



COUNTRY
BACKGROUND
SERIES

Egypt

The U.S.-Egypt relationship is strategically important for both countries: to Egypt because of U.S. aid, and to the United States because of Egyptian support of American regional objectives. Though the U.S. has generally tolerated Egypt's repressive government, the Bush administration began pushing for democratic reform after 9/11. Yet when tentative democratic openings led to political gains by Islamists, the regime of President Hosni Mubarak launched a crackdown on the Egyptian opposition, arresting thousands. In 2007, the government curtailed opposition activity and civil liberties with a series of constitutional amendments. In response to a worsening political situation, Congress for the first time passed a reduction in Egypt's aid package, though Secretary of State Condoleezza Rice later waived the aid restriction ostensibly for national security reasons.

I. General Interest

Since the 1979 Camp David Accords cemented friendly U.S.-Egypt relations, leaders of both countries have cooperated on regional initiatives, and acknowledge similar goals of resolving the Israeli-Palestinian-conflict, encouraging economic modernization, and combating terrorism. The relationship between the two countries is anchored by a \$1.7 billion annual [aid¹ package²](#), making Egypt the second-largest recipient of foreign assistance.

Egypt is not a major U.S. trading partner, exporting only \$882 million to the United States and importing only \$3.6 billion of American goods and annually. However, U.S. use of the Suez Canal alone makes ties with Egypt essential; the canal is a major thoroughway for the region's energy exports. More recently, Egypt has become a test case for [limited free trade zones³](#) that allow unfettered access to American markets for Egyptian goods that require Israeli inputs. Egypt has also been actively involved in U.S. counter-terrorism operations in the region, serving as a major site for extraordinary rendition of terrorist suspects.

Despite some modest political and economic reforms since the 1970s, Egypt, rated "not free" by Freedom House index, has retained [autocratic rule and significant limits on civil liberties⁴](#). In light of slow growth and increasing economic troubles, the ability of the regime to sustain itself in the face of increasing popular dissatisfaction is unclear. The country's long-term stability will likely hinge on its ability and willingness to effectively address citizen demands through a sustained process of economic and political reform.

II. Overview of U.S.-Egypt Relations

A group of military officers led by Gamal Abdel Nasser—dubbed the Free Officers—overthrew the Brit-

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ish-backed Egyptian monarchy in 1952. Eager to counter Soviet influence in the region, the U.S. voiced support for the new government. In 1954, President Nasser appealed to the Eisenhower administration to fund the construction of the Aswan High Dam. When the U.S. refused, Nasser turned to the Soviet Union, marking the beginning of an increasingly close Egypt-Soviet relationship. Anwar el-Sadat, Nasser's successor, re-oriented Egypt toward the West after its 1973 war with Israel. Since signing the Camp David peace accords with Israel in 1979, Egypt has remained a close U.S. ally, allowing it to pursue repressive policies at home with little American criticism. This arrangement changed for a time after the September 11th attacks.

In 2004-5, the Bush administration prioritized democratic reform in its relationship with Egypt. During the height of the administration's "forward strategy of freedom," Secretary of State Condoleezza Rice canceled a scheduled trip to Cairo to protest the imprisonment of Ayman Nour, a leading liberal figure and head of the al-Ghad Party. Responding in part to American pressure, President Mubarak in February 2005 announced that Egypt would hold multi-candidate presidential elections

for the first time. Encouraged by the changing atmosphere, major opposition groups became increasingly active. Later that year, Rice visited Egypt in June and gave a major policy speech on the importance of democratic reform, and met with leading opposition figures afterwards.

However, American enthusiasm for political reform soon soured. The Muslim Brotherhood won 88 of the 454 seats in the 2005 parliamentary elections, becoming Egypt's largest opposition bloc, and raising fears in Washington that increased Islamist influence would undermine vital U.S. interests in the region.

