



**Beyond the Headlines**

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**Michele Dunne**

Senior Associate, Carnegie Endowment for International Peace

***Will President Sisi Bring Stability to Egypt?***

**Patricia Ellis:** Good afternoon and welcome. Thank you all for coming. We're so glad you could join us for this Beyond the Headlines event with Michele Dunne, Senior Associate at the Carnegie Endowment for International Peace, who will speak about President Sisi and the question: "Will he bring stability to Egypt?". Nancy Okail, who was supposed to join us today, unfortunately had a family emergency. We're sorry she couldn't be here, but we're pleased to have Michele Dunne back. She has been our regular guide for understanding Egypt. And this event could not be more timely—I think any day we could do an event on Egypt, but I just thought I would throw out a few things that happened recently. Well, first was the presidential election of General Sisi, then there has been the government crackdown on political opponents, particularly the Brotherhood, the journalists—recently Al Jazeera, Iraqi TV—the ongoing economic crisis, and there's been a lot of violence—two policemen were killed yesterday outside the presidential palace by a bomb—and also, Secretary of State John Kerry visited Egypt recently. So, these are just a few of many things that have been going on and we'll be hearing a lot more about them and about other things that are taking place.

So, for those of you who don't know me, I'm Patricia Ellis, I'm President of the Women's Foreign Policy Group. We promote women's leadership and women's voices on pressing international issues of the day, and the other part of what we do relates to the next generation, and we're very actively involved in mentoring and internships of the next generation. And a number of the young women here are interns, including our camerawoman over here, and they also work on the programs and other activities. So I would like to recognize one of our board members, Marlene Johnson, who's with NAFSA, we're glad that she could be with us today. And I'm not sure if any of our diplomatic colleagues have arrived yet. But, if so, raise your hand, if not they can say "hello" later. I also wanted to mention another event, and you have the information there. It's with Robin Wright who is another one of our regulars, and she's going to be speaking on the crisis in Iraq: "What's Next for Them and Us", and that will be on the 16<sup>th</sup>, so for those of you who are around, we hope you will be able to join us. And we also hope that—we have a number of members here, but for those of you who are not members, we have membership cards, and please look into becoming a member. We're very active and do all kinds of interesting activities and would love to have you be part of them.

Just a bit more about Michele. Michele was at Carnegie and came back after she was the—let me just say at Carnegie what she does. She works on political, economic, social change in Arab countries as well as US policy towards the Middle East. And she was at Carnegie previously, we knew her then, and then she went off to the Atlantic Council and was the Founding Director of the Rafik Hariri Center for the Middle East. And previously she served on the NSC staff, the White House Policy Planning, State Department, Bureau of Intelligence and Research. You can see her frequently on TV including on my old show the NewsHour which is now—it used to be with MacNeil Lehrer, and she was a diplomat in Cairo, Jerusalem, and she has a PhD in Arabic—Arab Language and Linguistics. She taught at Georgetown. And she is also the co-chair of the Working Group on Egypt. It's a bipartisan group of experts to bring government attention to what's going on in Egypt. So we're really happy to have Michele back. She will speak, and then I'll open it up with some questions, and then we'll go to the

audience, and we look forward to a very rich discussion today. I know we have all kinds of expertise in the room. So thank you again for coming, and thank you for joining us. [*Applause.*]

**Michele Dunne:** Thank you very much Pat, and I'm really delighted to be here at the Women's Foreign Policy Group again. I only am really sorry that Nancy Okail couldn't be with us. She's someone I like and respect very much, and I would've learned a lot, I know, if she had been here. So I hope—you'll have to have her another time—

**Ellis:** Yes, definitely.

**Michele:** She's just terrific. So, I was thinking, it's July 1<sup>st</sup>. One year ago today, there was an announcement from the Supreme Council of the Armed Forces in Egypt, in Cairo, that there had been this enormous demonstration the previous day, June 30<sup>th</sup>, against then-President Morsi. And the announcement was that if Morsi did not address the demands made at that protest on June 30<sup>th</sup> within 48 hours, the military would impose a solution. When I saw that, I said to myself, "It's over. That's it." Right? The popular grievances against President Morsi were very real. However, I said to myself, "This is it. A coup is underway, and the democratic opening that started with this uprising in January 2011 when Mubarak, who had been president for 30 years, was removed—this democratic opening might very well be over." And, indeed, two days later, the defense minister Abdul Fattah al-Sisi announced that Morsi was removed from power, and shortly after that, he announced a political roadmap that has played out over the year from then until now, right? It played out through—so there has been this series of political events. There was the writing of a new constitution, there was a presidential election, there will be parliamentary elections coming up soon, and so forth—that's gone on. There's also been a lot of other stuff going on. I think Pat mentioned a crackdown—I'll say a little bit more about that. And now of course General al-Sisi, the very defense minister who removed Morsi, has become president. And there's an attempt now, I think, to recreate an order, a political order in Egypt that is similar to that of the Mubarak years—I don't think it's identical. And it certainly has a more dominant and overt role played by the military. So, I think what has happened over the last year is still somewhat contested—we can discuss that if you want. I'm mostly going to focus on what's going to happen next, which I think is really very difficult.

Now, I take as my premise that the grievances that caused the 2011 uprising are still very much present and have not been resolved, and, in fact, in many cases now, those same issues—lack of economic opportunity, lack of a fair-sharing of economic goods, bad treatment of citizens by the government, bad services by the government and so forth, human rights abuses—all of those things in ways are worse now than they were in 2011, right? So what I assume now is that there is another wave of change coming, at some point. Now—but what it will be and when it will happen is really difficult. One of our participants asked me if I had a crystal ball. I said, "Yes I have one, in my office"—of course, I work at a think tank, you gotta have a crystal ball in your office. [*Laughter.*] But you know I spend a lot of time staring into it trying to figure out, when more change comes to Egypt, what is it going to be?

So what I want to say today, though, is if we wanna look at this, if we wanna try to figure out what's coming—I think that some of our analytical frameworks or paradigms—the way we normally look at these things—need to be replaced. Because there are a couple—there's a way of looking at it that I hear come up all the time when people discuss Egypt, what's going on there and what's going to happen. And there's also another way of looking at US foreign policy toward Egypt, both of which I think have worn out their usefulness, right? So the old analytical framework of whether Egypt is going to have stability or democracy is—you know, I hear that coming up all the time. I was in a conversation last week and someone said to me, "Well, you know, Egyptians just decided that they would rather have stability and prosperity than democracy, and that's why what happened in the last year happened." But here's the question—is that option really on the table? Is that—I mean, certainly I do believe that for now the democratic opening is over, that what started in 2011, frankly, it failed. And we can talk about, there were a lot of different hands, I think, in that failure. As I said, I don't think that

means it's over—Egypt's political history has not ended, and there will be more things, and there might be another chance for democracy at some point.

But the question is, having, you know, basically failed at the first democratic opening, does that mean that what Egyptians are going to get now is stability and prosperity to replace democracy? I think you can tell from the way I'm posing this that I really doubt that. Certainly I think—sometimes when people ask me, "Well what will happen? Will Sisi bring stability? Will this happen, will that?" you know, I say, well, I mean, let's just look at what's happened in the last year. Because even though President Sisi was just elected recently, he's been the main decision maker for a year now, right? There was an interim appointed president and he played his role, but I think that President Sisi has been the pivotal figure for the year past. So, we have to look at what has happened so far. So, I'm going to look at stability and prosperity a little bit.

