



Egypt in Crisis: Issues for Congress

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Summary

This report provides a brief overview of the key issues for Congress related to Egypt. U.S. policy makers are now grappling with complex questions about the future of U.S.-Egypt relations, particularly in light of the growing unrest and violence currently unfolding. These debates are shaping consideration of appropriations and authorization legislation and congressional oversight options in the 113th Congress.

To date, the Obama Administration has “strongly condemned” the ongoing violence in Egypt, has focused on urging all parties to resolve the conflict peacefully, and has denounced the imposition of martial law. President Obama also has canceled a joint U.S.-Egyptian military exercise planned for September referred to as Bright Star, a multinational training exercise co-hosted by the United States and Egypt annually since 1981. On August 18, the Administration announced that it had put a hold on future financing for programs funded by annual \$250 million in Economic Support Funds (ESF). On July 24, the Administration notified Egypt that it had halted the delivery of four F-16 fighter aircraft to Egypt acquired by Egypt under a 2010 purchase contract for 20 F-16 C/D fighters. According to various media sources, the Administration also may be considering delaying shipments of Apache attack helicopters and repair kits for tanks.

For additional background on Egypt, please see CRS Report RL33003, *Egypt: Background and U.S. Relations*, by Jeremy M. Sharp.

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Latest Developments

Egyptian Military Operations in the Sinai Peninsula

Since the Egyptian military's ouster of former President Mohamed Morsi on July 3, and in particular since a violent police crackdown against Morsi's mostly Islamist supporters in mid-August, Islamist radical groups in the Sinai have waged an insurgency against the security services. Militants (radicalized Sinai Bedouin Arabs, smugglers, armed groups with links to the Gaza Strip, and some foreign fighters) from an array of loosely-organized, Al Qaeda-style groups¹ have attacked police and army checkpoints and facilities, employing terrorist and guerilla warfare tactics. In September 2013, radicals even targeted the Interior Minister in a bombing within Cairo proper, though he escaped unharmed.

The Egyptian military has responded, by launching a counter-offensive, particularly in northern Sinai, in order to root out militants who have taken refuge in villages and in the rugged Sinai terrain. The army has deployed Apache helicopters, tanks, and armored personnel carriers into de-militarized areas² with Israeli permission and in coordination with the Multinational Force of Observers (MFO) which monitors force deployments. In addition, Egyptian forces have displayed a greater commitment to destroying smuggling tunnels that traverse the Egyptian-Gaza border and establishing a buffer zone that would reduce smugglers' abilities to reestablish operations and evade official countermeasures. Reports from inside the Gaza Strip suggest that consumer prices have risen dramatically there due to the curtailment of smuggling. Moreover, Egypt also has reduced the number of Gazans permitted to cross into the Sinai, from nearly 1,500 a day to perhaps as few as 250 at present.

Domestic Politics: Crackdown and Constitution

On August 14, the military began a crackdown against supporters of former President Mohamed Morsi. According to Amnesty International, the death toll in the month of August may have reached 1,100 Egyptians killed nationwide (including police).³ The interim, army-backed government that has ruled Egypt since the July 3 ouster of Morsi has continued to arrest leaders and members of the Muslim Brotherhood. Some accounts suggest that hundreds and perhaps as many as 2,000 Brotherhood members have been detained since August. Authorities have announced that Morsi may be tried for inciting the murder of protesters outside the presidential palace in December 2012. Any such trial might occur alongside trials of other senior Brotherhood officials such as Mohammed al Beltagi and Essam El Erian. The Brotherhood's supreme guide, Mohamed Badie, also has been arrested and charged with "inciting murder." Since the military began its crackdown against the Brotherhood on August 14, a state of emergency has been in effect.

¹ There is no known precise number of Islamist fighters operating in the Sinai, and estimates vary widely from 500 to perhaps as many as 5,000. Press reports describing Sinai-based militant groups name the following organizations: Al-Tawhid Wal Jihad, Mujahedeen Shura Council, Ansar Bayt al Maqdis, Ansar al Jihad, and the Egypt Free Army.

² The areas are de-militarized pursuant to Egypt's 1979 peace treaty with Israel.

³ "Egyptian Officials Mum on Casualties," *Washington Post*, August 31, 2013.

