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Political Instability in Egypt

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INTRODUCTION

This contingency planning memo will assess the possibility of acute political instability in Egypt and consider the measures the United States might adopt to help prevent and, if necessary, mitigate the unwelcome effects of such a crisis.

Most analysts believe that the current Egyptian regime will muddle through its myriad challenges and endure indefinitely. Four interrelated reasons underlie this assessment: first, the current regime, which was founded almost sixty years ago, has proven to be remarkably resilient in the face of a variety of crises—defeat in war, economic stagnation, and political assassination. Challenges aside, it continues to maintain enough coercive power to ensure regime survival. Second, none of the regime's primary constituents—big business, the internal security services, the military, government-affiliated intellectuals, and the state bureaucracy—shows any signs of defecting. Third, political activism in Egypt generally remains an elite pursuit. Most Egyptians have yet to engage in widespread political dissent. Finally, while lack of opportunity and deteriorating economic conditions animate many Egyptians, these grievances have not been translated into specific political demands.

POSSIBLE CRISIS SCENARIOS

Egypt is a difficult yet critical U.S. ally. Along with Saudi Arabia, Jordan, Morocco, and the small Gulf states, Egypt has helped create a regional order that makes it relatively inexpensive for the United States to exercise its power. Acute instability in Egypt would harm Washington's capacity to operate effectively in the Middle East, whether it is the U.S. Navy seeking short-notice transit of warships through the Suez Canal, the White House seeking diplomatic support in brokering peace between the Israelis and Palestinians, or the intelligence community in need of cooperation on counter-terrorism issues. More generally, Cairo has historically provided Washington with political cover as the United States seeks to achieve its goals in the region.

Egypt is now entering a period of political transition. President Hosni Mubarak is eighty-one years old and reportedly has multiple health problems. His forty-six-year-old son, Gamal, is evidently being groomed to succeed him. How soon and in what fashion the transfer of power would take place remains unclear. Most importantly, the succession process could prove difficult. Already, different factions within and outside the regime are maneuvering to improve their prospects after President Mubarak leaves the scene. All of this is occurring, moreover, against the backdrop of deteriorating social and economic conditions that have been exacerbated by the global recession—an environment ripe for Egypt's Islamist opposition to press its anti-regime agenda and pursue political power.

Thus, while Egypt on the surface appears stable, the potential for growing political volatility and abrupt discontinuities in the short term (six to eighteen months) should not be summarily dismissed. There are two plausible scenarios for instability in Egypt: 1) a military intervention resulting from a contested succession and 2) an Islamist push for political power.

A TROUBLED SUCCESSION—THE MILITARY STEPS IN

There are two main scenarios under which the Egyptian military might intervene in Egypt's presidential selection process.

First, Egypt's constitutionally mandated procedures may elevate Gamal Mubarak or someone else to the presidency, but the new president may fail to exercise power wisely. A relatively weak leader incapable of managing the regime's competing constituencies or responding to the challenges facing Egypt might push the country into a downward spiral. Faced with growing elite and mass opposition to the new president, the internal security services might seize control to prevent further instability. The Egyptian Interior Ministry is not known for its deft or light touch and could conceivably overplay its hand and make matters worse or prove incapable of dealing with a coordinated challenge, forcing the military to step in.

Second, the Egyptian military might launch a palace coup if it decided that the selection of Gamal or any other civilian as president threatened the critical yet uncodified institutional link between the armed forces and the presidency. This outright rejection of Egypt's constitutionally mandated succession process could spark widespread opposition. This threat to order would, in turn, provide additional justification for the military to remain engaged in the political arena.

Warning Indicators

One crude indicator of relative stability/instability would be the number of protestors in the streets. Protests by themselves do not signal political instability; thousands of Egyptians have in the past gone to the streets without undermining the regime. Still, large-scale protests in response to a leadership transition could place the regime in jeopardy.

A second, and more telling, warning indicator would be any delay in the military's public expression of loyalty to the new Egyptian president. Indeed, should the military defy the president, the regime's other constituents could follow suit. Such instability could possibly herald the regime's collapse.

Possible Consequences for U.S. Interests

The military's intervention would affect U.S. interests in two important ways. First, the political pressure from human rights groups, democracy activists, and members of Congress to punish the Egyptian military would be enormous and hard for an administration to resist. Punitive measures would likely be met with retaliation in Cairo, complicating U.S. efforts to move its forces in and around the region, forge peace between Israelis and Palestinians, and continue cooperative intelligence relations. Second, Egypt's new military rulers would likely be more concerned about consolidating their power and less interested in helping the United States. As a result, Washington would no longer be able to rely on Cairo to undertake initiatives that are profoundly unpopular with the Egyptian people. Prominent among these issues are various types of security cooperation with both the United States and Israel.