In terms of stability, unfortunately, I just have to say this in an unvarnished way. In the last year, Egypt has had the worst human rights abuses in its modern history. I just think there's no putting a pretty face on this. Right? It has—there's been a couple of thousand people killed in street demonstrations, probably around 3,000 killed in street demonstrations. There was one really big one in which perhaps 1,000 people were killed, but there have been many, many smaller events in which a lot of people have been killed. And the figures that I'm citing you are from some Egyptian human rights organizations, they are not partisan—they don't belong to the Muslim Brotherhood of President Morsi or anything like that. There are more than 20,000 people in prison, most of them picked up at these demonstrations—these figures are very, very hard to get. It could be as high as—some people say it's as high as 40,000, but it's very, very high, right? And the Egyptian prisons are over-crowded, and we've seen as the result of that these mass trials, you know, hundreds of people coming to trial at once, and I think that's a reflection of the difficulty the Egyptian system is having in handling the number of people who've been incarcerated since last year. Unfortunately torture is a long-running problem in Egypt, and it is continuing now.

And there are lots and lots of reports of torture and abuse, and so forth, sexual abuse and so forth, going on among people that have been detained. The mass trials you've heard about, cases of people coming up hundreds at a time for trial. And then there's this extremely broad crackdown on dissent and expression. Now, some of these cases you've heard about, I know, right? You've heard about the conviction of these journalists from Al Jazeera about a week ago. Perhaps you've read, there was a letter in *The New York Times* over the weekend from one of the aides of President Morsi who has now been held for a year without charge and started asking, "Why is nobody paying attention to cases like mine?" and so forth. But there are lots of other ways in which freedom of expression and the ability to express dissent have been curbed in this year. It is very, very systematic—and frankly, the restraints on freedom of expression and on expression of dissent now are much more severe than they were during Mubarak's time. You have this protest law which is very draconian, perhaps you've heard of some of these secular activists who were kind of symbols of the 2011 revolution who were—who have been sentenced according to this law. According to this law, the minimum sentence for participating in a demonstration that has not gotten official permission is two years in prison, plus a very heavy fine. That's just for showing up. That's just, you know—and there are lots of other things going on. You know one that really struck me this week—during the Mubarak era, all the university presidents and deans of departments and so forth were presidentially appointed. After the 2011 revolution, there were all these sort of mini-revolutions that happened, and one of them was inside the universities. And they instituted a system by which these people would be internally chosen, internally elected within universities and so forth. And there was presidential decree last week overturning that and saying once again everyone will be presidentially appointed. And there's a real outcry in the universities over this, right? And this, it's a small thing, I mean it's not a human rights abuse on the scale of some of these others we're talking about. But it's emblematic of what's happening, of a lot of the developments of the last few years being rolled back to something very similar.

And then there's lots of—there are lots of long running sociopolitical problems, you've heard perhaps about the issue of sexual assault and harassment and so forth. There's some attempt to deal with that now in Egypt. Things like curbs on religious liberty and so forth. There are a lot of things going on that have never completely stopped. Now, the last year has also seen the most intense period of domestic terrorism in Egypt's modern history. There have been more than 400 police and army officers killed, some of them in larger terrorist attacks, suicide bombings and that kind of thing, and some of them—most of them actually in sort of small-scale—small-scale bombs, drive-by shootings, that type of thing, right? But it's quite a pace of it—of attacks. Now these attacks, basically, there are military jihadi groups based in the Sinai, Ansar Beit al-Maqdis and [*Inaudible*], who are claiming responsibility for these. But as you're probably aware, the government has taken the position that the Muslim Brotherhood is responsible for these attacks, and has declared the Brotherhood—which was the movement from which Mohammed Morsi, the former president, came—a terrorist organization. I will say however, the government has not—and I find this surprising—they've not presented evidence that the Brotherhood is behind these attacks. They've simply said, "These attacks serve the political purposes of the Brotherhood, therefore the Brotherhood must be behind them, they're a terrorist organization." We can discuss that more if you're interested.

So let's turn to the prosperity issue. So I have to tell you, in terms of stability—quiet—I don't see it happening in Egypt now. It hasn't happened over the last year, I don't think the prospects for it in this climate of very harsh human rights abuses, I don't think the prospects for things quieting down, for a stop in the tax on police and the military, for a stop in demonstrations—I haven't even discussed it, but demonstrations still go on—I don't see this as likely. What about prosperity? So, one could ask the question, "Could President Sisi be the Pinochet of Egypt?" In other words, could he bring about economic growth and create jobs even amidst political repression, human rights abuses, and so forth? Now, I would say that this is theoretically a possibility, but I don't know. I would say also the signs for that are not too good so far. President Sisi has taken on a little bit—because, frankly anyone would have to, the issue of subsidies and so forth in Egypt. Egypt has a very heavy system of energy subsidies which are very wasteful and are generally consumed by wealthier Egyptians more than poor Egyptians, and it's gobbling up the governing budget, and it's been known for years now that something has to be done to rationalize these subsidies so that they're directed toward the people that really need them, and there's not a tremendous amount of waste and distortion. The whole energy market in Egypt is highly distorted because of these subsidies. He's taking some measures on this, but we still don't have a broader sense of what his economic policies will be. Egypt is getting a tremendous amount of support, there's this kind of budget support, from the Gulf countries, and that's keeping the wolf from the door, but we still don't know where Sisi will go on economic development in Egypt. I mean, Chile, for example, under Pinochet, there was a tremendous opening to the outside world economically, right? There were all these free trade agreements, and liberalization of the economy, and engagement in the world economy as a way of pulling—which eventually worked in improving Chile's economy. Will this happen under Sisi? There isn't much sign of it. Most of the things we see, most of things he says seem to suggest he continues to have sort of a statist view of the economy, as someone coming from the military might—you might expect him to have. We can talk about that more if you're interested.

So, look, I think that President Sisi right now is in—will have something of a honeymoon, and people will give him a chance, many Egyptians. There are many other Egyptians, of course, who are extremely opposed to him because of everything that has happened in the last year, but I think a lot of Egyptians are tired and would like to see him succeed and so forth, and I think also in the United States—Pat mentioned Secretary Kerry's visit—there's an attempt to say, "Well, let's give him a chance, let's work with him," and so forth. But the challenges he faces are very, very daunting. They were daunting challenges a year ago. I think frankly they've been made worse by what's happened over the year since then, and I think we have yet to see from him the kind of creative thinking and orientation toward bridge-building and consensus-building that would promise a good way of addressing these challenges.

Let me say a couple words about US policy. So, you know, I mentioned we have this democracy versus stability framework in our mind when we look at what goes on inside of Egypt, and I think when we look

at US policy the framework we have in our mind are interests versus values. What choice—you know, the United States has to probably choose between its interests and its values in dealing with Egypt. And I want to suggest again that I think that's an approach that has outworn its usefulness. Now, President Obama made clear in his West Point speech that counterterrorism is going to be kind of the top priority in this region, for now. And certainly what we see going on in Iraq and Syria and so forth, there is a very, very significant growth of jihadi terrorism and so forth. I'm not going to address Syria and Iraq here—I think, not only regarding Syria and Iraq, but also regarding Egypt, we have an issue here, where we might be trying to fight terrorism in a specific way, while ignoring a larger context, and a larger US policy context that is actually making the terrorism problem bigger.

