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Arab Revolutions and Beyond: Change and Persistence

Proceedings of the International Conference

Tunis, 12-13 November 2013

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Ola el Khawaga and Cilja Harders

Preface

Challenges and Transformations in the Wake of the Arab Spring – Addressing Social and Political Change through Teaching and Research

Introduction to the Context of the Conference

This publication is based on the proceedings of an international conference entitled ‘Arab Revolutions and Beyond: Change and Persistence’, which was held in the framework of a multilateral project called ‘Challenges and Transformations in the Wake of the Arab Spring’ (2012-2014). The project is funded by the DAAD (German Academic Exchange Service) and based upon the longstanding partnership between Cairo University in Egypt and Freie Universität Berlin in Germany, specifically between the EuroMed Study Program at the Faculty of Economics and Political Sciences (FEPS) and the Centre for Middle Eastern and North African Politics at Otto-Suhr-Institute, Department for Political and Social Sciences.

The project addresses the challenges of current political and social transformations and their ramifications for higher education and the social sciences in Egypt and the region. The overarching objective of the project is to enter a productive dialogue on theories, methodologies and topics in social science research among Arab and German researchers. At the same time, we aim to improve teaching and research structures in the social sciences in a sustainable and efficient way. This will build students’ and teachers’ capacities on both shores of the Mediterranean and at the same time strengthen institutional efforts to promote the role of social sciences in the current transformations. The project builds on a spirit of partnership, participation and mutual learning. For us, the challenges of the Arab Transformations are not unidirectional, and they are not limited to the Arab countries. All partners share a strong interest in better academic teaching and more innovative research in order to foster knowledge production. The project includes researchers at different stages of their careers and from different disciplines (political sciences, economy, sociology). It reaches out to students and teaching staff alike and aims to strengthen multilateral networks.

Given Cairo University’s special position within Egypt’s Higher Education system and its important role as a regional hub, the significance of enhancing teaching and research capacities at FEPS lies in the exemplary nature that any achievements made may have for Cairo University and beyond. The project includes additional partners from Jordan (German Jordanian University), Tunisia (University of Tunis and University of Sfax) and Libya (University of Benghazi) thus also contributing to a much-needed intra-Arab debate about both the role and situation of social science research and teaching.

Main activities and dimensions of the project

The German-Arab project team works on three main levels: teaching, research and networking as well as curriculum development. The main activities include:

- Adaptation and renewal of the ‘EuroMed’ Study Program at Cairo University and conjoint development of new courses in workshops by junior and senior researchers involved in academic teaching
- Exchange of researchers and teaching staff between the partner institutions for conjoint research, teaching and exchange in the framework of staff exchange
- Didactical training, co-teaching and exchange regarding didactics and experiences in the class room

- Exchange of M.A. and B.A. students in the framework of the German-Egyptian Seminar, participatory co-teaching and learning, discussion of current developments in Euro-Med relations and beyond in 2012 and 2013
- Convening an international 'Young-Researchers Conference' in order to create an interdisciplinary forum for the debate of the social, economic and political impacts of the Arab Transformations in 2013
- Convening an international Summer School including students and professors from all participating countries in 2014

Aims of the Conference

The 2011 upheavals in the Arab World initiated a myriad of transformation processes in most Arab countries, the outcomes of which are open. So far, a broad variety of trajectories can be observed and the Arab revolutions have created both political openings and growing hope for change as well as uncertainty and instability in the region. In the long term, the Arab Spring could be an opportunity to begin a process of adjustment and reforms. The interdisciplinary conference and the volume assess changes and continuities in the field of economic, political and institutional developments, as well as in the cultural and knowledge-production dimension that have taken place in the course of the two years since. It tackles economic, political and social questions and specifically invited young researchers from the Arab region to participate. The conference papers and the volume discuss the following dimensions in more detail:

Social and cultural transformations

Taking into account the social and cultural dimensions induced by the 'Arab Spring' necessitates questioning the issue of the emergence of the 'individual-citizen' and his or her autonomy facing family and community structures as well as the political power. How did the Arab Spring change these fundamental relations between the individual and society and the body politic? This includes analysing the processes and technologies which contributed to a re-definition of public space, the construction and the revival of virtual and real social networks. From a cultural studies perspective, interdisciplinary approaches combining theories, paradigms and methods from the social sciences disciplines (anthropology, political science, sociology, cultural studies, and linguistics, amongst others) are invited to focus on issues such as the regulation of interest in terms of culture and identity politics, and the role of its different actors on a local as well as global level. Intertwined with these approaches are modes of interaction and communication, counter hegemonic discourses, and the negotiation of space and state from a gender perspective. Furthermore, the perception, re/presentation as well as the possible translation and negotiation of (nationalistic) symbols and creative outcomes during the upheavals are of interest. In the volume, Ilka Eickhof critically discusses the intricate relationship between foreign funding and local art scenes building on the case of Egypt. Nadia von Maltzahn looks at the governance of art politics in Egypt. Ali Raouf traces the spirit of 'Tahrir' and analyses this from an urban development perspective. Laura Gibbon engages with the narratives of martyrdom emerging in Egypt after 2011.

Economic transformations

The aim was to assess the main socioeconomic factors that have led to the toppling of regimes, as well as discuss the main challenges facing these countries in the aftermath of the Arab Spring and the subsequent economic transformations. Examples could be the sectoral impact on tourism, the financial sector, and investment-related

aspects. We are addressing demographic transformations and their impact on the labour market, on migration and remittances. Social and human development indicators (education, health, poverty, know-how) are of equal importance, as well as the sustainability of the current transformations in terms of macroeconomic stability, real and financial variables. The role of the West in the upcoming period, particularly in the framework of Euro-Mediterranean economic relations (trade, IPR...), will be of particular concern, as the declared goal of the EMP and ENP is to contribute to a more prosperous and thus more stable and peaceful region. In the volume, Heba Talla Atef Sayed Emam discusses the impact of the revolutions on the Balance of Payments in Egypt and Tunisia. Nooh Alshayb and Raed Khasawneh present an in-depth study on how the political change of 2011 did impact on workers remittances to Jordan. Eibadalla Mahjoub Eibadalla engages with the causes and determinants of youth unemployment in the Arab world. Radwa Samy and Abo Shady discuss the role of the informal sector in Egypt. Nashwa Mostafa Ali Mohamed engages with the flow of financial remittances between 2002 and 2012.

Political and institutional transformations

The papers address political and institutional transformations from above and from below and to focus on either the domestic or international dimensions of change. On the domestic level, among others, the issue of institutional and legal change – notably in terms of new or persisting modes of governance – will be of particular importance. The emergence of new and old social movements, new modes of political participation and contention characterised the upheavals and the ongoing transition processes - how sustainable are these movements and did they impact on the systems? How are class, religion and gender intertwined with issue of resistance, repression, and restoration? We also broached civil-military relations, security sector reforms, and the politics of securitization. On the international and regional level, we present papers that address changes and continuities in Euro-Mediterranean relations, or focus on new geopolitics in the light of the re-emergence of regional and supranational actors. In this section, Florian Kohstall engages with the impact of elections on the political system of Egypt since 2011. Aliaa Wagdy discusses EU policies towards the Mediterranean and Heba Amr Hussein looks at the local dynamics and transformations of waste policies in Egypt. Amal Hamada engages with civil-military relations and Egyptian economic policies. Ahmed Abd Rabou traces the transformations of civil-military relations in Egypt since 2011. Benedikt Grossmann engages with the role of Islamist Actors, notably Hamas in Gaza strip. Shaimaa Magued discusses Islamism in Egypt using the religious market theory. Regine Schwab looks at the role of political communication in Egypt analysing the example of the constitution writing process in 2012.

Ahmed Abd Rabou

Democracy as Civilian Control

Civil-Military Relation in Post-Revolution Egypt

1. Introduction

The military's retreat from routine politics in Egypt after it grabbed power upon the ouster of former president Mubarak did not put an end to their intervention in the political equation in the country. Officially the military handed power over to the first elected president after the revolution in July 2012 and came back to power only one year later kicking out the elected president and declaring a roadmap for the future that included an acting president and interim government and a new schedule for parliamentary and presidential elections. Though controversial, this step was backed by millions of Egyptians who welcomed this military intervention that got rid of the debatable rule of the Muslim Brotherhood leaving both international and Egyptian academia in confusion on how to name this military intervention; was it a popular revolution that toppled down a dictatorship regime like what happened earlier with Mubarak, or was it just a coup?

Looking with a thorough eye to the period between the January 2011 Revolution and July 2013 reveals multiple questions that need to be answered and opens the door for some expectations about the role of the Egyptian Armed Forces (EAF) in Egypt's political future. This period witnessed many trials by the civilian elites to eliminate the military governance. After Morsi was named president he took many steps, to be revealed in the paper, to eliminate military intervention in the political process and to impose civilian supremacy. The evolution of events from January 2011 to June 2013 proved those attempts short of action.