In conjunction with the continued crackdown against the Brotherhood, the army-backed government has continued to press ahead with a transition process that is to begin with the amending of the 2012 constitution that had been approved during Morsi's administration. Currently, a 50-person committee, led by former presidential candidate and foreign minister Amr Moussa, is drafting amendments. A draft has already been reviewed by a committee of 12 experts, who recommended that provisions subjecting legislation to religious oversight (Article 4) be deleted. Other recommendations from the committee include eliminating Article 44, which prohibits slander of all "prophets and religious messengers." They also include removing Article 232, which prohibits leaders from the former ruling National Democratic Party from participating in politics for 10 years.⁴

Egypt: A Foreign Policy Dilemma

In Egypt, where the military ousted the increasingly unpopular but democratically elected Islamist president Mohamed Morsi on July 3, ongoing developments continue to impose competing and sometimes contradictory demands on U.S. policymakers. Historically, a central U.S. foreign policy challenge with regard to Egypt (as with other countries such as Pakistan, China, and Russia) has been balancing the sometimes-contradictory goals of enhancing U.S. national and global security and promoting democracy. Many observers debate the relationship between U.S. efforts with Egypt to seek regional stability on one hand, and to promote principles of pluralistic democracy on the other. In Egypt, the birthplace of many founding members of the original core of Al Qaeda, observers debate the degree to which national security interests and democracy promotion are mutually exclusive.

Egyptian political discourse has always had strong nationalist and anti-colonialist elements to it, and condemning alleged "American interference in Egyptian affairs" is a common refrain expressed by various actors. In the past two and half years especially, Egyptian political competitors have sought to discredit one another through accusations of having close ties to the United States government. For decades, the United States was accused of suppressing the forces of political Islam by supporting regional dictators like former President Hosni Mubarak. During the rule of the Islamist-led government in Egypt, the United States faced accusations of favoring the Islamists over secular elements of the Egyptian society. Now, Islamists and their sympathizers have renewed former charges in the wake of what they decry as U.S. acquiescence to military-backed regime change, while non-Islamists still accuse the United States of favoring the Muslim Brotherhood. In this environment, President Obama has repeatedly insisted that the United States stands for democratic principles only and does not take sides in Egyptian political disputes.

However, in the current climate of escalating political violence, a faltering economy, deteriorating governance, and growing militancy on Egypt's border with Israel, many observers see that type of neutrality as insufficient. U.S. officials have grown more concerned with basic state stability, as some observers argue that Egypt is "too big to fail." The Egyptian military has exploited these concerns, justifying apparently autocratic actions as being necessary to preserve domestic stability and regional peace.

In the aftermath of Morsi's ouster, determining how to advance potentially competing or complementary U.S. interests in Egyptian stability and democracy may be complicated by a

⁴ The Tahrir Institute for Middle East Policy, Updates on Egypt's Constitutional Process, September 5, 2013.

number of considerations. These include the longstanding legacy of U.S.-Egyptian military cooperation and the August 2013 resumption of direct, U.S.-brokered Israeli-Palestinian peace negotiations. Balancing U.S. priorities in an atmosphere fraught with political violence is a vexing challenge facing U.S. diplomats and lawmakers, and good options are increasingly elusive.

The Military's Crackdown on Islamists

Overview

On August 14, Egypt's military and national police launched a violent crackdown against the Muslim Brotherhood, whose supporters (who formed the "Anti-Coup Alliance") have been continually demonstrating since the military's July 3 ouster of former president Mohamed Morsi. In the six-week period between the military's alleged "coup" and the crackdown, Egypt's military-backed interim leaders moved to assert their political authority, while supporters of deposed President Mohammed Morsi staged mass demonstrations around the country in defiance of military orders to desist. Prior to the violent tactics employed by the military on August 14 to clear protest hubs, security forces used lethal force on two earlier occasions, July 8 (53 protestors killed) and July 27 (81 protestors killed).

As debate and discord deepened, two pro-Morsi sit-in protests in greater Cairo (at Rabia al Adawiya Square and at Nahda Square near Cairo University in Giza) became the focal points for tense political and security negotiations between the military and the Brotherhood. U.S., European, and Arab government intermediaries had sought to reach a compromise between the sides in order to avoid further bloodshed, ultimately without success. Defense Minister General Abdul Fatah al Sisi and the officers around him may have calculated that they could withstand the international condemnation that would follow from the use of lethal violence against the Brotherhood. The military may also have calculated, perhaps erroneously, that it could succeed in suppressing the Brotherhood by force rather than accepting its presence as a legitimate Egyptian political movement. Egypt's military repeatedly warned that it would forcibly clear the two massive protestor encampments. It also had subsequently warned that the Brotherhood may be legally banned from the Egyptian political system.