The United States has been engaged in this aid relationship with Egypt. It has funded the Egyptian military to the tune of about 40 billion dollars over the last 35 years. And there's been at the same time about 27 billion dollars in economic assistance to Egypt. Way back in the '70s when this relationship started the military and economic assistance were about equal, it was about a billion dollars each. Then the military assistance started to grow, and the economic assistance started to go down, and over the years we got to a situation where it's 1.3 billion dollars a year in military assistance and about 200 million dollars a year in economic assistance—so a great disparity. And even though that's only dollars and cents, it comes to drive to a larger extent the way the United States engages with Egypt as a nation. In other words, it's a very military-heavy, security-heavy relationship, and the degree of engagement with the Egyptian people, and even with the civilian parts of the Egyptian government, is much, much less robust. So I think that we have a situation here where this has become a real problem here for the United States now, where we see the Egyptian military sort of overtly dominating politics and so forth, and, you know, frankly, ending a democratic transition, however problematic and troubled it was—and I wrote at the time about how badly things were going. But, it's very awkward, I think, for the United States. And to see the defense minister who removed the democratically-elected president get himself elected as president—the whole thing really creates a very uncomfortable situation for the United States. The United States however needs security cooperation with Egypt for some critical reasons—for counterterrorism, obviously because of the Egyptian relationship with Israel, and so forth.

But at the same time, there is this larger context going on, which is that while the United States will and should cooperate with the Egyptian government on counterterrorism, what is going on inside of Egypt and the closing down of the democratic process, the exclusion of most of the Islamists from the political process—the Brotherhood is certainly excluded from the political process at this point, and many of the Salafis—this is kind of the sleeping giant of Egypt, I think, the Salafis of Egypt. A certain number of them have gone along with the military in this big divide that has happened, but many of them have not, and so we have a large number of Egyptian Islamists basically closed out of the political process, and as I've said, thousands of people in prison, a lot of people killed, no accountability, no transitional justice, nothing like that. This is creating an enormous—in a country of some 86 million people, many of whom are young, many of the young are unemployed including the educated young—what does that look like for potential recruits for jihadi terrorists? I think it's quite a, unfortunately, promising situation. And my concern is that while the Egyptian government might be fighting terrorism in the Sinai and the United States might be helping them do that, that the policies on the other hand could be creating new jihadi terrorists at a rate of ten or a hundred to one to those that are eliminated. This is my concern about where Egypt is going and whether it will be stable.

Tom Friedman had a column on Sunday in which he was talking about—he said the real struggle in the Middle East might not be between Sunnis and Shiites or even Arabs and Israelis but between what he called arsonists and firefighters—in other words, those who are pouring gasoline on the flames and those who are trying to put out the flames. For what it's worth, Tom Friedman put President Sisi clearly in the former category. So, I think the question for the United States is not so much does it have to sacrifice its principles regarding democracy and human rights and so forth in order to serve a more urgent goal of fighting terrorism. Rather, I think, the question is, how—the United States just can't control what goes on in Egypt, can't make President Sisi do this or not do that—we see that clearly, right? But, how should the United States conduct the relationship with Egypt so that it gets the needed

cooperation on terrorism but it's not at the same time feeding a situation that makes the terrorism problem bigger and bigger, right?

And let me just end with a thought about stability in Egypt, and what would bring stability in Egypt. I'll give you my answer to that, it's a very broad answer, but let's look back at the slogans of 2011. What did Egyptians want? Bread, freedom, social justice, dignity. My thought about this is, Egyptians need to reach, among themselves, a consensus about how they address those issues and how you translate those broad demands into some kind of political and economic and social order that addresses those needs. And through this, you know, they've got to find a way to bridge these divides—Islamist, secularist, Muslim, Christian, nationalist, liberal, wealthy, poor, etcetera. You know, I think they can only do that in a climate of political openness. This, by the way, it's not entirely theoretical—look what's happening in Tunisia. It's not a perfect success but Tunisians are finding ways, right, and they've sort of combined electoral politics and other kind of broader consensus-building processes—roundtables, national dialogues, heavy role by civil society, and this kind of thing. That's what's been going on in Tunisia—it's not perfect, it's fragile, but they're moving forward with it, right? They came up with a very—an excellent constitution, most importantly one of which Tunisians themselves are extremely proud, and they're moving forward towards elections and so forth. So, if you accept my premise, that what's ultimately needed in Egypt to bring stability and prosperity to this country is a consensus among Egyptians on their critical challenges, and how they should change their political, economic system, etcetera, to address them, then I think as outsiders, what we need to do is look ourselves in the mirror and say—and look at ourselves and look, for example in the US, at the US governments engagement with Egypt, our policies, our assistance, etcetera—and ask ourselves, are we contributing to or inhibiting the ability of Egyptians to eventually get to that place of consensus?

**Ellis:** Okay, well thank you very much. [*Applause.*] A lot to think about and discuss. I have some questions about the domestic, regional, and international, but I'd like to lead with what you just ended on. Okay, what could the US do differently, because clearly you have some ideas on this. I mean, we were criticized when we supported Morsi, we were criticized for supporting Sisi—where is the leadership going to come from to bring about this consensus in such a polarized, hate-dominated environment, with all kinds of violence and terrorism?

**Dunne:** Okay, well, look, like I said, first of all, it's important to realize, I don't think there's any kind of micromanaging the United States can do, or any kind of specific levers we have that we can make President Sisi or somebody else in Egypt do this or that, right? I mean, I think we have to be realistic about that. However, we're also not without influence, right? And I think what the United States can do, as I said, you know, not being able to control anybody else's behavior, we can control our own, right? And, look, I have proposed—and I have a policy paper that's out there if you want to take a copy, in which I propose that we sort of redress this, what I think has become a very big imbalance in the US-Egyptian relationship. Now we have a long relationship with the Egyptian military, and I'm sure we will continue to have one—but what I'm suggesting is that the United States recalibrate its diplomacy as well as its assistance to maintain the military assistance that is really needed and that addresses Egypt's specific needs and our specific needs, but really to devote more of the assistance to the Egyptian people, and to relationship-building with the Egyptian people. And it's very difficult to do this—it's a very highly charged political atmosphere in Egypt. The United States has been accused of meddling in Egyptian politics and so forth—

**Ellis:** NGOs were kicked out, and that was awhile back.

**Dunne:** Right. And what I'm suggesting is that the United States make kind of a significant show of support for Egyptian youth, and through, what I'm suggesting is a large Fulbright-style scholarship program for higher education and vocational education to allow Egyptians to be—to go to private institutions, whether inside of Egypt, elsewhere in the region, or here in the United States for undergraduate and graduate training, vocational training. There are also some wonderful programs that help Egyptians who have graduated from high school or college attain specific professional skills and

place them into jobs in the private sector, and this kind of thing. That's—I'm suggesting that the United States make a big investment in something like that as kind of a show of support, a show of faith in the Egyptian people, and that as I said, that we change the balance a little bit and get away from it looking as though what we support in Egypt is the army. Right? We're criticized for supporting Morsi, Sisi, all of this is true. What the United States has tried to do is kind of ride the tiger in Egypt, and just—quick, you know, form a good relationship with whoever is in power. Well, if that keeps changing and then, you know, then everybody is pointing a finger at you because in this highly polarized atmosphere, they want you to be on their side, and they resent it if you worked with the other side when they were in power, and—the United States has got to move away from this, and has got to have some larger principles governing this, although of course they will have relations and dealings with those who are in power—I mean, I'm not unrealistic about that. That must happen and will happen.

