Senate Foreign Relations Committee Hearing on the Crisis in Egypt Testimony of Ambassador (Ret.) Dr. Daniel C. Kurtzer Thursday, July 25, 2013 10:30AM SD-419

Current situation in Egypt

Egypt remains in a state of revolutionary upheaval, marked by political, economic, and social instability. Since the ouster of former President Hosni Mubarak in February 2011, Egypt's political parties and groupings have been beset by severe internal wrangling, and they remain badly fractured. Successive administrations have failed to establish security and basic law and order, and have also failed to secure enough political consensus from opposing political forces so as to be able to govern effectively.

Ousted President Mohamed Morsi faced, and could not resolve, pressing problems: a breakdown in law and order, especially acute in the Sinai Peninsula; depleted foreign exchange holdings, exacerbated by slowdowns in key economic sectors; and food and energy shortages. Morsi's own actions contributed to significant doubts about his and the Muslim Brotherhood's agenda, sparking fear of a rapid Islamicization of Egypt. He fired judges, paid little heed to violence against Coptic Christians, rammed through a new constitution, failed to take any steps to remedy the economic crisis, and seized nearly all powers in his own hands. Because the election to the People's Assembly (Parliament) had been nullified by the courts, no mechanism existed constitutionally to challenge Morsi's rule. In place of an unavailable impeachment process, a civil society organization, Tamarod, organized an unprecedented mass petition and mass rallies involving an estimated twenty million Egyptians throughout the country, representing all classes and social strata. This led the military to oust Morsi in early July and install an interim civilian-led administration.

The interim government is now in place, and it is the strongest and most reputable since 2011. The government is reaching out to the Muslim Brotherhood to try to launch a national reconciliation process, but the Brotherhood thus far is demanding conditions – such as the restoration to office of Morsi – that are unacceptable to both the government and the military. The government has also promised a rapid return to constitutional rule, including a process for amending and approving a revised constitutions and new elections for president and the parliament.

Viability of the interim government's roadmap to restore democratic government

The new Cabinet faces at least four daunting challenges: to stabilize the internal situation and restore law and order, thus providing a much needed sense of security for Egyptians to return to normal life; to find a pathway to political reconciliation with the Muslim Brotherhood, thus preventing a possible spiral of violence between supporters of the government and army and supporters of the Brotherhood; to kick-start the economy which has been stalled since the 2011 revolution, a task made easier by an injection of substantial Arab aid and loans; and to organize a fair, transparent process of amending the constitution and conducting new elections for president and parliament.

Of these urgent requirements, the most challenging will be the reintegration of the Muslim Brotherhood into the political process. Mutual distrust, the desire for settling scores, and long-term antipathy between the Brotherhood and the military complicate this process. The interim government reportedly has reached out to the Brotherhood, but the Brotherhood's preconditions--to restore Morsi to the presidency, reaffirm the constitution, and reinstate the Shura Council--have been a stumbling block, perhaps insurmountable. In the meantime, the Brotherhood continues to mobilize demonstrations of its own, and it is surely capable to doing violent things.

In this standoff between the Brotherhood and the military, each counts on a strong base of support. The Brotherhood has long experience in maintaining its internal base, having spent much of its eighty-five years underground. But the Brotherhood has lost ground in the past year, and is now more hard-pressed to demonstrate the political clout that brought its leadership to power during the past two years.

On the other hand, it is widely accepted in Egypt since the 1952 revolution that the military is the most important symbol and embodiment of modern Egyptian nationalism. The liberal parties that flourished in Egypt before the 1952 revolution proved unable to govern, stand up to British domination, or deal with the corruption of the monarchy. For the past decades, the military has been content, in the words of Dr. Steven Cook, to "rule" but not "govern", that is, it sees itself as the ultimate arbiter of power in the country but does not want to govern day to day. Indeed, the military's poor governing performance after the 2011 revolution reinforced the preference to sit behind, rather than on, the seat of power. It is possible, surely desirable, that this state of affairs change over time, as Egypt's very nascent democracy matures. For this change to happen, Egypt needs to develop more mature democratic institutions and a more tolerant democratic political culture and atmosphere. This is simply not the situation today.