The crackdown began against the Brotherhood on August 14, with the military and police using lethal force, killing at least 578 people. There also have been reports of armed vigilante groups attacking Brotherhood supporters. Since the crackdown started, the military has denounced Morsi supporters as "terrorists," and the interim government has re-imposed martial law (known as the Emergency Law), giving authorities broad legal authority to detain citizens and try them before military courts. The military also has imposed a national curfew. The Muslim Brotherhood, with many of its leaders now imprisoned, has vowed to continue its campaign of civil disobedience, though some of its supporters have reportedly armed themselves, rioted, and even used violence against Egyptian authorities, killing several. Additionally, some Brotherhood members have reportedly burned government buildings and Coptic Churches. Several prominent Brotherhood leaders may be put on trial for murder, and several others have lost children in clashes with police.

Since August 14, the official death toll reportedly stands at over 1,000 killed (including some police).

U.S. Response

The Obama Administration has “strongly condemned” the ongoing violence in Egypt, has focused on urging all parties to resolve the conflict peacefully, and has denounced the re-imposition of Egypt’s Emergency Law. On August 15, President Obama said:

Given the depths of our partnership with Egypt, our national security interest in this pivotal part of the world and our belief that engagement can support a transition back to a democratically elected civilian government, we've sustained our commitment to Egypt and its people. But while we want to sustain our relationship with Egypt, our traditional cooperation cannot continue as usual when civilians are being killed in the streets and rights are being rolled back. As a result, this morning we notified the Egyptian government that we are canceling our biannual joint military exercise, which was scheduled for next month. Going forward, I've asked my national security team to assess the implications of the actions taken by the interim government and further steps that we may take as necessary with respect to the U.S.- Egyptian relationship.⁵

In his remarks, President Obama’s canceled a joint U.S.-Egyptian military exercise planned for September referred to as Bright Star, a multinational training exercise co-hosted by the United States and Egypt annually since 1981. Bright Star is designed to foster the interoperability of U.S. and Egyptian forces and provides specialized training opportunities for U.S. Central Command Forces (CENTCOM) in the Middle East. It is one of the largest multinational military exercises in the region and has been a symbol of pride for the Egyptian military. In the decade before the President’s announcement, Bright Star had been cancelled twice (2003 and 2011). On August 18, the Administration announced that it had put a hold on future financing for programs funded by annual \$250 million in Economic Support Funds (ESF). Reportedly, according to one unnamed Administration source, “We have stopped spending money in areas that would be prevented if it were determined to be a coup.... We’ll put a pause on those programs, because we don’t want to flout the law.”⁶

According to one report, \$650 million in FY2013 Foreign Military Financing (FMF) has so far been disbursed to Egypt, while none of the \$241 million in FY2013 Economic Support Fund (ESF) money has been disbursed.⁷ According to the U.S. State Department, another \$584.2 million in FY2013 FMF is unobligated.⁸ On July 24, the Administration notified Egypt that it had halted the delivery of four F-16 fighter aircraft to Egypt acquired by Egypt under a 2010 purchase contract for 20 F-16 C/D fighters.⁹ As of July, eight of the fighters had already been delivered.

⁵The White House, Office of the Press Secretary, Remarks by the President on the Situation in Egypt, August 15, 2013. Available online at <http://www.whitehouse.gov/the-press-office/2013/08/15/remarks-president-situation-egypt>,

⁶ “Leaving Military Aid Intact, U.S. Takes Steps to Halt Economic Help to Egypt,” *New York Times*, August 18, 2013. See below for a discussion of the legal implications of a determination that the takeover was a coup.

⁷ “U.S. Can Avoid Cutting Aid to Egypt in Several Ways,” *Reuters*, July 15, 2013.

⁸ Due to budget sequestration, Egypt is to receive \$1.234 billion in FY2013 FMF instead of \$1.3 billion.

⁹ The sale of 20 F-16s to Egypt was notified to Congress in 2009 and was contracted in 2010 to Lockheed Martin for \$2.5 billion. To date, of the 20 fighters total to be delivered to Egypt, eight were delivered in January 2013, another four had been expected to reach Egypt in August, and the remaining eight were to be sent in December 2013. When the sale of these F-16 C/D fighters to Egypt was notified to Congress in 2009, Congress did not object to the sale after the notification, which was before the fall of the Mubarak government. See, http://www.dsca.mil/PressReleases/36-b/2009/Egypt_%2009-34.pdf. Since 1980, under the Peace Vector Foreign Military Sales Program, Egypt has acquired over 220 F-16s. It is the fourth largest operator of the F-16 after the United States, Israel, and Turkey.

According to various media sources, the Administration also may be considering delaying shipments of Apache attack helicopters and repair kits for tanks.

