

Egypt: The Continued Transition

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Egypt is still undergoing a prolonged complex transition that affects the trajectory of political reform in the country. Even though the road map that was announced on 3 July, 2013 has been implemented, with the exception of holding municipal elections, the political practices in the country are still moving slowly towards a democratic pattern. Evan Hill called this pattern in his piece published in the *New York Times*, a “managed democracy,” where the executive authority is strong enough to keep political life under control.¹

It could be argued that throughout the period covered by this report, Egypt has given priority to economic reform and countering terrorism rather than pursuing political reform. This is due to the economic and security challenges created by the prolonged transition the country is still going through. By the end of 2015, tourism had declined by 15%,² foreign currency reserves had dropped to some \$15.6 billion as of July 2016,³ and the GDP growth rate was below the target of 5%. Also, the US Global Terrorism report of 2015 indicated that during 2015 “Egypt faced an increase in terrorist activity, threats,

and security challenges.”⁴ This situation has shaped the public opinion in Egypt. The Human Development Report of 2016 shows that Egyptians, like citizens from other Arab nations, are concerned with two main issues, the economy and security.⁵

In this context, this article examines the main political, economic and security developments in Egypt during 2016 and the first half of 2017.

Less Politics in the Street

The political sphere in Egypt during the period covered in this report, is no longer dynamic, as it was during the 2011 and 2013 revolutions. Two main features can be underlined. First is the depoliticized youth. The government has broadened the scale of the empowered youth to stretch beyond the well-known names that played important roles in both the 2011 and 2013 revolutions.⁶ It has launched two initiatives in this regard. The first is the Presidential Leadership Programme (PLP), that trains youth between 20-30 years old for 8 months on a wide range of skills and socializes them politically. One batch of 500 young Egyptians have so far graduated. The second initiative is the National Youth Conferences, the first round of which was held in October 2016. This forum gathered around 3,000 young Egyptians along with President Ab-

¹ HILL, Evan. “How Egyptian ‘Democracy’ Really Works.” *The New York Times*, 21 December, 2016.

² “Egypt tourism receipts down 15% in 2015 on back of security, currency woes.” *Al-Ahram Online*, 19 January, 2016: <http://english.ahram.org.eg/NewsContent/3/12/181415/Business/Economy/Egypt-tourism-receipts-down-in-on-back-of-securi.aspx>

³ BERMAN, Ilan. “Egypt’s Economy Is in Big Trouble.” *The National Interest*. 28 September, 2016: <http://nationalinterest.org/feature/egypts-economy-big-trouble-17863>

⁴ BUREAU OF COUNTERTERRORISM AND COUNTERING VIOLENT EXTREMISM. *Country Reports on Terrorism. Report of 2015*, April 2016. www.state.gov/j/ct/rls/crt/2015/257517.htm

⁵ UNITED NATIONS DEVELOPMENT PROGRAM (UNDP). *The Arab Human Development Report* (in arabic). Report of 2016. UNDP. 2017, p.32. www.arab-hdr.org/reports/2016/arabic/ahdr2016ar.pdf?download

⁶ Chief among these groups were the 6th of April group and Tamarod group.

delfattah Al-Sisi, and his ministers, and provided two days of sessions to discuss issues of youth representation in the Parliament, the reform of the educational system, economic reform, freedom of expression and social media.⁷ One of the main outcomes of this conference was the formation of a committee to pardon young people imprisoned without conviction.⁸ Accordingly, the President pardoned 82 people on 18 November 2016⁹ and decided to pardon a further 203.¹⁰ Similar conferences were organized in Aswan in January 2017¹¹ and in Ismailia in April 2017.

Egypt is still undergoing a prolonged complex transition that affects the trajectory of political reform in the country

The second feature is a political sphere in the country that does not welcome any genuine political opposition. This is most obvious in the media and in the Parliament. In the media, the suspension of Amr El-Leithy's television show in October 2016, after broadcasting a video in which a tuk-tuk driver harshly criticizes living conditions in Egypt, is an indicative example.¹²