**Ellis:** Well I know that the State Department has had some programs on entrepreneurship in Egypt, where they were training—I don't know, are you familiar with that Sharon, at all?

**Sharon Kotok:** You know really, not the details.

**Ellis:** Yeah, well, anyhow—I guess the question then relates to US aid and economic aid because, you know, this brings Congress in. And I know that you've talked about this for a long time in terms of reconfiguring the amount of aid, but I'm just wondering, even though there's some support for this now on the Hill, given all that's going on in the Middle East and with ISIS and you know all this violence and terrorism, is it going to be hard even with those who want to switch the emphasis of the aid a bit to get that through. And just as a follow-up, because as a former journalist I have to go with the news, but I'm just wondering how you feel that the whole situation with Iraq is playing in Egypt, and how the government will use it in one way or the other, because the government—no—the main Islamic center has issued a Fatwah saying that no Muslims should be engaged in this terrorist activity, and they've arrested some terrorists and things like that—I mean, it's affecting the whole region. So I'm just wondering if you could talk about the aid and then how it might be affected by recent developments.

**Dunne:** Right, right, right. Well, I mean, definitely as I said, you know, there's a heavy counterterrorism focus now. I think in the United States in Washington though, I mean, you know, there are maybe specific things that the United States needs to do, will do, related to fighting ISIS, you know, in Iraq and Syria. But I think it already has led to a broader reexamination of US policy towards Syria and Iraq over the last few years, right? People, regarding Syria and Iraq, certainly at least people within the beltway are asking the questions: "Did we make some mistakes with our policies over the last few years, or even over the last ten years, or whatever, that led to this situation? What do we need to learn from that?" So we are looking at—there are things that we might need to do right now, but there's also a broader context of how did this problem get to be—how did we get to this point, you know, with ISIS taking over half of Iraq or something like that, right? So, I'm suggesting the same thing from Egypt, right? Certainly there will be counterterrorism cooperation with Egypt, and every single, you know, all the bills on the Hill or whatever related to aid to Egypt and so forth, they all include—and they even exempt counterterrorism—there are these conditions related to democracy and human rights and so forth that are being written into aid for Egypt legislation, but they always exempt the counterterrorism cooperation from those conditions, right? So, the counterterrorism cooperation will happen. The question is, will there be any other, you know will there be any other change? Will we look at a broader context, will we look at a context in which terrorism is being generated, or will we simply say, "Can't worry about that. We'll just do the specific thing."? You know, frankly, which threatens to be a bit of a whack-a-mole strategy, if you don't look at the conditions under which—and as I said, the US can't necessarily control those conditions, but what we can do is not contribute to them, right? So—but I do think, you know, members of Congress are very conflicted about this. The Senate bill—Senate appropriations bill—did come out with a reduction in military aid for Egypt, the House bill did not. There was an amendment that proposed a big reduction, it was defeated. But, these things are being discussed and hashed out in our system.

**Ellis:** So I have a few more questions, and I'm going to get to everyone so get your questions ready. On the domestic front, in terms of repression, something that struck me because I just saw it today, you know the government now has this new software—and you spoke about youth—to monitor social media, and they're monitoring Twitter, Facebook—that, along with, you know, the crackdown on journalists, so it's all about information. Can you talk about this because this is how, you know, during Tahrir Square, people communicated, I mean all the young people were communicating on Facebook and Twitter and all these things. So, how significant is this? They're even going and saying in mosques the sermons are restricted only to faith and morality, and like, you know, there was a big uproar about Al Jazeera. I mean, where is this coming from? What is it all about? Is it, again, targeted at Qatar because they were supportive of the Brotherhood, or what is that all about?

**Dunne:** Yeah, well there are a couple of things going on. One of them is attempts to control social media, the internet, and so forth—this has been going on for a long time in Egypt, this was going on under Mubarak, and it also goes on in some of the other Arab countries, particularly the Gulf countries, and so forth. Unfortunately, you know, it's a real trend in the area, to try to use these means, okay. So that's—that's sort of something that is just a constant, goes on all the time. The other thing, though, is there's a very strong attempt now to control the narrative inside Egypt, right? To control the narrative of what is happening and what is going on, to eliminate dissenting voices. I mean, right at this very week, a year ago this week, when Morsi was being removed, all of the media that was related to the Brotherhood, the Salafists, etcetera—with the exception of the Nour Party, the one Salafist party that went along with the coup—they were all closed down immediately.

But then there was Al Jazeera, right? And Al Jazeera was telling a story, kind of a pro-Brotherhood line, and so forth, about what was going on in Egypt, and this is why they were gone after. I mean there's also the Gulf context, right? Qatar was giving a lot of money to Egypt during the Morsi presidency, and now, once Morsi was removed, it's Saudi Arabia, the UAE, and Kuwait that are giving a lot of money and Qatar is a bit on the outs, although not completely out. So, this case against Al Jazeera journalists, I think served many purposes. I mean first and foremost, it was accompanied by a very, very broad campaign of kind of demonization of Al Jazeera. I think the authorities in Egypt really, really didn't want Egyptians watching Al Jazeera, listening to Al Jazeera, or even talking to Al Jazeera, right? So that was one thing. It also, I think, sent a bit of a message to other international journalists. I mean, there's been a great deal of criticism of even, like, *The New York Times* correspondent, *The Washington Post* correspondent. The foreign journalists in Egypt have come under a lot of pressure, but it was easier to go after Al Jazeera journalists. It's not so easy to arrest the correspondent for *The New York Times*. So, that was a message, I think, there. And I think also it was very much a message—the Egyptians who worked with Al Jazeera were prosecuted very heavily in this case. It was a message to Egyptians: don't work with foreign media, especially any media that might not be sympathetic to the government. So, you know, unfortunately, it served many purposes. If they—you know, the Al Jazeera bureau had been closed down by Egyptian authorities, and I think the journalists who were there were broadcasting without a license. If that had simply been the matter, they could've deported them, right? It would've been over the same day, you know? They could have deported them, confiscated their cameras, said you don't have a license—but clearly, you know, there was a desire to send a much broader message than that.

**Ellis:** Two last quick things. So, can these Gulf states, who've given 20 billion are supposed to give another 20 billion, be the saviors? And also there's an upcoming parliamentary election, is that going to make any difference? Will the parliament have any clout?