U.S. Prohibitions on Assistance to a Country Whose Elected Head of Government is Deposed by Decree or Military Coup

P.L. 112-74, division I [at 125 Stat. 1195]¹⁰ prohibits foreign assistance to a country whose elected head of government is deposed by military coup d'etat or decree. The precise wording is found in Section 7008 of P.L. 112-74, the Consolidated Appropriations Act, 2012,¹¹ which states:

None of the funds appropriated or otherwise made available pursuant to titles III through VI of this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by military coup d'etat or decree or, after the date of enactment of this Act, a coup d'etat or decree in which the military plays a decisive role: *Provided*, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: *Provided further*, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: *Provided further*, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

Neither this nor any other provision of U.S. law further defines the phrase “coup d’etat or decree in which the military plays a decisive role.” Thus, how and in what manner the executive branch might determine whether such a triggering event has occurred is being publicly debated. Moreover, the law does not include a timetable for its application.¹² In addition, the law may not apply to all foreign funding streams. Some aid, such as the INCLE (International Narcotics Control and Law Enforcement) account and the NADR (Nonproliferation, Antiterrorism, Demining, and Related Programs) account, is made available “notwithstanding any other provision of law.” Egypt receives small sums from these accounts, usually totaling around \$5 million per fiscal year (\$1 million from INCLE and \$4 million from NADR). Other categories of aid that are, appear to be, or could be exempt from the Section 7008 restriction include: elections-related or humanitarian aid, child survival, public health, emergency food aid, and Peace Corps. Also, the Section 7008 restriction applies only to programs funded by the annual foreign operations appropriations act; it does not apply to funding administered by U.S. agencies and departments that are funded by other appropriations measures.

¹⁰ This provision in the FY2012 Consolidated Appropriations Act applies to FY2013 funds because Section 1105 of P.L. 113-6, the Continuing Appropriations Resolution, FY2013 states that “Except as otherwise expressly provided in this division, the requirements, authorities, conditions, limitations, and other provisions of the appropriations Acts referred to in section 1101 [The Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012 (division I of P.L. 112-74)] shall continue in effect through the date specified in section 1106” [Section 1106. Unless otherwise provided for in this division or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this division shall be available through September 30, 2013.].

¹¹ Some media sources have erroneously reported that this provision of law is found in the Foreign Assistance Act of 1961, as amended. In fact, since FY1986, the “Coup” limitation has been found in annual appropriations law.

¹² For background on how this provision of law has been applied in other cases, please see CRS Report R42664, *Crisis in Mali*, by Alexis Arief.

Debating U.S. Options to Influence Egypt's Military

Many observers have condemned the military's violent tactics and are calling on the Administration and Congress to take additional punitive measures against the interim Egyptian government, while others have cautioned against taking steps that could jeopardize U.S. interests in security and stability. The Administration has responded cautiously to calls for more decisive action. Many reports indicate that U.S. officials and some lawmakers are hesitant to disrupt U.S.-Egyptian military relations that, if severed, could have negative repercussions for U.S. military access to Egypt (such as Suez Canal transit and U.S. over flight rights) and the preservation of Egyptian-Israeli peace. According to retired General James N. Mattis, the former head of CENTCOM, "We need them for the Suez Canal, we need them for the peace treaty with Israel, we need them for the over flights, and we need them for the continued fight against violent extremists who are as much of a threat to Egypt's transition to democracy as they are to American interests."¹³ On the other hand, according to Professor Marc Lynch, an expert on Egypt at George Washington University:

The question of aid to the Egyptian military has become this totem that everyone is always talking about. The aid itself is not necessarily that significant in material terms. A lot of the actual money ends up going back to U.S. companies.... So it's really symbolic more than anything. But it's a powerful symbol. And you can see that the administration is still waffling. I'm not a believer in the idea that we absolutely have to take clear stands all the time, but this is one of those times when we have to. It's not even just the 500 dead. The Egyptian military did what we explicitly told them not to do. How can we still pretend that this aid is giving us influence?¹⁴

At the heart of this debate lies the question of U.S. leverage. Those who seek to sanction the Egyptian government believe that the United States has reacted too timidly and that a cutoff of assistance, even temporarily, would trigger additional international economic pressure that would change the military's calculus. Others argue that it would not, asserting that Arab Gulf states opposed to the Muslim Brotherhood have already provided Egypt at least \$12 billion in short term funding and would likely compensate for any funds Egypt loses from the United States or other international funders. Some observers even assert that a rift between the United States and the Egyptian military could open the door for Russia to re-exert influence there. According to one Arab diplomat, "If the aid gets cut, you can be sure that Putin will arrive in Cairo in two or three months... And he will give aid with no strings attached."