Regarding the Parliament, since its election in 2015, it has become the only platform through which politics is practiced in the country. During the period October 2016 - June 2017, the Parliament has raised 1,024 questions, and 498 requests for briefing.¹³ However, according to experts, during this period, the Parliament did not practice its authority of supervising and monitoring the government effectively, and instead acted as a rubber stamp. For instance, it passed the civil society law drafted by the government without responding to the concerns of civil society organizations. According to many experts this law strengthens the government's control over NGOs.¹⁴ Also, there is no opposition group inside the Parliament that adopts a genuine opposition discourse or an alternative to the policies of the government. The role of the "25/30 bloc"¹⁵ as an opposition bloc is confined to criticizing the economic policies of the government,¹⁶ and never proposes a bill or prevents the passing of any bill drafted by the government.¹⁷ However, many sectors in the society are still politically active and protest government policies even though the protest law has been in effect since 2013. For instance, the April 2016 protests against the agreement with Saudi Arabia over the islands of Tiran and Sanafir was organized in violation of the protest law and is considered the largest demonstration since the election of Al-Sisi.¹⁸ Other small protests were organized in Alexandria and other

⁷ FATHY, Magdy. "The First National Youth Conference" (in Arabic). State Information Service web portal. Retrieved 13 June, 2017: <http://sis.gov.eg/section/0/9764?lang=ar>

⁸ "Egypt's Sisi pledges reviews of protest law, detentions." *Reuters*. 27 October, 2016. www.reuters.com/article/us-egypt-sisi-politics-idUSKCN12R2MX

⁹ "Egypt's committee to pardon youth prisoners submits new names for presidential review," *Al-Ahram Online*, 19 January, 2017: <http://english.ahram.org.eg/NewsContentP/1/256400/Egypt/Egyptys-committee-to-pardon-youth-prisoners-submits.aspx>

¹⁰ "The Pardon of 203 prisoner" (in Arabic). *Youm 7 Web Portal*, 13 March, 2017: www.youm7.com/story/2017/3/13

¹¹ "The Second National Youth Conference in Aswan (27-28 January, 2017)" (In Arabic). State Information Service web portal. 28 January, 2017: www.sis.gov.eg/section/9899/9963?lang=ar

¹² EZZIDIN, Toqa and TAHA, Sakr. "Renowned TV presenter Ibrahim Eissa suspends his talk show due to ambiguous 'pressures'." *Daily News Egypt*, 1 January, 2017.

¹³ "The Performance of the Parliament during the Second Legislative Session" (in Arabic), *The Egyptian Parliament Web portal*, 6 July, 2017: http://www.parliament.gov.eg/home/Parliament_Reports_main.aspx?flag=3

¹⁴ "Egypt: Draft Law Bans Independent Civil Society Groups." *Human Rights Watch web portal*, 28 November, 2016: www.hrw.org/news/2016/11/28/egypt-draft-law-bans-independent-civil-society-groups

¹⁵ This is formed by 30 members of the Parliament. See: SALAMA, Hassan. "The Performance of the Bloc and Political Parties in the Parliament" (in Arabic), *Parliamentarian Issues*, Issue 53, October 2016, pp.46-48.

¹⁶ ESSAM EL-DIN, Gamal. "Parliament divided on economic reforms." *Al-Ahram weekly*, Issue 1319, (10-16 November 2016).

¹⁷ RAMZY, Sameer. "Party Coalitions in the Parliament" (in Arabic). *Al-Badeel Center for Planning and Strategic Studies website*, 3 October, 2016 <http://pss.elbadil.com/2016/10/03/>; SAAD, Ragab. "All the President's MPs: The Egyptian Parliament's Role in Burying Human Rights and Silencing Dissent." *Stratfor Web Portal*, 29 June, 2017. <https://worldview.stratfor.com/article/all-president-smps-egyptian-parliament-s-role-burying-human-rights-and-silencing-dissent>

¹⁸ "Final court ruling declares Egyptian sovereignty over Tiran and Sanafir islands." *Mada Masr*, 16 Jan, 2017, www.madamasr.com/en/2017/01/16/news/u/final-court-ruling-declares-egyptian-sovereignty-over-tiran-and-sanafir-islands/

governorates on June 15, 2017 following the ratification of the agreement by the Parliament.¹⁹

Also, according to the Egyptian Centre for Social and Economic Rights, the total number of labour and worker protests during 2016 reached 1,736,²⁰ while there were 933 in 2015, and 1,655 during 2014.²¹ The dominant feature of these protests is that they are short, focused on a single cause and in many cases spontaneous.

