timetable has been so short. Not only is the army culturally unsuited to direct political work, something of which it has no recent experience. Also, the army is at present concerned about its 'day job'. Military action over its western border in Libya is clearly unsettling for Egyptian officers. Add to that the division of its southern neighbour, Sudan, into two and the possibility of conflict there: the control of the headwaters of the Nile is a traditional national security concern for Egypt. At the same time, the situation in Gaza is changing rapidly, with the opening of the border and the unity agreement between Hamas and Fatah raising the possibility of further unrest on Egypt's eastern border.

It remains to be seen the extent to which the military wants to remain involved in decision-making in Egypt. Some have suggested a Turkish model, where the military plays a role through the National Security Council but is not directly involved in the political process. The Turkish model has not always run smoothly, however, with the military and the Islamist AKP ruling party appearing to remain antagonistic to each other, despite an uneasy co-existence.<sup>12</sup>

The annual \$1.3 billion of military aid that the US has given to the Egyptian armed forces since the signature of the Israel/Egypt peace treaty in 1979 is still being delivered.

## 6 Religion

Serious clashes between Muslims and the 10% Christian minority have occurred since the fall of Mubarak. In May, a battle between Muslims and Christians in a poor district of Cairo left 15 dead and two churches burning. On the weekend of 14 and 15 May, further armed clashes caused over 50 people to be hospitalised.

A sit-in was held outside the national television station building to protest against what Christians saw as a failure to protect them, although the leader of the Coptic Church, Pope Shenouda III, has called for the protest to be ended, saying that it has been hijacked by violent elements.<sup>13</sup>

Egyptian security forces are reported to have done little to stop the violence. It may be because of the general disarray of the police or, as some Christians suspect, it may be part of a counter-revolutionary plan to foster chaos in Egypt to allow for the re-imposition of order.<sup>14</sup>

Some blame the rise in violence on a resurgence of 'Salafis' or extreme traditionalist Muslims. Egypt has a fundamentalist Islamic tradition, though the groups were fiercely repressed in the 1980s. It is not thought that these groups have much support among the wider population, but they may be capable of fomenting inter-confessional strife.

---

<sup>11</sup> Hazem Kandil, "Revolt in Egypt", *New Left Review*, March-April 2011

<sup>12</sup> For more information about civil military relations in Turkey and how the Turkish constitutional setup works, see the library Research Paper [Turkey Today](#), of December 2008

<sup>13</sup> "Muslims and Coptic Christians Clash Again in Egypt", *New York Times*, 16 May 2011

<sup>14</sup> "A clash of faiths", *Washington Post*, 12 May 2011

## 7 Economy

Strikes, have hit various sectors of the economy, while the banks have not been operating as normal and tourism has collapsed. The private sector has been hard hit, suffering serious losses and beset by the unpopularity caused by the association of some top business people with the Mubarak regime and with corruption. Business leaders have spoken in favour of keeping the liberal reforms that were introduced by Mubarak in the past decade, and some have suggested that some of the military council's new appointments in the finance ministry suggest that it is in favour of the state having a stronger role in the economy.

The economic crisis has led to a crisis in government finances. In April, the US Congress authorised "up to" \$250 million of American aid for Egypt. This was the same amount of aid as was delivered in previous years, although former authorisations had allowed for "not less than" \$250 million.<sup>15</sup> The Egyptian authorities are also requesting relief on the \$3.5 billion that it owes to the United States. However, these requests come at a very difficult time for a Congress that is attempting to control a historically large budget deficit. Republicans and some Democrats are reported to be reluctant to sign off important aid deals before it becomes clear what kind of government will emerge from the transition process.

On 22 May Saudi Arabia announced that it was lending \$4 billion to the Egyptian government, perhaps soothing fears that relations between the two most important countries in the Sunni Arab world were souring after the fall of Hosni Mubarak and signs of improved relations between Egypt and the big Shia Islamic power, Iran.

Asked recently about US and other financial assistance to Egypt, Foreign Secretary William Hague said that he thought it was very important for western governments to support the Egyptian transition economically:

I believe the United States to be supportive of what the interim Government are doing in Egypt. Everything that I saw yesterday suggested that we should be supportive, as did the meetings that I had with Field Marshal Tantawi and the new Prime Minister and Foreign Minister of Egypt. They are trying to bring about a transition to democratic government in Egypt, but they face formidable economic problems, which I think will pose the most difficult challenge of all during the coming year or two. It will be very important for western nations to engage with the Government of Egypt and work together on their economic future, and I have received no indication that the United States is planning to do anything other than that.<sup>16</sup>

In his well-publicised speech on the future of US policy in the Arab World, President Obama indeed signalled that the US administration is planning to engage with Egypt on its economic future. He outlined a four point plan of debt relief and trade and investment partnership:

Drawing from what we've learned around the world, we think it's important to focus on trade, not just aid; and investment, not just assistance. The goal must be a model in which protectionism gives way to openness; the reigns of commerce pass from the few to the many, and the economy generates jobs for the young. America's support for democracy will therefore be based on ensuring financial stability; promoting reform; and integrating competitive markets with each other and the global economy - starting with Tunisia and Egypt.

---

<sup>15</sup> "Dialling back on aid to Mideast", *Congressional Quarterly*, 18 April 2011

<sup>16</sup> HC Deb 3 May 2011, c445

First, we have asked the World Bank and the International Monetary Fund to present a plan at next week's G-8 summit for what needs to be done to stabilise and modernise the economies of Tunisia and Egypt. Together, we must help them recover from the disruption of their democratic upheaval, and support the governments that will be elected later this year. And we are urging other countries to help Egypt and Tunisia meet near-term financial needs.

Second, we do not want a democratic Egypt to be saddled by the debts of its past. So we will relieve a democratic Egypt of up to \$1bn in debt, and work with our Egyptian partners to invest these resources to foster growth and entrepreneurship. We will help Egypt regain access to markets by guaranteeing \$1bn in borrowing that is needed to finance infrastructure and job creation. And we will help newly democratic governments recover assets that were stolen.

Third, we are working with Congress to create Enterprise Funds to invest in Tunisia and Egypt. These will be modelled on funds that supported the transitions in Eastern Europe after the fall of the Berlin Wall. OPIC will soon launch a \$2 billion facility to support private investment across the region. And we will work with allies to refocus the European Bank for Reconstruction and Development so that it provides the same support for democratic transitions and economic modernisation in the Middle East and North Africa as it has in Europe.

Fourth, the United States will launch a comprehensive trade and investment partnership initiative in the Middle East and North Africa. If you take out oil exports, this region of over 400m people exports roughly the same amount as Switzerland. So we will work with the EU to facilitate more trade within the region, build on existing agreements to promote integration with US and European markets, and open the door for those countries who adopt high standards of reform and trade liberalisation to construct a regional trade arrangement. Just as EU membership served as an incentive for reform in Europe, so should the vision of a modern and prosperous economy create a powerful force for reform in the Middle East and North Africa.<sup>17</sup>

---

<sup>17</sup> "Obama Middle East speech in full with analysis", *BBC News Online*, 19 May 2011