In the end, however, a military intervention would not represent a catastrophic blow to U.S. interests in the region. Although there would likely be short-term fallout as outlined above, Washington has experience with military takeovers and would likely adjust relatively easily to working with Egypt's new leadership.

U.S. Options to Prevent a Succession Crisis

The options U.S. officials should consider in seeking to prevent a succession crisis in Egypt depend on broader American objectives. If U.S. officials believe that a policy based on “authoritarian stability” is the best means to achieve U.S. interests in Egypt and the Middle East, then Washington’s approach to preventing a succession crisis should seek to perpetuate the current political order. Although Washington would publicly support a “legitimate” transition, it would privately support a succession that ensured the best chances of continuity from the Hosni Mubarak era to his successor. Toward that end, the United States should 1) continue its aid program to Egypt, particularly the approximately \$1.3 billion that is intended for the modernization of Egypt’s military; 2) provide additional financial assistance and training that would bolster the government’s physical capacity to resist and suppress internal challenges; 3) start free trade agreement negotiations with Cairo, which would not only improve Egypt’s economic prospects but also signal Washington’s political support for the present political order; and 4) inform the leaders of Egypt’s military and international security services privately that Washington supports a version of the status quo.

A different strategy would be necessary if U.S. officials believe that the status quo cannot be preserved and instead want to encourage democratic change in Egypt. A strategy that sought to promote democratic change would begin by making clear both publicly and privately to the present Egyptian leadership that Washington believes it is essential that the succession process in Egypt be regarded both at home and abroad as legitimate—i.e., Egyptians are provided an opportunity to choose their next leader in an environment where the outcome is not pre- or post-determined. American officials should also make it clear that the continuation of parts of the U.S. aid program would be contingent on benchmarks relating to the transparency and fairness of the leadership transition. An additional way to build support for a legitimate transition would be to expand Egypt’s participation in the International Military Education Training (IMET) Program. Currently, the United States devotes approximately \$1.3 million to the IMET program, which has been geared toward “providing technical development” to the Egyptian armed forces, “building mutual understanding between the United States and Egypt,” and helping Egypt develop the competencies necessary for peacekeeping missions around the world. The curriculum should—as the United States has done with a small police training program—emphasize human rights and democratic governance and the budget should be expanded to accommodate the participation of additional Egyptian officers. Further, Washington should continue to work with both the Egyptian government and nongovernmental organizations on strengthening Egypt’s electoral practices, in particular increasing the capacity of the Egyptian judiciary and independent observers to monitor Egypt’s presidential elections.

U.S. Policy Options to Manage the Crisis

The United States will have few options should the Egyptian military decide to install its own candidate or quell internal dissent. A military intervention would reflect the officers’ calculation that their core interests are at stake. No combination of incentives or disincentives from Washington would force the military back to the barracks. Even the threat to cut Washington’s annual \$1.3 billion assistance to the Egyptian armed forces would not likely deter the officers. Still, Washington should work to mitigate the harm created by the military’s action. Toward that end, senior U.S. commanders should use their ties to their counterparts in Cairo to better understand the Egyptians’ intentions, offer advice about how to reduce bloodshed, recommend political solutions to the contested succes-

sion, and offer suggestions about when and how the officers should stand down. U.S. military officers should also explain to the Egyptian officers that there will likely be political pressure on the U.S. president to condemn the military's intervention, that public criticism from the United States and elsewhere will be sharp, and that members of the U.S. Congress will seek to pass legislation cutting aid to Egypt.

ISLAMIST PUSH FOR POLITICAL POWER

An Islamist takeover, although a remote possibility, would be rooted in the slow, grinding decline in the quality of life for the vast majority of Egyptians. Although government spokesmen boast of 7 percent GDP growth rates, unprecedented levels of foreign direct investment, and Egypt's place among the hottest emerging markets, the Islamists offer a narrative of corruption, official incompetence, and indifference as well as the extraordinary gap between rich and poor. The deaths of 1,700 Egyptians since 2002 in a variety of train, plane, passenger ferry, and natural disasters, all of which could have been avoided, bring the problem of Egypt's crumbling infrastructure into sharp relief. When, in early September 2006, a rockslide buried residents of the Duweiqā neighborhood of Cairo, killing one hundred, it took hours for rescue crews to arrive. According to press reports, police officers and troops from the Central Security Forces arrived much earlier to control crowds, but ignored residents' pleas for assistance.