Recovering the Economy Is the Priority

By the end of 2015, the need for receiving a loan from the International Monetary Fund (IMF) was necessary to spur the economy. This required having a government capable of adopting the economic reforms needed to meet the conditions of the IMF, which led to two government reshuffles during this period, one in March 2016,²² and the second in February 2017.²³ Since then, a number of economic reforms have been adopted. These reforms include the devaluation of the national currency by 50%, the cutting of fuel subsidies and the implementation of value added tax (VAT). The government is also adopting gradual subsidy reform policies in order to dedicate subsidies to the disadvantaged in society.²⁴

It has also launched a number of mega economic projects in order to resuscitate the economy. These projects include expanding the Suez Canal, the 1.5 million Feddan land reclamation project,²⁵ establishing new cities (East Port Said, New Ismailia, New Alamain, a new administrative capital, and the integrated city on the Galala Plateau), the Golden Trian-

gle Project that creates an economic zone through connecting the industrial centers of Qena, Safaga and al-Quseir, and the national project for developing 4,800 km of roads. It also adopted a developmental project in Sinai aimed at establishing fish farms, 15 marble factories, two lines for cement production, industrial zones, agricultural areas (not less than 200,000 feddans), and two sewage water treatment plants at the Sarabium and El-Salam canals.²⁶

According to many economic experts, such projects will only yield positive impacts in the medium and long terms. For instance, the Suez Canal project is expected to create 1 million new jobs, expanding industrial production and increasing revenue by 2023.²⁷

Also, the reforms adopted by the government in order to meet the IMF's conditions are having a negative effect on the middle class and has not yet led to any positive change in the economic indicators. For instance, the GDP growth rate during the first half of 2017 decreased to 3.4%. According to the World Bank, the "growth was constrained by severe shortages in hard currency, an overvalued exchange rate and sluggish growth in Europe, Egypt's main trading partner."²⁸

Terrorism Is the Main Challenge

Terrorism continues as a threat to national security in Egypt. However, the capabilities of the security forces to prevent terrorist attacks are developing on a slow scale, which explains why the terrorists are still capable of carrying out attacks not only in Northern Sinai but on the mainland as well.

¹⁹ "Security Suppress Tiran and Sanafir Protests" (in Arabic). *Al-Masry al-Youm Newspaper*. 17 June, 2017; "Protests in Alexandria against Tiran and Sanafir Agreement"(in Arabic). *Al-Masry al-Youm Newspaper*. 15 June, 2017.

²⁰ "Press Release: 1736 protests in Egypt in 2016" (in Arabic). *Egyptian Center for Social and Economic Rights Web Portal*, Dec 25, 2016. <http://ecesr.org/2016/12/25/>

²¹ HAMZAWY, Amr. "Workers Protests 2013-2016" (in Arabic). *Al-Shorouk newspaper*, 4 November, 2016. www.shorouknews.com/columns/view.aspx?cdate=04112016&id=cb9f37f4-53cf-4aef-a4ac-2ea1f257325f

²² "The Governmental Reshuffle" (in Arabic), *Al-Wafd News Portal*, 23 March, 2016: <https://alwafd.org/>

²³ "The Governmental Reshuffle" (in Arabic). *Youm7 Web Portal*, 14 February, 2017. www.youm7.com/story/2017/2/14

²⁴ It was adopted in 2012, but not implemented until the election of Al-Sisi. See: "Egypt's Impending Subsidy Crisis." *Egypt Oil and Gas web portal*, July 2012: www.egyptoil-gas.com/publications/egypts-impending-subsidy-crisis/

²⁵ "Sisi inaugurates 1st phase of 1.5 million feddan reclamation project." *Mada Masr*, 31 December, 2015. www.madamasr.com/en/2015/12/31/news/u/sisi-inaugurates-1st-phase-of-1-5-million-feddan-reclamation-project/

²⁶ "The Mega National Projects...A Locomotive of Development." *State Information Service Web Portal*. Retrieved 9 July, 2017. www.sis.gov.eg/section/337/4683?lang=en-us

²⁷ HARDING, Henry, "Analysis: Egypt's economy five years after the revolution." In *Middle East Eye*, 23 January 2016: www.middleeasteye.net/news/analysis-egypts-economy-5-years-after-revolution-1084797209

²⁸ "Egypt's Economic Outlook- April 2017." In the World Bank web portal: www.worldbank.org/en/country/egypt/publication/economic-outlook-april-2017

The main terrorist organization active in Northern Sinai is the *Ansar Bit al-Maqdis*. This group announced its loyalty to ISIS in November 2014 and since then has been labelled *Wilayat Sinai*. On the mainland, there are many terrorist cells and groups, the best known examples being the Armed Hilwan Brigade *Kata'eb Hilwan al-Mosalaha*, *Ajnad Misr*, the Revolutionary Punishment, the Popular Resistance, *Hasm*, and the Revolutionary Brigade.