On the other hand, as the death toll mounts without a stern U.S. response, many analysts argue that there is a growing impression in the Middle East and beyond that the United States government is ignoring serious human rights violations in Egypt. The sense that the United States either lacks leverage or is unwilling to use its influence to prevent basic human rights abuses by an ally could weaken the overall U.S. role, such critics argue. Reportedly, according to one U.S. military officer, "The million-dollar question now ... is where is the threshold of violence for cutting ties?"¹⁵

¹³ "Ties With Egypt Army Constrain Washington," *New York Times*, August 16, 2013.

¹⁴ "Why the U.S. should cut off aid to Egypt: An interview with Marc Lynch," *Washington Post*, August 15, 2013.

¹⁵ "How American Hopes for a Deal in Egypt Were Undercut," *New York Times*, August 17, 2013.

Recent Congressional Action

Prior to the recent government crackdown, lawmakers considered legislation to restrict further assistance to, or activities in, Egypt. These include the following:

- During consideration of the FY2014 Department of Defense Appropriations Act (H.R. 2397) on July 24, the House of Representatives adopted an amendment by voice vote offered by Representative Thomas Massie restricting funds for military operations in Egypt. Representative Massie stated the intention of his amendment was “not designed to affect the current military-to-military relationship with Egypt.” In debate on the House floor, several Members stated their intention to alter the text of the amendment in future conference proceedings on the bill to prevent disruption of military exercises and other foreign assistance-related U.S. military operations in Egypt.
- On July 31, the Senate voted 86-13 to reject an amendment offered by Senator Rand Paul (S.Amdt. 1739 to S. 1243) that sought to redirect U.S. foreign assistance to Egypt and halt the provision of defense articles and services to Egypt pending a presidential certification of democratic national elections.
- Section 7041(a) of S. 1372, the Senate version of the FY2014 Foreign Operations Appropriations bill, would make U.S. assistance to Egypt available in 25% increments based on a series of required democracy-related certifications from the Secretary of State and would require the President to submit “a comprehensive and strategic review of military and economic assistance for Egypt” concurrent with the FY2015 budget request.
- Section 7042 (b) of H.R. 2855, the House version of the FY2014 Foreign Operations Appropriations bill, would require the Secretary of State to certify, prior to the obligation of assistance to Egypt’s central government and based on certain benchmarks, that the government is “demonstrating a commitment to a pluralistic and inclusive democracy” and is taking action to eliminate Sinai-Gaza smuggling networks and to combat terrorism.

Members of both the House and the Senate continue to voice a wide range of opinions on developments in Egypt and preferred courses of action for the United States.

Continuing U.S. Foreign Aid to Egypt: Options for Congress

Since July 3, some lawmakers have called for aid to be suspended as per Section 7008, while others have called for its continuation or for greater deliberation on the question.¹⁶ Many Members voice appreciation for the role long played by the Egyptian military in cooperating with U.S. defense counterparts and maintaining regional peace and open channels of communication with Israel. Other Members, while also acknowledging the military’s importance to U.S. regional interests, may not support its July 3 action or subsequent crackdown, asserting that the democratic process would have eventually produced results reflecting popular discontent with the Brotherhood and President Morsi. Other Members, regardless of their views of Morsi’s tenure,

¹⁶ “McCain Calls for Suspension of Aid to Egypt, Other Senators Disagree,” *Washington Post*, July 7, 2013.

may simply wish to see the Administration follow what they argue the letter of the law requires—implementation of Section 7008.

Lawmakers have several options when it comes to continuing, suspending, or rescinding U.S. foreign aid to Egypt. Lawmakers who wish to see an immediate suspension of aid could push to either pass stand-alone legislation mandating a suspension or place an informal hold on Congressionally notified funds.

Lawmakers who oppose a possible suspension of aid under Section 7008 could advocate providing the President waiver authority based on national security concerns or encouraging the Administration not to make a ruling on whether a coup has occurred. In the case of the latter, lawmakers could advocate for a wait-and-see approach until the new Egyptian government is able to hold parliamentary and presidential elections, at which point a suspension of aid may no longer be warranted. Advocates of a go-slow approach also argue that the threat of an aid suspension—more than the actual imposition of one—provides the United States government with some leverage in pressing the Egyptian military to stick to a timetable for returning to civilian rule. Finally, lawmakers also could write legislation specifically excluding Egypt from being subject to Section 7008.

On past occasions Congress has passed legislation to withhold or suspend aid to Egypt. On February 15, 2007, Congress passed H.J.Res. 20, the FY2007 Revised Continuing Appropriations Resolution (P.L. 110-5). Section 20405 of the Act rescinded \$200 million in previously appropriated economic assistance to Egypt. Additionally, Section 690 of P.L. 110-161, the Consolidated Appropriations Act, FY2008, withheld the obligation of \$100 million in FMF or ESF until the Secretary of State had certified, among other things, that Egypt has taken concrete steps to “detect and destroy the smuggling network and tunnels that lead from Egypt to Gaza.”