**Dunne:** So, the Gulf states are—you know, they're basically keeping the Egyptian government solvent, at a rate of almost 2 billion dollars a month. And what that does is, you know, it really has protected the Egyptian government from having to make draconian budget cuts, and it has also kept the Egyptian currency at a certain level. It's not ultimately a solution to the economy. Even at two billion dollars a month, you can't float an economy of 86 million people, right? It's not an economic solution. They are now undertaking some infrastructure development projects, largely in coordination with the Egyptian

army which has a very significant economic role, an infrastructure building role, and with the hope that this will generate some jobs, generate some activity and so forth. We will see. We'll see how that works out. The other question is, how long will they keep giving this much money? I think that even President Sisi, I think, realizes that this is a short-term thing, that they might do this for a year or two. I mean, it'll depend. If the Gulf states—if their own needs change, if the price of oil falls, whatever—I don't think anyone would imagine that they would do this for ten years or something like that, right? So, it's kind of a band-aid. It's helping the Egyptian government for now, but you know, even within Egypt and within the Egyptian government I think there's an acknowledgment that they've got to find some solutions to the economic problems. What was the other one you asked?

**Ellis:** The parliament.

**Dunne:** Ah, okay, the parliament. So there will be parliamentary elections in the fall. They have just put out the new law on parliamentary elections. Look, the political parties, including the secular political parties that supported the removal of Morsi and that supported Sisi and his election and so forth, are extremely upset with the new electoral law, because what it has done is it has set up conditions that are very, very bad for political parties, even the secular political parties. More than 80% of the seats in the parliament will be elected according to individual mandates. Only 20% or so will be on party lists, and—I don't want to bore you with technical details, even those conditions of the party lists seats are not good for the parties. So, I think what we're going to end up seeing is an election that's going to look, in a way, a lot more similar to the last elections of the Mubarak years than to the 2012 election that took place after the removal of Mubarak. We're going to see an election in which most people get their seats based on money, family connections, and so forth, and we're not gonna see a strong presence of political parties. There probably will be minimal representation by Islamists, and there won't be strong blocks. So, this will create an interesting situation because the new constitution gives the parliament a bit more of a role than the old constitution did in the political system, but we may see a very fractious kind of parliament that's a fairly weak presence.

**Ellis:** Great, let's go to some questions. We're going to take three at a time, if that's okay.

**Question:** Hi, Didi Cutler. What do you think could be, should be, and will be the US policy toward the imprisonment of the three journalists? Is Sisi gonna stick to not interfering in the judicial branch, or will he exercise his right as president?

**Question:** I'm Sharon Kotok, and one of the things that concerns me is that the Egyptian people seem to accept what's going now, even though the situation is actually even more stark than when Mubarak was president. And I think they're just so grateful that Morsi isn't there anymore. But can you kind of comment on that? Are they afraid of any more change because the last two changes haven't been that great, or what the reason is?

**Question:** Carmiel Arbit with AIPAC. Wondering if you could give us your sense of the security situation in Sinai. Is this doomed to be a failed state? Including the infiltration of ISIS—there was an arrest three days ago of fifteen members of ISIS. Interested in your answer. Thank you.

**Dunne:** Let's see, okay. What'll the US do regarding the three journalists? I think we've already seen what the US will do, which is, Secretary Kerry issued a statement critical of this. I think that's it. I think, you know, I frankly think that's kind of the approach for the moment is for the US government to continue its security cooperation with Egypt although I have to be fair, there is—some of the military hardware and so forth is still being withheld by the US government—has not been delivered. And then to put out statements criticizing human rights abuses, and that's pretty much it.

Now, we don't know. I mean, Sisi is new as president, right? Now as president he has the right to pardon people. Egyptian presidents, if you look at past practice, they do this occasionally, they don't do it really often, and they certainly don't do it often in cases in which there's been a lot of international

attention and criticism and so forth, right? So, I'd be surprised if he pardoned them, certainly now. You know, it could be—there have been some cases in the past when some time passes and things quiet down they might let them off on health grounds, or something like that, but in terms of saying that he respects the rulings of the judiciary, yeah. First of all, I mean in terms of his own relations with the judiciary and so forth I think it is awkward. The executive and the judiciary in Egypt right now are working hand in glove, very, very closely, and I think it is awkward for him to pardon someone after they've ruled against them and so forth. But it's also true—these cases come out of the Egyptian government, they come out of the executive branch. The Interior Ministry and so forth are the ones who put together these cases and who refer them to the public prosecutor who's an appointee, who then sends the case to the judiciary. So, the whole thing started with the executive branch, right? So there is, you know, to say that there's no, you know, that he has nothing to do with this whole thing is not so believable.

Let's see, why are Egyptians supporting what's going on and so forth? Well, we have several Egyptian American participants here, they might like to speak to that question. I don't want to speak for them. I will say from my own observation that there was, as I said, there was tremendous and genuine opposition to Morsi and to the way he was doing things. That was real. I think that a lot of people I know who supported the removal of Morsi and who supported the roadmap initially are not so happy a year later with how it's worked out. But what can they do at this point? And the space for dissent and different views and so forth now is so limited, it's so dangerous. I mean, speaking of social media, people get prosecuted for tweets and things—so, I mean, it's really, it's a very, very limited space. So if you don't like what's going on, it's very, very difficult now with the protest law and so forth. So you know, I do think—one of the things people said about 2011, was that the wall of fear was breached, the fear people had of the government—it's being rebuilt now. I don't think that—I think the the society has changed enough that they will not go back to 10, 20, 30 years of sitting in apathy under authoritarian rule or something like that, but I think it's an extremely difficult climate now if you're not happy with what's happening.

Carmiel's question on Sinai—what's going on in Sinai? You know, I wish I knew. All the journalists who covered Sinai have been, many of them arrested and so forth, there's very, very little coverage now on what goes on inside of Sinai. I mean, you'll get a few reports that the military or the interior ministry puts out—this many people arrested, this many people killed, a couple policemen or army officers killed, and you'll see that, but the broader story of what's going on—it's very, very difficult to know. Infiltration by ISIS—look, the Sinai has been traditionally a very porous kind of place. People can get in from Gaza, from the Mediterranean, from the Red Sea and so forth, and the Egyptian government's relations with the Bedouin tribes there have been so bad for so many years that, you know, the Egyptian government doesn't have the support of the local population against terrorists. So, I think it's a really difficult situation there. There are troubling reports that come out about very harsh methods, collective punishment frankly, methods used by the Egyptian army used against people in Sinai. Look, I think that what has been needed for a long time is a broader Egyptian government strategy towards Sinai. There are real terrorists there, there are very dangerous people, there are weapons and so forth—this is all dead serious. At the same time, it would be really helpful to have an economic and political strategy to get the support of the population against the terrorists and that I think has been what's been lacking.

**Question:** Salwa Elgebaly, I am Egyptian American. I have been here for 41 years, and frequent visitor of Egypt and I have been in Egypt just two months ago. I am really disturbed, and I have my own reservations, about a lot of the information that was said today, and unfortunately there are not a lot of facts to support it. Just for the record. I would recommend in the future, when there is a view like that, you will be a counterview, to give the facts, and I'll be more than happy.