The current regime would likely respond harshly to any Islamist challenge. The use of force might backfire on the regime, however. Events over the course of the past five years have done much to undermine the pervasive sense of fear that runs through Egyptian society despite the leadership's best efforts to reestablish its deterrent. It is entirely possible that Egyptians—like the millions of Iranians who turned out into the streets to protest rigged elections in June 2009—would rally around a charismatic figure armed with an attractive alternative vision of society. Under these circumstances, it is not at all clear that Egypt's commanders—despite their commitment to social cohesion and the present political order—or their conscripts would have the fortitude to kill large numbers of demonstrators. Although Egypt maintains a praetorian guard of sorts, the *Haras al-Gumhūri*, it does not have shock troops similar to Iran's Revolutionary Guards or Basij militia that are infused with an ideological fervor.

A crackdown by the regime could trigger the emergence of militant offshoots willing to take up arms against an established political order they believe no longer makes sense. This would repeat the repression-radicalization dynamic that produced the violence of the 1990s. An external shock such as another round of violence between Israel and Hamas in which the Egyptian government tacitly sides with the Israelis could contribute to the reemergence of extremism in Egypt. Although Egypt's internal security services eventually prevailed in their battle with Islamist extremists by the late 1990s, they might not in the future. This sets up the possibility that Egypt would confront a long, drawn-out civil insurrection pitting Islamist extremists against the state.

Warning Indicators

As noted above, popular demonstrations, especially those over economic and quality of life issues, could signal growing instability. Another important warning indicator would be the emergence of a new, dynamic leader from within the ranks of the Islamists who appealed to a broad segment of so-

ciety. Should this individual be able to convince Egypt's fractious opposition to coalesce around him, a crackdown and/or instability would likely result. Finally, if, in the context of the accumulation of Islamist political power, the military becomes involved in areas that they have typically held at arm's length—for example, assuming primary responsibility for internal security—it would be a clear indicator that the commanders are worried about social cohesion.

Possible Consequences for U.S. Interests

In recent years, Egypt's Islamists have moderated their rhetoric and spoken in more reformist tones. Despite this evolution, an Islamist push for power probably would not serve U.S. interests. It is important to note that unlike a military intervention, which the United States could accept and even come to like, an Islamist takeover in Egypt would have a catastrophic affect on U.S. interests in the Middle East. The Islamists oppose almost every facet of U.S. policy toward the Middle East. Any instability triggered by an Islamist push would in all likelihood greatly restrict the regime's ability to cooperate with the United States. Should Islamists topple the regime, the reverberations would be felt throughout the region. The United States might lose access to the Suez Canal, Egypt's new leadership might abrogate the Egypt-Israel peace treaty, and Islamists in other Arab countries allied with the United States would be emboldened, jeopardizing the stability of those places.

U.S. Policy Options to Prevent the Crisis

Once again, how U.S. policymakers respond to an Islamist push will depend on their broader goals for Egypt. If Washington wants to sustain the present authoritarian order, it should continue its now thirty-year effort to help Egyptians generate economic growth and develop the institutions of a genuine market economy. This is consistent with a continuation and potential expansion of the U.S. assistance program to Egypt and the deepening of trade relations. To the extent that a free trade agreement can provide Egypt with economic benefits, there is less likelihood that pocketbook issues will trigger a spiral of demonstrations that could result in instability. Additionally, the United States and other important international actors such as the European Union, Japan, and World Bank should use their aid programs to help alleviate the worst consequences of the incompetence of the Egyptian state and help develop the state's capacity to provide critical services. Assistance would focus on technical areas such as infrastructure development, disease prevention, prenatal and postnatal care, clean water, poverty alleviation, and education. Washington should also publicly voice support for Egypt's present political system, while working with Egypt's intelligence and internal security services to counter Islamist groups. This approach would dispel doubts about Washington's opposition to Islamist rule and bolster confidence in the regime. If this policy fails, however, Washington will find it harder to establish working relations with Cairo should Islamists come to power.