III. Major Opposition Groups

Islamist Groups

Founded in 1928, the Muslim Brotherhood (MB) quickly became the region's most influential Islamist movement. In the years leading up to the 1952 revolution, the Brotherhood cooperated with Nasser's Free Officers. However, as the newly-instituted military regime moved toward secular rule, the relationship soured, culminating in a crackdown that landed much of the MB leadership in jail. In the 1970s under President Sadat, many brotherhood members were released from prison, and the group was allowed to operate with greater freedom. Since then, the relationship between the Egyptian government and the Brotherhood has fluctuated from limited inclusion to outright repression. Despite being officially banned, the MB maintains is easily the most powerful opposition group in Egypt. Since the [1984 parliamentary elections](#),⁵ its members have contested elections either as independents, or as part of coalitions with legal parties.

Muslim Brotherhood Representation in Parliament (# of seats)

1984	1987	1990	1996	2000	2005
8	37	0 <i>Boycott</i>	1	17	88

In the 2005 elections, the MB increased their share of seats fivefold, from 17 to 88. The groups's growing influence has provoked the ire of the ruling National Democratic Party (NDP). Although [some analysts](#)⁶ argue that inclusion in the political process has had a moderating effect on the Brotherhood, Egyptian officials, and some Western observers, argue that an empowered MB would result in the [implementation of harsh Islamic law](#)⁷ and support for

terrorist groups. Brotherhood leaders reject these allegations, pointing out that the group formally renounced violence in the 1970s and remains committed to achieving its goals peacefully. They assert that they are committed to the rules of the democratic game, and, increasingly, their electoral programs have [used pro-democracy language](#).⁸ There is an [ongoing debate](#)⁹ over whether this movement toward moderation reflects a strategic transformation or merely a tactical – and therefore temporary – shift.

In 2007, the Brotherhood [published its draft platform](#)¹⁰ for a future political party, igniting a firestorm of criticism from the group's opponents and supporters alike. More detailed than previous electoral programs and running at a lengthy 128 pages, the platform was in some ways a sign of political maturation. However, several sections in particular – stating that women and Christians cannot hold the position of head of state, and a provision calling for an advisory council made up of religious scholars – signaled a regression from the inclusive language of the group's 2004 reform initiative and 2005 electoral program. The release of the 2007 platform, much of which was written when the group's leading reformists were imprisoned, sparked [significant internal dissension](#),¹¹ with prominent Brotherhood members publicly airing their disagreement.

The Brotherhood must contend with two main, albeit weaker Islamist competitors, the Wasat Party, on one hand, and a growing Salafist movement, on the other. The Wasat Party is a self-styled liberal Islamist party, which broke off from the Brotherhood in 1996 largely because of organizational disputes with the group's leadership. It has since applied for legal status, but has been denied by the NDP-dominated Political Parties Committee four separate times.

The Salafists, with a growing, yet informal grassroots network, compete with the Brotherhood for a similar demographic. Salafist-oriented organizations avoid a direct political role and focus their attention on preaching, education, and social service provision. The fear of losing conservative supporters to Salafist groups makes it more difficult for the Brotherhood to stake out progressive positions on women and minority rights, one possible explanation for the content of its 2007 party platform.

Secular Groups

Since President Sadat introduced a controlled multi-party system in 1976, secular parties have been allowed to participate, albeit within the regime's limits. Initially, the New Wafd party looked poised to become the ruling par-

ty's main challenger. However, after performing well in the 1984 and 1987 elections, the Wafd's influence declined significantly.

Today, the Al-Ghad ("Tomorrow") party, founded in 2004, is Egypt's best-known liberal opposition party. Led by Ayman Nour, Al-Ghad has emphasized the need for governmental accountability, greater human rights, and fair elections. In early 2005, Nour was detained on charges widely considered to be politically motivated. American and international pressure briefly forced his release, but Nour was imprisoned again in December of the same year. He remains in jail, serving out a five-year sentence. Al-Ghad has been riddled by internal divisions in Nour's absence, and its influence has waned.

Kifaya ("Enough") emerged in late 2004 to oppose the succession of President Mubarak's son, Gamal. However, Kifaya's internal diversity – it includes leftist, liberal, and Islamist activists – has made it an unwieldy force lacking a unified vision. Though it organizes regular protests, the group has neither fielded any candidates for elections nor endorsed any party.