The resilience of the groups and their ability to survive in the face of Egypt's counter-terrorism measures varies. The life cycle of some cells is defined by carrying out or planning one attack, and then having its members arrested. The Armed Hilwan Brigade is an example. On 15 August 2014 a video announcing the existence of this group was leaked to the media. It showed 15 masked gunmen, one of whom warned police forces active in southern Cairo that they were a target for the group's violence. The investigations led to the arrest of 215 men suspected of being members of this brigade.

Other cells are more resilient. The Revolutionary Punishment, established on 25 January 2015 is an example. In its official founding statement it designated the "Egyptian police, army and dictatorial regime," as well as infrastructure as the main targets for its violent activities. In June 2015, it announced that it is active in 16 governorates, and that it managed to carry out 248 operations in six months.²⁹

What is important in this regard is the total number of terrorist attacks these cells are carrying out in Northern Sinai and on the mainland and the type of targets it is attacking. In general, the total number of attacks is decreasing. During the period January 2015 - December 2015, 642 attacks were counted by the Cairo Index developed by the Regional Cen-

tre for Strategic Studies in Cairo. On average there were around 13 attacks per week during this period.³⁰ During 2016, the total number of terrorist attacks stood at 199. On average there were four attacks per week.³¹

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However, regardless of the number of the attacks, the significance of the targets being attacked is a key indicator that the terrorists still have the capability and resources. These targets range from civilians, infrastructure, police and army officers, to foreign embassies. For instance, *Wilayat Sinai* claimed responsibility for the attacks on the *El-Botroseya* church in December 2016,³² and for the attack on the Alexandria and Tanta Churches in April 2017.³³ They also claimed responsibility for the assassination of Adel Ragai, commander of the Egyptian army's Ninth Armoured Division, in front of his house in October 2016, which was the first of its kind since the assassination of Hesham Barakat in 2015.³⁴ *Wilayat Sinai* is still capable of carrying out attacks that kill large numbers of army personnel. On 7 July, 2017 an attack on a checkpoint in Rafah left 26 army personnel dead or injured.³⁵ This was considered the first attack of its kind in 2017 and since the *Karm Al-Qawadees* attack in Oct 2016, which claimed the lives of 31 army personnel.³⁶

²⁹ RAGAB, Eman. "Counter-Terrorism Policies in Egypt: Effectiveness and Challenges." *Euromesco Series*, 30 Papers IEMed, October 2016.pp.10-15. www.iemed.org/publicacions-es/historic-de-publicacions/papersiemed-euromesco/30.-counter-terrorism-policies-in-egypt-effectiveness-and-challenges

³⁰ Ibid., p.15.

³¹ ELBEHARIY, Ahmed. "Counting Terrorist Attacks in Egypt during 2016" (in Arabic), *Al-Ahram center for Political and strategic Studies*, 4 January, 2017: <http://acpss.ahram.org.eg/News/5619.aspx>

³² HASSAN, Ahmed Mohammed and Ali ABDELATY. "Cairo church bombing kills 25, raises fears among Christians." *Rueters*, 11 Dec, 2016: www.reuters.com/article/us-egypt-blast-idUSKBN1400AU

³³ MICHAELSON, Ruth. "Egypt: Isis claims responsibility for Coptic church bombings." *The Guardian*. 9 April, 2017.

³⁴ AL-ANANI, Khalil. "The era of assassinations in Egypt." *Middle East Monitor*. 31 October, 2016 www.middleeastmonitor.com/20161031-the-era-of-assassinations-in-egypt/

³⁵ BULMAN, May. "Sinai suicide bomb: At least ten Egyptian soldiers killed in attack." *The Independent*, 7 July, 2017 www.independent.co.uk/news/world/africa/sinai-suicide-bomb-attack-10-egyptian-soldiers-killed-army-checkpoint-terror-islam-a7828391.html

³⁶ The video of the *Karm Al-Qawadees* attack in Oct 2016 is available on YouTube: www.youtube.com/watch?v=SNfrY5EPj0E