So what I was saying, ma'am, is that I have my own reservations about a lot of the information that were given today that were not supported by facts. And I agree with you, after all that you hear, you say, what about all the poor Egyptians, they've just got to take what they've got—we are thrilled with what we have. We fought, we almost got killed for it. I myself, I was in Egypt in April, and two bombs

came right next to me, I was meeting with the vice president of Cairo University. So, we are fighting terrorists within where you live, so, with all this negativity that you have heard today, I am so proud of our president, President Obama, I am so proud of the pentagon, I am so proud of Mr. Kerry, for continuing on and reviving the relationship with Egypt because Egypt is very, very important for the United States. And I can tell you as an American, when I go to Egypt and I hear the negativity of people don't understand why America is taking this view against Egypt—they really don't! As an American, I feel terrible—no, America is good, America is, you know, helping, America is trying to understand. So, what you need to do, is be fair to the facts, so you don't generate another angry population in the Middle East—we really need to stick with the facts. If I had another 45 minutes I could counteract everything—

**Ellis:** Is there a question?

**Question:** Here is my question. Now my question is: we talked about economic development, lack of economic, and so on. And I understand that King Fahd of Saudia Arabia has proposed a conference called Friends of Egypt—

**Audience Member:** King Abdullah.

**Question:** I'm sorry, did I say Fahd? King Abdullah has indicated that, and the United States has already announced that they're going to participate and support that. Can you please recommend, what will the United States do, because I've heard the economic problem about five times. Let's move on, let's be positive. Let's help the people who are happy—honestly, this is the message: very, very happy in Egypt.

**Question:** My name is Mimi Hassanein, I am also from Egypt. Been here 44 years, I have three children and 15 grandchildren, can you believe that! So anyway, I don't have a question, I have a comment. You said that—you mentioned having a program for the youth and stuff like that, I would also recommend, if we have—how can we bring the middle class back? I think the problem is that what happened, Mubarak eliminated the middle class, and you know, in every country, middle class is the core of the country. So how do we bring the middle class back? The other thing, how can we empower the woman, whether the Muslim or the Arab woman? Because, believe it or not, me as a Muslim, my husband walks behind me at home, okay? [*Laughter.*] In a public space I walk behind him, but at home I control him. [*Laughter.*] We have a lot of power, so how can we educate?

**Question:** Yes, I'm Marlene Johnson, I'm with the NAFSA: Association of International Educators. I'm really struck by your recommendation on the need for more—a bigger Fulbright kind of program. Because, since 9/11 the number of student exchange—the amount of student mobility between Egypt and the United States, and really between Egypt and any place in the West, but particularly between Egypt and the US, has declined in huge numbers. And I remember the Egypt ambassador to the US at the time, whose name I just lost as I was thinking about this question, at that time, he said to me, his biggest fear was that in the ten years the staffing at the Egyptian embassy in the US would be less than 20% people who had been educated in the US, whereas at the time it was about 40% or 50% and historically had been 50% or more. And that there was fewer and fewer young people, we were losing—they were losing a generation and perhaps more than a generation, of people that had any concept of a liberal education and of the US culturally and politically and socially. So, to your recommendation, I'm wondering, are you sensing that there is support for that initiative, and are there things that we as an association with a strong advocacy group should be doing to support a specific—I haven't heard your proposal before, which probably says more about me than you, but—

**Dunne:** We just put it out a couple weeks ago.

**Question:** But I'm very glad to hear it and what your thoughts are about where the support was.

**Audience Member:** Was it His Excellency Fahmy?

**Question:** Yes.

**Ellis:** She's answering questions, and then we'll go to more, thank you.

**Dunne:** Okay, so what's interesting is there's something that I think links these three questions, Salwa's question, Mimi's question, and Marlene's question, which is the human development issue. So Salwa you asked if indeed this donors conference, Friends of Egypt conference, comes off as King Abdullah proposed, you know what should the US do and so forth? So let me speak there to the economic part of it. I think what the US should do is to do what it can to promote private sector-led growth, but it also, you talked about bringing back the middle class, that it was a bit hollowed out in the Mubarak years, because in the Mubarak years they had structural economic reform and it tended to favor the upper class and so forth and there was a bit of a hollowing out. I think there is a concern now with there's a president who came from the military and there have been a number of legal and other changes in Egypt that have led to a growth in the economic reach of the military and the of state.

Personally, what I think is really needed, and I think data shows this all over the world, that more jobs are created by the private sector, and particularly by small and medium enterprises. And what is really needed is economic policies that favor that. At the same time, with government social welfare policies that create a net, a social welfare net for the poor. And the other thing, of course, education is key to lifting people out of poverty. Egypt has had, has a number of educational facilities, but as with other countries in the region, the quality of education does not tend to be high, with the exception of, you know, in some of the higher-end private institutions there is good quality education. Those are not accessible to most Egyptians, right?

These are things that I think the United States should do, should be—it's another parallel with Tunisia, by the way. You look at how things have worked out in Tunisia versus Egypt. One of the things you can say about Tunisia, however bad Ben Ali and the other governments were, they invested in human development. They had a better education system, women were definitely more empowered and so forth, and I think you see the benefits of that now, in the ability of that society to bridge some of their differences and reach consensus on issues, as hard as it is for them to do that. But they're doing reasonably well on it. I think, you know, the harsh polarization in Egypt is partly a result of that, partly a result of a real gap in perceptions between the haves and the have-nots, and, so, is there support? Actually, yeah, I mean I just put out the suggestion for the Fulbright type of program very recently. There have been some—it was even mentioned by some members of Congress in the debate recently and so forth on Egypt assistance, so I think there is some interest in pursuing something like that. We'll see.

**Question:** I'm Amy West from the American Institute of Research. We've actually had education programs in Egypt for the last ten years. And, so just to add to that discussion. There's quite a substantial amount of FY2012 money that has not been spent. And so USAID is turning out lots of solicitations around education and this very issue, the understanding that the class divide is getting bigger, there are major literacy issues, that the youth population has not been served well by prior vocational, technical programs that didn't match up with what the labor market could absorb in terms of skills.

So, on a positive note, I do think that even though we all want to see more aid going into education for those of us that work in that, there's been lots of programming in the last ten years to focus on these very issues. And in large part, I have to say, in the last year it's been very difficult to work in Egypt. USAID has been able to keep its contractors—our programs going because we are leveraging local expertise and working with technical education experts in the ministry, so that if the minister of education changes five times, that's not the person that our project depends on, it depends on the people that are making decisions on technical expertise. So I think there is a lot of positive emphasis

within USAID. They've been giving towards education in Egypt and they are emphasizing also Egypt partnership programs like you've just said with the exchange with the US, but with particular emphasis on those technical practical skills so that young people can get jobs.