If U.S. aid to Egypt were cut or rescinded in some way, Congress could also restore such funding at a later time. In terms of suspending U.S. military aid to Egypt, many Members are concerned over what domestic repercussions such a suspension would have on U.S. defense companies (and American workers) currently benefiting from most of the arms sales contracts derived from FMF grants to Egypt. Moreover, should defense firms miss payments as a result of an aid suspension, the United States could be liable to private companies for damages, depending on how each individual defense contract is structured.

International Reaction

- **The European Union** has called for an immediate end to the violence, and has warned that it would “urgently review” its relations with Egypt. During a recent emergency EU session on Egypt, diplomats asserted that “While all should exert maximum restraint, we underline the particular responsibility of the interim authorities and of the army in bringing clashes to a halt.” To date, **Denmark** has announced that it was suspending development projects taking place in direct collaboration with the Egyptian government.¹⁷ **British Foreign Secretary** William Hague stated on August 19 that “What we’ve done in Britain so far is that we have suspended projects with the Egyptian security forces. We have revoked a number of export licenses, and I think then among the European

¹⁷ “EU holds Emergency Talks to plot course on Egypt,” *Agence France Presse*, August 18, 2013.

countries we should review together how we try to aid Egypt, what aid and assistance we give to Egypt in the future.”

- Many **Israeli leaders** had welcomed the military’s July 3 ouster of former president Morsi, but since the government crackdown began on August 14, Israeli officials have been largely silent on the issue. Prior to the crackdown, Israeli officials had reportedly argued to continue U.S. military aid to Egypt. In addition, many Israeli media reports had described instances of Egyptian efforts to secure the Sinai Peninsula, as militant activity had substantially increased there since the July 3 removal of Morsi. Moreover, Israel may have conducted a drone strike in early August in the Sinai Peninsula against a terrorist cell preparing rocket attacks against the Israeli city of Eilat. Egyptian officials denied that an Israeli strike took place while Israeli officials neither confirmed nor denied it.¹⁸
- **United Nations** Secretary-General Ban Ki-moon has stated that “preventing further loss of life should be the Egyptians’ highest priority at this dangerous moment.... With such sharp polarization in Egyptian society, both the authorities and the political leaders share the responsibility for ending the current violence.”

Background to the Current Crisis

Former president Mohamed Morsi won international acceptance after becoming Egypt’s first free and fairly-elected president (he won a June 2012 run-off election with 51.7% of the vote against an ally of former president Hosni Mubarak), and many Egyptians beyond the Islamist camp were willing to give him a chance. However, by the time of his ouster in July 2013 he had developed a reputation both at home and abroad for squandering his opportunity by failing to either deal effectively with the economy or to build bridges with other segments of the society. According to Gallup, 80% of Egyptians interviewed shortly before Morsi was removed from office said their country was worse off now than it was before President Hosni Mubarak resigned in 2011.¹⁹ By July 2013, economic growth had stalled, prices on food and fuel had increased, and fuel shortages had caused frustration for many citizens. Moreover, crime had dramatically increased due to police shortages. In his defense, many of Morsi’s supporters argued that elements of the former Mubarak regime sought to stymie his administration from the moment he took office.

The Morsi Administration continually clashed with opposition political parties and the judiciary, perhaps due to a suspicion that there was a conspiracy against his rule. These clashes led to the poisoned political atmosphere that may have ultimately convinced military leaders that Morsi had to be removed. Morsi’s unilateral declaration in November 2012 claiming his immunity to judicial oversight was a major turning point in sparking opposition to his rule, despite his later retraction of this claim. Additionally, many Coptic Christians also had grown concerned that Islamist rule would lead to heightened sectarian conflict, particularly after a mob attacked a funeral procession at the main Coptic Cathedral in Cairo in April 2013.

¹⁸ “Israelis, Egyptians Cooperate On Terror,” *Wall Street Journal*, August 14, 2013.

¹⁹ “Egyptians See Life Worse Now Than Before Mubarak’s Fall,” *Gallup*, August 16, 2013.