Prospects for further political and civil unrest

Increasingly violent confrontations between the Muslim Brotherhood and the security forces, as well as the serious breakdown of law and order in the Sinai Peninsula, almost guarantee that things will remain unstable in Egypt for some time. Even if the interim government can induce the Brotherhood to enter reconciliation talks, the government will require a strong, coercive capacity to ensure domestic calm. Absent this, the violence could easily deteriorate over time into civil war.

In this respect, it would make no sense for the United States to cut off aid to the Egyptian military, the one group in Egypt that continues to share our interests and the only group ultimately capable of assuring domestic stability. The standing of the United States in Egypt today is as low as it has been at any time since the days of Gamal Abdel Nasser. A cut-off of assistance now would gain nothing for the United States, but would surely alienate us from the military.

American national security interests in Egypt

The United States has important national security interests in Egypt:

- Military cooperation and coordination: Virtually everyone and everything the U.S. military sends to Afghanistan and the Gulf passes through or over Egypt, and Egyptian military coordination/cooperation is vital to the execution of our military's missions. The Egyptians provide vital, expedited Suez Canal clearances, and facilities for the repair and refueling of our planes and equipment.
- Intelligence cooperation: Egypt and the United States maintain a robust and mutually-beneficial intelligence relationship.
- Anti-terrorism cooperation: Egypt has been a significant partner in the United States effort to push back against global terrorism.
- Peace process: The Egyptian-Israeli peace treaty remains the cornerstone of efforts to achieve a comprehensive peace, and Egypt's support for Palestinian peacemaking efforts remains vital.

- Regional politics: While Egypt's leadership role in Arab and Muslim politics has softened in recent years, its influence remains in moderate politics in the region.
- Democratic change: Notwithstanding all the challenges noted above, Egypt's slow and unsteady march toward democracy continues to represent a very important model for the rest of the region, in either its possible success or failure.

<u>Options for U.S. foreign policy to support the restoration of democracy, including the</u> <u>appropriate role of U.S. foreign assistance</u>

There is a story, possibly apocryphal, of a Soviet general who was asked in 1972 whether the Soviets were upset about Sadat's decision to expel Soviet military advisers from Egypt. "Certainly," the general replied, "we are upset about losing our foothold in Egypt. But remember, we enjoyed 17 years of strategic friendship…not bad."

It is extremely hard for global actors to maintain a strategic relationship with regional states over a long period of time. Not only do their interests fail to align properly, but there are great incentives for both to play off the other in a constantly-shifting environment of regional and global politics. The U.S.-Egyptian relationship is entering its forty-fifth year--a remarkable achievement in and of itself.

That said, no relationship can remain static in the face of changes in the environment. Although Egypt continues to face security challenges – Sinai, Ethiopia water, regional conflict spillover – a reasonable (non-professional) assessment is that Egypt could sustain a gradual, steady diminution in U.S. military assistance. Indeed, it would have made sense years ago to shift U.S. aid gradually from military to economic assistance; and it will make sense to do so in the future, after the domestic political and economic situation stabilizes. Today, however, Egypt's emergency economic and financial needs are acute. The successful conclusion of an IMF agreement should stimulate substantial external assistance, including from the United States; and, as noted above, it is vital to maintain our relationship with the military.

Morsi's ouster was not a preference of American policy, just as Morsi's actions while in office were not consistent with American interests. The reality is our bilateral relationship has changed, and the leverage and the influence the United States used to exercise in Egypt no longer are as potent. But in the same way that current events represent a second chance for the Egyptian revolution to succeed, they also represent a strategic opportunity for the United States to stabilize and strengthen our relationship with Egypt, and to preserve important American interests.