**Ellis:** Okay. Yes, please. Could you stand up please and tell us who you are?

**Question:** Diane Singerman, American University School of Public Affairs. In your presentation, you talked about how you didn't really like the perspective of interests versus values and that we had to sort of sacrifice one or the other, and your solution was that Egyptians need to come to more of a consensus about things. But, it seems—I, as you know, write about Egyptian politics, domestic politics, but I've always been very confused about US foreign policy in this regard. On the one hand, before the—during the Mubarak regime, America was meddling too much, it was intervening too much, and then America is accused of supporting the Muslim Brothers, which is a very—and Americans can't really talk about a military coup because that goes against what Egyptians think happened, but I guess I would also like to push you a little bit on both the interests and the values. Because you talked about the security interests, you talked about how the Saudis are funding for 20 million, billion pounds, and Camp David has been going on, it wasn't supposed to go on for such a long time. But the other interests the US has promoted are economic interests, that people don't pay as much attention to. We've always supported the military, post-9/11 we always supported counterterrorism, but this issue of what is America supporting economically, and how does that get to the demands of the revolution for social justice? And where is the middle class? And what's happened in terms of poverty and young people? And frankly I have to disagree with you. I'm not—I think Fulbright, all of that, I was a Fulbright, is wonderful, but they are very individualistic, sort of personal solutions to what's a much stronger sort of structural problem. So I guess I'd like to push you, in terms of what we're doing in the Middle East that isn't just completely reactive, that is trying to build the possibilities for consensus so that there is something besides a power vacuum and repression. What is new about US foreign policy, what's creative about US foreign policy? And are we just going to hear the same slogans about foreign aid and foreign investment when there's a security, military state there which is becoming more and more repressive as you talked about, as we know.

**Question:** Hi. Julia Hurley with Hands Along the Nile Development Services. I actually run a fellowship program that brings young professionals from Egypt and Tunisia to the United States. We just had our exchange recently and we have another one coming up in October, so I'm very familiar with a lot of the programming that goes on along the lines of Fulbright and whatnot. The problem that we run into with that though is that the requirement is English language, so you're speaking to a very small portion of the upper class of Egypt. So to kind of piggyback on what Amy was saying and what—sorry, I forgot your name—what Mimi was saying about the middle class, what do you think we could be doing to better support the poorer classes, the middle class to actually boost society? Could we be investing more in entrepreneurship, could we be focusing in on programs that don't require English language to move forward? Because the Fulbright, you know, students and what not—they'll get the education, they'll get the opportunities they need regardless of our programming because they do come from upper class families that have that money. I also studied at the American University in Cairo for a bit, so, again, very familiar with these types of students. So I think what we need to be focusing a bit more on in terms really pushing Egypt forward is what we can do for the lower classes to boost them up and empower them. Can you speak a bit to that?

**Dunne:** Okay, all right. First of all, Diane, you asked about what's new and creative in US policy—I mean, remember, I'm not a US official, Diane. I'm not here to defend US policy. I don't think US policy in the Middle East is new and creative, so that's why obviously I'm proposing some changes to it, rather than it continue to be what it is. I mean you mentioned US economic interests and so forth, and, you know, certainly I think—look, the US bears a share of the blame. What happened under the later of the Mubarak years was there was this so-called dream team of economic advisors and ministers sort of led by Gamal Mubarak and there were structural economic reforms that went very much along with the Washington Consensus, you know, neoliberal reforms, and the World Bank and so forth were patting

Egypt on the back for what a great job it was doing, and they had these impressive economic growth rates of 7%, 8% a year and so forth. At the same time, what Mimi discussed was going on, right? These were not being—there was crony capitalism basically. These benefits were not being well-distributed and there was not a very, very even playing field inside of Egypt, right? And I do think the United States, as well as the international financial institutions, I think they have, since 2011, done a lot of looking back and saying, you know, “What did we do wrong there?” And some of this does get to the Egyptian government and its own policies, and the social welfare safety net, and how it should be better constructed and so forth. So there’s a lot of issues there.

Now, your question and Julia’s question are somewhat related, about Fulbrights and so forth, and is this just for the elite, and so forth? So I think, first of all, there certainly can be, for students who would be studying in English language programs, whether at AUC, AUB or in the United States, and so forth—there certainly can be English language training, and I don’t know to what extent that is offered now. I mean, I know at earlier times like with the Peace Fellowship program and so forth, there used to be some pretty significant English language training that would be offered to people who were, you know, who were felt to have the academic potential to make it in these programs but whose English wasn’t quite there. But I think that you’re right—I did mention vocational training as well, and I think you guys know a lot more about this than I do, you know, what exactly are the kinds of programs could help people get matched with, get the skills they need for jobs for people who are not necessarily university-bound. One other issue that I want to mention that I think is an issue that has to be dealt with is the willingness of Egyptians to admit people from the lower middle class and the lower class into these elite institutions. I mean when I speak to people at AUC and so forth, that has been a bit of an issue, that, you know, there is a class-consciousness, and sometimes people don’t necessarily want their sons and daughters going to school with very bright people from the lower classes that they might end up marrying—that type of thing. So that’s an issue. There’s also a brain-drain issue if you’re bringing Egyptians to the United States, but, I mean, there’s a lot of experience I think, in these programs, in trying to build in the conditions that incentivize people to go back to their home countries.

**Ellis:** We have time for a few more questions. I just want to throw one into the mix because it affects this. How would aid from the IMF affect all of this? Because there will be conditions, they will cause certain hardships in the short term in the country, so I’m just wondering.

**Dunne:** So you know, in the short term, because of the Gulf aid that is coming in that has—it has minimal economic conditions, let me put it that way—I think it has some pretty significant conditions, but they have more to do with domestic politics and foreign policy of Egypt than they do with the economic policy of Egypt, so because of that, Egypt is not in immediate need of an IMF program, right? And even if an IMF program were to come through, one has been discussed on an initial program on the order of 5 billion dollars, it would be a lot less, cash-wise than what the Gulf countries are giving, right? Still though, you know, I think that, they’ve started talking again, and the current finance minister in Egypt is one who has had a lot of dealings with the IMF in the past. Egypt might eventually want an IMF program, because frankly—you know, as someone said to me, getting a program from the IMF sends a signal of comfort and it’s kind of the stamp of approval that investors like, whereas being on the dole from the Gulf sends the opposite signal. It’s not something that gives investors confidence, because they don’t know how long that money is going to keep coming and so forth, right? So, an IMF program, while it would be much smaller in size, it would have a different value, right? I think it will be discussed, and I think, frankly, just the circumstances in Egypt, particularly as I said, these terrible distortions that have taken place in the energy market, the production of energy as well as the consumption of energy in Egypt because of the energy subsidies, are forcing reforms on the government of President Sisi. It’s not the IMF coming in and saying “You’ve got to do it,” it’s just the circumstances, right? Because the energy bill of the Egyptian government just keeps ballooning up to an unsustainable point. So, now typically in the past, the IMF actually had talks with Morsi’s government, it had talks with the Supreme Council of the Armed Forces who were in control after Morsi, and the IMF tried to be pretty lenient with Egypt. They were not trying to impose very harsh conditions, but there’s still a little bit of a cost for the Egyptian government in terms of domestic politics and being seen as having given into the IMF or

something like that. So, I think it's not going to happen immediately, but when Egypt gets to the point where they really want to bring investment back—that's the big thing, domestic investment as well as foreign investment. And we haven't even talked about tourism, which at this point has been just destroyed. I mean, it'll come back some day, but very, very much destroyed because of all the security and terrorism problems. Egypt maybe will want to work with the IMF at some point, especially to give investors that signal that they're on a sound economic path.

**Question:** Lisa Howard, Stella Financial Services, serving the non-profit community. Michele, I also was struck by your recommendation that the US provide some kind of humanitarian support for the Egyptian people, show faith in them. What was the title of the report or policy paper that you posited that recommendation, and is it available publicly online or through Carnegie?

**Dunne:** I didn't pay Lisa to ask this question. [*Laughter.*] It's just called a "US Policy towards Egypt under Sisi," and there are copies of it out there. If you don't get one, I'll send one to you.