July 3: The Military Ousts Morsi

On July 3, 2013, following several days of mass demonstrations against Morsi's one-year rule, the Egyptian military unilaterally dissolved Morsi's government, suspended the constitution, and installed the Chief Justice of the Supreme Constitutional Court, Judge Adli Mansour, as interim president pending a new election. In the days preceding the July 3 takeover, hundreds of thousands of Egyptians had flooded the streets of Cairo and elsewhere demanding Morsi's resignation, and periodic clashes between the president's supporters and opponents had turned deadly. The military, led by Defense Minister General Abdul Fatah al Sisi, claims that it had repeatedly encouraged President Morsi to reconcile with his opponents, but to no avail. Sisi claims that the military does not seek to rule the country directly. He has empowered interim President and Chief Justice Mansour to issue constitutional declarations, establish a government of "technocrats," and form a commission to propose amendments to the constitution. The military have said that they will amend Egypt's now-suspended constitution rather than rewrite it entirely; this may be aimed at ensuring the support of Salafists like the Nour party, which played a role in drafting the document.

Egyptian Politics: The Rules of the Game

In Egypt, which has a population of 83 million people, politics are not monolithic, but for decades there have been two forces that have been dominant—the armed forces and the Muslim Brotherhood. Egypt's military has produced three presidents (Gamal Abdel Nasser, Anwar Sadat, and Hosni Mubarak) and is so thoroughly ingrained within various segments of society that it is widely considered a state within a state. It employs hundreds of thousands of young men; maintains businesses which afford the armed forces financial self-sufficiency; and commands the loyalties of millions of private citizens from the business community, from the Muslim and Christian religious establishments of Al Azhar and the Coptic Church, and from other Egyptians who consider it a source of national pride.

Generally rivaling the military has been the Muslim Brotherhood, an organization that historically embodies the pursuit of political Islam. For most of its 85-year history, the Brotherhood (an illegal organization from 1954 to 2011) has opposed (violently at first, then, beginning in the 1970s, non-violently) single party rule backed by the military and advocated for a state governed by a vaguely articulated combination of civil and Shariah (Islamic) law. It derives legitimacy from millions of lower and middle class Egyptians in urban and rural areas alike. From its disciplined internal workings to its external charitable activities, the Brotherhood has been able to maintain party cohesion and effectively mobilize outside supporters when necessary.

When popular demonstrations sparked by the "Arab Spring" compelled the military to force the resignation of former President Hosni Mubarak in February 2011, a third force arrived on the Egyptian political scene – the power of youth-driven street protests. However, youth revolutionaries, despite their ability to corral support in Tahrir Square and elsewhere, were either unable or unwilling to translate their revolutionary success into post-revolutionary electoral politics. Long-established secular opponents of the Mubarak regime and the Muslim Brotherhood similarly failed to effectively organize themselves and compete politically. Thus, when Mubarak's regime dissipated (embodied by the disbandment of the ruling National Democratic Party, the dissolution of the police forces, and arrests of corrupt oligarchs), the military and the Muslim Brotherhood filled the political vacuum.

From February 2011 to June 2013, the post-Mubarak period was characterized by the sometimes cooperative, sometimes contentious relationship between the military and Muslim Brotherhood. In this drama, the military acquiesced to Islamist success at the ballot box, and the Brotherhood accepted the military's autonomy. This arrangement was tactical and, notably, not based on any shared consensus regarding the rule of law. When legal disputes arose over defining executive power or the substance of electoral laws and the constitution, the military, former President Morsi (who came from the Muslim Brotherhood), and Mubarak-era judges all had on occasion

unilaterally declared their decisions to be the final word.

In the spring of 2013, the revolutionary youth returned to the political scene, and through a new movement called Tamarod (rebellion),²⁰ these activists reignited street protests demanding then-President Morsi's resignation. The military, claiming to act at the behest of the protestors, arrested Morsi, suspended the constitution, and appointed a new government.

Overall, the key players in Egyptian politics appear to be playing a game in which the overriding principle is that whoever claims a preponderance of popular legitimacy makes the rules. Moreover, Egyptians see the current impasse through very different lenses, and many fundamentally reject the views and perspectives of their political opponents.

With the military now openly suppressing the Brotherhood, Egypt faces a future in which it may not be possible for quite some time to reach a basic national consensus over the rule of law, national identity, and the role of religion in public life. Without such consensus, many experts doubt that there can be social stability, economic growth, and open political competition.

Another Political Transition

When former President Mohamed Morsi took office on June 30, 2012, after winning Egypt's first competitive presidential election, his ascension to the presidency was supposed to mark the end of a rocky 16-month transition period in which proposed timelines for elections, the constitutional drafting process, and the military's relinquishing of power to a civilian government were constantly changed, contested, and sometimes even overruled by the courts.