An alternative approach would be one designed to help the Egyptians generate much-needed legitimacy in a manner that is more conducive to U.S. values and democratic principles. This would entail some of the same measures outlined above but applied in a more conditional and calibrated way. Thus the United States would continue to lend support to the current regime, but privately press it to bolster its domestic legitimacy through good governance and, if necessary, establish benchmarks for political change. Central to Washington's efforts should be a willingness to strengthen the ability of the Egyptian state to provide critical services to people in need. In addition to working with the

leadership, Washington would expand the scope of its activities with Egyptian civil society in an effort to promote the emergence of new political movements and increase the capacity of non-governmental organizations to press for greater government accountability and transparency. The United States could also place additional emphasis on joint training programs that would contribute to the professionalization of the Egyptian military and police forces.

U.S. Policy Options to Manage the Crisis

Should U.S. efforts fail to reduce the likelihood of an Islamist push for power and the instability that would likely follow, Washington will have two options for managing the crisis. First, Washington can advise the senior officers of the Egyptian armed forces to take matters into their own hands to prevent an Islamist takeover. The result as noted above would likely be bloody, but the military's intervention would preserve a regime that has been critical to U.S. interests in the Middle East. American policymakers should be aware, however, that the military's actions may not buy Egypt much long-term stability as it risks a public backlash and radicalization of Egyptian politics that would portend the reemergence of extremist groups targeting the state and possibly its primary patron, the United States. Second, the United States should work with Egypt's armed forces and internal security services to prevent bloodshed and further instability. The investment in outreach through the IMET program and military-to-military exchange is critical to mitigating instability. These programs often provide an important reservoir of goodwill between American officials/officers and their foreign counterparts. In the event of acute instability in Egypt, these relationships will be critical channels of communication through which Washington can provide advice to the Egyptians and offer assistance in deescalating the situation and preventing more bloodshed.

In the event that Islamists come to power in Egypt, the United States will need to shore up its alliances with other Arab states. Washington will also need to walk the fine line between a policy of coercion to ensure that Egypt does not threaten U.S. interests further and a policy of engagement to mitigate the consequences of what will surely be a confrontational relationship.

RECOMMENDATIONS

Given all the uncertainties and policy dilemmas that Egypt poses, policymakers should pursue a four-pronged approach to mitigate the possibility of instability in Egypt. First, Washington should reduce the likelihood of being blindsided by events in Egypt. More intelligence resources should be devoted to understanding the dynamics of Egypt's political, social, and economic realities. Among other things, the size of the CIA's station in Cairo should be increased, and the CIA's headquarters in Langley, VA, should add more analysts fluent in Arabic who are tasked with developing a better understanding of Egyptian society. Analysts should be challenged in their intelligence products and contingency exercises to question the assumption that authoritarian stability will persist indefinitely in Egypt. In addition, senior policymakers should consider carefully the analyses of U.S. diplomats in Cairo who have the benefit of being on the ground, offering a unique perspective on Egyptian political developments. The relevant government agencies and departments should begin contingency planning around scenarios that could plausibly result in acute instability.

Second, the United States should continue to quietly promote positive political change in Egypt. The Egyptian regime has thus far ensured stability through coercion. But blunt force is the least effi-

cient means of political control. Overwhelming evidence indicates that the vast majority of Egyptians want to live in a more open and democratic society. Although transitions to more open political systems can be fraught, the establishment of the rule of law, transparency, rotation of power, and respect for human rights will likely better ensure stability than the baton of the security apparatus.

Third, the United States must use its aid to help support the standard of living for Egyptians. This means renewed investment in Egypt's infrastructure, poverty alleviation programs, disease prevention, and educational technology. In addition, Washington should continue its three-decade-long effort to promote Egypt's economic growth and integration into the global economy.

Fourth, policymakers must be aware that the scenarios outlined above are qualitatively different. Military intervention in Egypt poses some short-term risks to the United States. In contrast, a successful Islamist push for power in Egypt would result in a fundamental shift in the regional order that would pose a far greater threat—in magnitude and degree—to U.S. interests than the Iranian revolution. For some time, the prevailing view among analysts and government officials has been that Egypt is stable, yet this stability should hardly be taken for granted. There are a variety of scenarios emerging from Egypt's present political, economic, and social environment that could result in acute instability or even decomposition of the regime. Moreover, it is important to note that far fewer observers are confident that Egypt will remain stable over a longer time horizon. Climate change, demographic shifts, global energy needs, and changes in the international system over a five-to-ten-year time frame pose novel and extraordinarily complex challenges that the Egyptian government is decidedly ill-equipped to manage.

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