Support for Kifaya and al-Ghad is confined to a narrow sector of Egyptian society. Demonstrations organized by secular groups usually number in the low hundreds (Brotherhood-organized protests can often reach tens of thousands). Recent studies such as [this one](#)¹² have highlighted the problem, and offered recommendations for strengthening secular parties.

IV. Political Reform

Perceptions of Political Reform and U.S. Democracy Promotion

While popular opposition to the regime remains strong, prospects for political reform are dim. Although increased U.S. pressure resulted in some progress towards greater political freedom in 2005, the Bush administration, subsumed by other regional concerns, has since backed off from pressuring the Egyptian regime.

In Egypt, popular opinion of the United States has grown increasingly negative. In another poll, [only 21% of Egyptians have a favorable view of the U.S.](#)¹³ down from 30% in 2006. Egyptians continue to cite American support for the Mubarak regime as a major grievance. Wael Abbas, a prominent Egyptian blogger, [wrote](#)¹⁴ in the Washington Post, "we Egyptians want a fair struggle for our freedom. We'll never have it as long as Mubarak and his corrupt regime are propped up by U.S. aid." The Muslim Broth-

erhood [has also appealed](#)¹⁵ to American policymakers to exert more pressure on Egypt's leaders.

[According to another poll](#),¹⁶ only 22% of Egyptians hold a favorable view of American democracy promotion efforts, while 25% believe that the U.S. is sincere about supporting democracy abroad. Broadly-speaking, however, Egyptians have long desired a more democratic system of government. According to the [World Values Survey](#),¹⁷ 67.9% of Egyptians believe democracy is a "very good" way to govern Egypt (compared with 52.4% of Americans who believe democracy is a "very good" way to govern the U.S.). Despite a widespread desire for political change, the NDP-led government has maintained power by cultivating a culture of apathy. An extensive security apparatus, coupled with successful regime efforts to co-opt or malign opposition leaders, has discouraged Egyptians from political participation.

Political Institutions

The current Egyptian constitution, adopted in 1971, ensures the superiority of the [executive branch](#),¹⁸ which effectively has the final say over all legislation. Articles 147 and 148 allow the President to rule by unilateral decree and to impose a state of emergency that drastically curtails individual freedoms. At the same time, the constitution grants the judiciary branch substantial autonomy. The Court of Cassation (the equivalent of the U.S. Supreme Court) provides a significant check on executive manipulation of the legislature. However, the judiciary has come under attack in recent years, with the NDP either ignoring court rulings or attempting to stack the judiciary with its supporters.

The Egyptian constitution has been amended several times. Most recently, in what [Amnesty International called](#)¹⁹ the "greatest erosion of human rights in 26 years," the government passed through the legislature sweeping changes to the constitution. Amendments to 34 articles were ratified in a referendum plagued by violent clashes, low turnout, and an opposition boycott. The amendments represented an effort to legally enshrine the [executive branch's vast powers](#).²⁰ Changes to [Article 179](#)²¹ permanently extend the emergency laws that have been in place since 1981. The new changes grant security forces broad discretion to detain suspects for political reasons and prosecute dissidents in military courts. Furthermore, the amendments dramatically reduce independent judicial supervision of elections (Article 88), and, in an effort to undermine the Muslim Brotherhood, Article 5 now

expressly forbids the formation of religiously-oriented political parties.

Prospects for Reform

In 2004-5, Egypt enjoyed a brief but significant political opening that allowed opposition groups more space to participate. Although still marred by regime violence, voter intimidation, and sometimes outright rigging, the 2005 parliamentary elections were more transparent and fair than previous contests.²² The Brotherhood's impressive showing in the elections triggered a regime backlash, and the last three years have been marked by increasing repression and the undoing of most of the gains of the 2004-5 period.

In the 2007 elections for the upper house of parliament (Shura Council), the NDP won 84 of 88 seats. Municipal elections,²³ originally scheduled for 2006, were postponed until April 2008. In advance of the polls, authorities arrested more than 800 Brotherhood members. Out of the five thousand or so MB candidates, less than 25 were allowed to run. A day before the election, on April 7, the group announced it was boycotting the elections in protest of regime restrictions. The NDP ended up winning around 95% of 52,000 seats.