**Question:** I'm originally from Cairo, Egypt. Dr. Dunne, you probably read President Sisi's speeches since becoming president, either in Arabic or English. Sure you noted that he said, "I don't have the magic wand, I cannot do it alone." He was talking about social contract with his people. Let us work together let us join hands, he's not playing dictator. He was reaching out in a very difficult time. Yes, he has a military background, I agree with you. But he is reaching out to experts within Egypt and abroad, including economists from the United States to assist with the economic issue. Finally, I agree with my friend here, we are afraid that this kind of revival to US policy with regards to Egypt. But I would like to see good wish, good faith to help us during this time. I'm sure I came here and all Egyptian came here because of that principle or that value of the United States. I would like to see that during this time. Thank you.

**Question:** Shelley Myers from MSB Cyber Security, and I hope this is a little easier question. I'm just curious about the Muslim Brotherhood. Was their failure in Egypt a fatal setback for the Muslim Brotherhood, or are they somewhere regrouping and becoming strong again? I'm just curious about that, and the repercussions with all the other confusion going on in the Middle East.

**Ellis:** And what's the status with Morsi now? If you could throw that in?

**Question:** Dina Salah, working for NPR in the Cairo Bureau and currently interning here in Washington, DC with the Washington Report on Middle East Affairs. I have two quick questions. The first is: we've seen the media build-up to the elections and we all sort of knew that President Sisi was going to be President Sisi. However, when it came to the elections, the turn-out was not overwhelming, if you will. So I wanted to ask you, do you interpret it as sort of a resignation on behalf of the Egyptian people, or some kind of an implicit boycott? What's your—how do you read it? That's my first question. My second question is regarding subsidies. How do you think President Sisi will tackle subsidies, because, as far as we know, his view, his economic view as far as we know is not very clear. The only approach we've seen regarding the issue of subsidies is having him promote riding bicycles to work every day and so, I just, I wonder if you have a more concrete vision of how he will tackle this issue.

**Dunne:** Okay, okay. Let's see—so, Dr. Mansour raised this issue of the social contract, which I agree, I mean, this is sort of the major thing that has been going on in the whole region, and in all the Arab countries that have seen uprisings, has been people questioning the long-standing social contract between the citizens and the government. And were the citizens getting the services they wanted from the government, the accountability they wanted, the treatment by government officials and so forth that they wanted. So that is something that is a very live issue. Now, you said, Dr. Mansour, that President Sisi is reaching out to experts and so forth. Yes, I do see that. I mean I don't think we see yet a well-developed circle of advisors to the president. You know, the close advisors we see at this point are mostly other people from the military. But he has been consulting broadly and we'll see how he will

develop that. However, I would not say that he has been reaching out politically. You know, reaching out in terms of experts, yes.

So takes me to Shelly's question about the Muslim Brotherhood. The Muslim Brotherhood, the situation now is that, almost all of the leadership of the Muslim Brotherhood above a certain level is in prison, right? It's several thousand people. They're outlawed as an organization and in fact declared a terrorist organization. The political party they founded still exists. There's law suit to dissolve it—I don't know what will end up happening with that. All of their media was closed down and so forth, and many of the financial assets of senior leaders of the brotherhood, and we just saw in the past week, a lot of commercial enterprises owned by them and so forth have been confiscated, closed down, etcetera. So I'd say, you know, the Muslim Brotherhood is subject at this point to a crackdown unlike anything it has seen in 50 years. It's been a long time. Now the Brotherhood's been around now for about 80 years, it's an old organization, so I don't expect it to disappear, right? And people will tell you different things as to whether the Brotherhood will actually be eradicated, or whether it will just be repressed in a certain way, I don't know. I don't think it's going away.

How is it going to change as an organization? We don't know. As I said, it's an old organization and in some ways it moves slowly, so I think whatever readjustment of strategy you will see will take longer than one year, which is how long this has been going on. They continue to maintain that they are not carrying out terrorism. They come out and condemn every attack, including you might have heard a series of small bombings in Cairo this week, and they continue to maintain that they are protesting peacefully and that they have nothing to do with the groups that are carrying out the terrorist attacks and so forth. So we will see, and then, you know, I think there's a big question about the young people associated with the Brotherhood—where do they go? In terms of, do they stay with the Brotherhood, do they—do they adopt violent methods feeling the political process is closed to them? Do they adopt, I don't know, more peaceful political methods, although as I said even for secularists, let alone Islamists, the political space right now is not very big. So that's all I can tell you right now. I think that's an evolving story.

Morsi—Morsi and all the major leaders of the Brotherhood, almost all of his advisors, cabinet ministers, with the exception of a couple of them, are all in prison. Morsi is involved in—I can't even tell you how many trials. I mean there are so many legal cases and trials and so forth, so that's going to churn on, I think, for a long time.

Okay, Dina asked about the turn-out, the presidential election, and so forth. So, you know, we'll never really know what the turn-out in the presidential election was. It was announced that it was 47% of the registered voters, but again, unlike the elections of 2012, the parliamentary and the presidential election, there was no parallel count or other kind of really robust civil society or other alternative candidate monitoring for this, right? What we do know is that the government officials and the presidential election commission officials acted as though they were very unhappy with the turn-out. So, there was some disappointment in terms of how many people turned out to vote. I didn't think it was surprising because if you think about it, you said, we went into this election knowing Sisi would win. There was one other candidate, but I didn't know anybody who would put, you know, ten dollars down on his winning the election. Right? Hamdeen Sabahi. So, if people already know who's going to win, why are they going to go out and vote? I mean, I can only think of two reasons. One, you go out and vote because you were mobilized by somebody to go out and vote. Whether it's a political party, or it's your family, or I don't know. Somebody asks you to go out and vote. You're mobilized. The other part is that you're just so enthusiastic, you want to go out there and vote even if you know the conclusion. I think that it seems that the Sisi campaign relied largely on the latter, because there wasn't a very extensive—there was something of a voter mobilization campaign, but not very extensive. So they thought that there was so much enthusiasm for Sisi that people would turn out in droves, and it seems like it didn't happen. Nonetheless it was clear that he would be elected, and he was, and I, you know, I think that's sort of—I mean, it maybe tells you something about what his degree of popular support is,

or degree of enthusiasm in the public for him, but at the end of the day, the election is over, and, you know, he's president. I don't know how much it matters in the long run.

**Ellis:** And he asked about subsidies.

**Dunne:** Ah, how will he tackle subsidies? Well this is really, you know, the 64,000 dollar question because what he's doing right now is he's continuing along the line—Egyptian governments over the past couple years have started to take some marginal measures related to the energy subsidies, and a little bit on the food subsidies too, on the bread subsidies particularly. So they've instituted a smart card system, and some rationing, and raising the prices, particularly of kinds of energy that are consumed more by industry and more by the elite. You know, so there are some things going on that he has been doing. In a broader sense, I mean, some large reform of subsidies to make them more just, or to move from a subsidy system to a cash transfer system along the lines of what Iran did—there's no sense yet of whether he would undertake a broader reform like that.

**Ellis:** Okay well, we have come to the end of the program, thank you so much again, and thank you for your great questions. [*Applause.*]