On July 8, 2013, interim President Adli Mansour issued a new constitutional declaration outlining the latest Egyptian transitional process. This declaration will serve as the country's legal framework until a more permanent constitution emerges. According to Mansour's declaration, Egypt's currently suspended constitution will be amended and then submitted to a public referendum for approval.²¹ It seems that President Mansour's authority to issue such a declaration rests entirely on his backing by the military. According to the 33-article document:²²

- **Legislative Power:** Until a lower house of parliament is elected, the president will possess legislative power and his cabinet has been given a "mandatory consultative role."
- **Constitutional Amendment Process:** A committee of presidential appointees, judges, and professors will have 30 days to amend the 2012 constitution. Draft amendments will then be forwarded to a second, larger committee which will have 60 days to finalize a draft. That draft will then be submitted to the president, who must put the amended version of the constitution to a national referendum within 30 days of receiving it.
- **Parliamentary and Presidential Elections:** Once a constitution is approved by the public, the president must call for parliamentary elections within 15 days. At that point, actual parliamentary elections must occur within two months (possibly in November 2013). Within one week of the start of the first session of the new

²⁰ There is some speculation that powerful and wealthy anti-Morsi figures were behind the Tamarod movement. See, "Sudden Improvements in Egypt Suggest a Campaign to Undermine Morsi," *New York Times*, July 10, 2013.

²¹ The suspended constitution was approved by referendum in 2012 after a drafting process dominated by the Muslim Brotherhood and the Salafist Nour Party.

²² See, "Egypt's Constitutional Declaration Issued, defines Transitional Period," *Al Ahram Online*, July 8, 2013.

parliament, preparations for holding a presidential election are to begin (with an election perhaps occurring in the winter of 2014).

- **Islam and the Law:** The declaration combines language from Articles 1, 2, and 219 of the 2012 constitution.²³ The new text reads, “The Arab Republic of Egypt is a democratic system based on citizenship, Islam is the religion of the state, Arabic is its official language and the principles of Sharia law derived from established Sunni canons is its main source of legislation.” The inclusion of the latter is critical for ensuring the support of Salafist groups which have sought to incorporate a more concrete definition of Islamic law in the constitution.
- **Military Legal Autonomy:** The declaration further states that “The military’s judiciary is independent and is the only body that can rule in cases related to the armed forces and its personnel, and the law dictates its other authorities. The National Defence Council is headed by the president and is responsible for security, discussing the budget of the armed forces and any laws related to the armed forces.”

²³ A translation of the 2012 constitution is available at <http://niviensaleh.info/constitution-egypt-2012-translation/>.

Figure I. Map of Egypt



Source: Map Resources, adapted by CRS.

Where is Egypt Heading?

At this point, Egypt's trajectory is highly dependent on the outcome of the government's crackdown. If it succeeds in suppressing Muslim Brotherhood anti-government activities on a mass scale through arrests, violence, and various restrictive measures, then Egypt could revert to a state of semi-normality, albeit one that would probably be subject to periodic low-level Islamist disruption. Such an outcome might resemble the decades before the ouster of Mubarak. On the other hand, if the government's crackdown does not succeed in suppressing protest and in fact bolsters the Islamists' cause, then the prospect for prolonged and heightened civil conflict, even civil war, grows more probable. Many observers have debated how to characterize what is happening in Egypt. Some suggest that Muslim Brotherhood protestors will follow the Palestinian example and attempt to launch a popular uprising against the Egyptian state. Some suggest that Egypt is heading toward a civil war, akin to ongoing violence in neighboring Syria or Algeria in the 1990s. For perspective, more Egyptians have been killed in five days since the crackdown began than during the entire three-week revolution of 2011.

On a broader level, many observers are concerned that the situation in Egypt does not bode well for Islamist stewardship over or integration into fragile democracies elsewhere in the region. If Egypt does revert back to a police state, perhaps even one with a multiparty civilian face in which the Brotherhood is excluded from participating, then how will future Islamists feel toward democratic politics? Will Egypt's crackdown spawn a new generation of anti-government militancy? Although political Islam in Egypt commands the loyalty of a wide array of Egyptians, and General Sisi himself has said to Morsi supporters that "there is room for everyone," it is difficult at this point to see any path forward that would include the Brotherhood's integration into a political order constructed by the military at the Brotherhood's expense.

Overall, it appears that the military has signaled it has enough popular support to end the cycle of political unrest that began in January 2011. Whether or not it can restore an authoritarian or semi-authoritarian system—if that is its goal—given the mass political empowerment that has transpired in the Arab world and elsewhere in recent years remains to be seen. There are now reports that authorities may even order the release of former President Hosni Mubarak, who has been imprisoned since his ouster in 2011. Should he be released, the military would be sending a message that the "Arab Awakening" is over in Egypt.

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