The Shura council and municipal elections are evidence of a dramatic authoritarian reversal. The regime has coupled manipulations of elections with an aggressive campaign against the Brotherhood, arresting some of its key financiers, including Deputy General Guide Khairat al-Shater. With the organized opposition weakening in the face of these measures, decentralized, organic protest is becoming more common, the most notable example being the Mahalla strike in April 2008, where thousands clashed with police over low wages and rising food prices.

V. Congressional Policy and Foreign Assistance

Key Legislation

Historically, Congress has been reticent to withhold aid from Egypt. But since 9/11, there have been several attempts to include conditions to the aid package. One notable example was an amendment²⁴ to the 2007 Foreign Operations, Export Financing and Related Programs Act proposed by Rep. David Obey (D-WI) that would have transferred \$100 million in military aid slated for Egypt to Darfur support efforts. It was defeated in a close 225-198

vote.

In June 2007, the House of Representatives passed the 2008 Foreign Operations appropriations act,²⁵ granting \$1.3 billion in Foreign Military Financing (FMF) to Egypt with a provision making \$200 million of this aid conditional on judicial reform, curbing police abuses, and destroying smuggling tunnels from Egypt to Gaza. After resolving amendments from the Senate – which has generally been more supportive of Egypt aid – the figure was reduced to \$100 million in the final bill.²⁶ Furthermore, while the House had appropriated \$50 million of the total in \$415 million in Economic Support Funds for democracy, human rights, and governance programs, the final amount ended up being only \$20 million. For 2008, the Economic Support funds are given only with the “understanding” that Egypt will “undertake significant economic and democratic reforms.” However, this clause provides no enforcement mechanism.

Also of note is a bill proposed by Rep. Anthony Weiner (D-NY) entitled the “Egyptian Counterterrorism and Political Reform Act (H.R.2977²⁷),” which would transfer all military assistance to Egypt to Economic Support Funds, while noting several areas of concern including the Egyptian government’s widespread use of torture, encouragement of anti-American and anti-Israeli attitudes, and failure to protect the rights of the Coptic Christian minority. The bill gained no traction and was never considered by the House Committee on Foreign Affairs, but there is potential that such legislation may attract some support in the years ahead.

Policy Outlook

Critics of aid conditionality argue that withholding aid would hurt the U.S.-Egypt relationship a critical time and harm American strategic interests in the region.²⁸ They point to Mubarak’s support of the Arab-Israeli peace process and logistical support for American troops in Iraq. The need to rally regional support for U.S. objectives in Iraq and Iran has highlighted the importance of having reliable Arab allies.

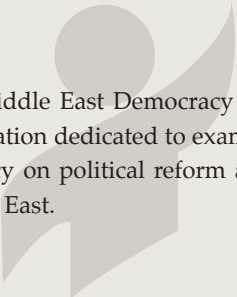
Proponents of aid conditionality counter that Egypt’s contribution to U.S. regional objectives is overstated, and that democracy promotion would better serve long-term U.S. goals.²⁹ They point to the fact that Egypt’s peace treaty³⁰ with Israel is a frigid one characterized by formal diplomatic ties but little else, and that the Mubarak regime has encouraged anti-Semitism to deflect attention from domestic concerns. Although Egypt has made con-

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tributions to U.S. regional efforts, cutting aid would not necessarily discourage this cooperation. In fact, under American pressure, Egypt may feel the need to better demonstrate its utility to the U.S., out of fear of additional aid cuts.

Underlying this policy debate is the question of stability. There remains no institutional mechanism for succession. President Mubarak is 80 and has been plagued by increasing health problems. He refuses to appoint a vice-president. Popular feelings against the likely succession of his son, Gamal, are high, and such an attempt could result in a difficult period of instability with far-reaching implications for the United States and its interests in the region.

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The Project on Middle East Democracy is a nonpartisan, nonprofit organization dedicated to examining the impact of American policy on political reform and democratization in the Middle East.

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