Admired in the wake of the uprisings as the revolution's guardian, as the transitional period prolonged, many have come to view the SCAF as an agent of the counter-revolution.¹ Shortly after the SCAF took control, a clandestine civil-military competition was launched due to fears that the SCAF did not intend to hand power over to civilians as declared on the day the SCAF took authority.

Therefore, civil state advocates have pushed the military to speed up the transitional period. On the other side, the SCAF was manoeuvring and following a multi-step strategy to prolong the transitional period in order to ensure, as claimed, a safe and purposeful transition towards democracy. Furthermore, on the conclusion of the transitional period, on June 17th, 2012, the SCAF issued a constitutional declaration, which maintained some prerogatives for itself and the military as a whole.² However, Morsi soon repealed this declaration with no resistance at all on the side of the military.

When President Morsi was elected, he ousted the chief of the SCAF and its strong men; he also cancelled out the constitutional declaration. Yet, another debate has erupted whether Morsi was ending years of the strong 'officers' republic' or just inaugurating another episode of balance of power between EAF and civilians.

This paper intends to study the strategies followed by both actors; the civilians and the military, in their prolonged competition over power. The main aim of this study is to explore civil-military relations in Egypt in three different segments: First before the January uprisings, second, since the ouster of Mubarak and before the election of Morsi, and lastly after the election of President Morsi till his ouster.

The paper also seeks to answer the questions whether the context in which this competition is taking place is preferable for the military or the civilians, what are the main

areas upon which the civil-military competition is occurring? What is the definition of civilian control and how does it relate to establishing and solidifying democracy especially in neo-democracies? And finally, why did the ouster of Lieutenant General Tantawi not mark the end of military control in Egypt?

Henceforth, the paper is divided into three main parts. The *first* part deals with the theory of civilian control as defined and designated by Aurel Croissant and Paul Chambers in their book *Democracy Under Stress: Civil-Military Relations in South and Southeast Asia*,³ where they studied a number of civil-military relations in developing countries amid political transformations forming a model to analyse the dialectical relations. While the *second* part explores the past and the present of the civil-military relations in Egypt implementing the Croissant and Kuehn model,⁴ the *third* part of the paper draws the main conclusion on the future of the civilian control in the country.

2. Civil-Military Relations: the Theory

Civil-military relations can be defined as those interactions between the military and civilian actors that relate to the power to make political decisions. That is, they are a continuum of distribution of decision-making power between the civilians and the military.⁵

The traditional school of civil-military relations research in the 1960s and 1970s focused mainly on the causes, opportunities and motives of military coups. Hence, civilian control was implicitly defined as the absence of physical military intervention, and actual military rule. This focus on the coup/no-coup dichotomy ignored other forms of military misbehaviour in the framework of civil-military relations such as the reserved-domains for the armed forces. The conceptualisation of civilian control must go beyond the coup/no-coup dichotomy since all militaries engage in some form of political action.⁶

Aurel Croissant and David Kuehn have framed a conceptual approach to analyse civil-military relations in newly democratised states (See Figure 1).⁷ They argued that various components of civilian control can be organised into five decision making areas of civil-military relations: elite recruitment, public policy, internal security, national defence and military organisation. The position of any state on the continuum of political power distribution among civilians and the military depends on the outcome of the competition between the civilians and the military over domination of those areas.

Hence, the most pressing question is how can the new civilian regime institutionalise civilian control over the military and which factors determine the success or failure of crafting civilian control. To answer this question we should bear in mind that the degree of civilian control in new democracies depends on the ability and willingness of civilian elites to develop short or medium term strategies for establishing institutions that confine the political activities of the armed forces. The civilians can employ many strategies to control the army. These strategies include appeasement, monitoring, ascriptive selection of armed forces personnel, political socialisation of the military, rewarding compliance and punishing non-compliance.

Furthermore, civil-military interaction does not take place in a vacuum. Instead, certain structural and situational factors affect the interaction. Croissant and Kuehn distinguished three sets of structural and situational factors: initial conditions, military-endogenous factors and military-exogenous factors. Initial conditions include the type of the outgoing regime and the scope of the military prerogatives. These conditions have profound implications for the challenges and opportunities for crafting civilian control in new democracies.⁸

The military endogenous factors are related to the internal aspects of the military such as the organisational culture of the military, internal cohesion, and its economic

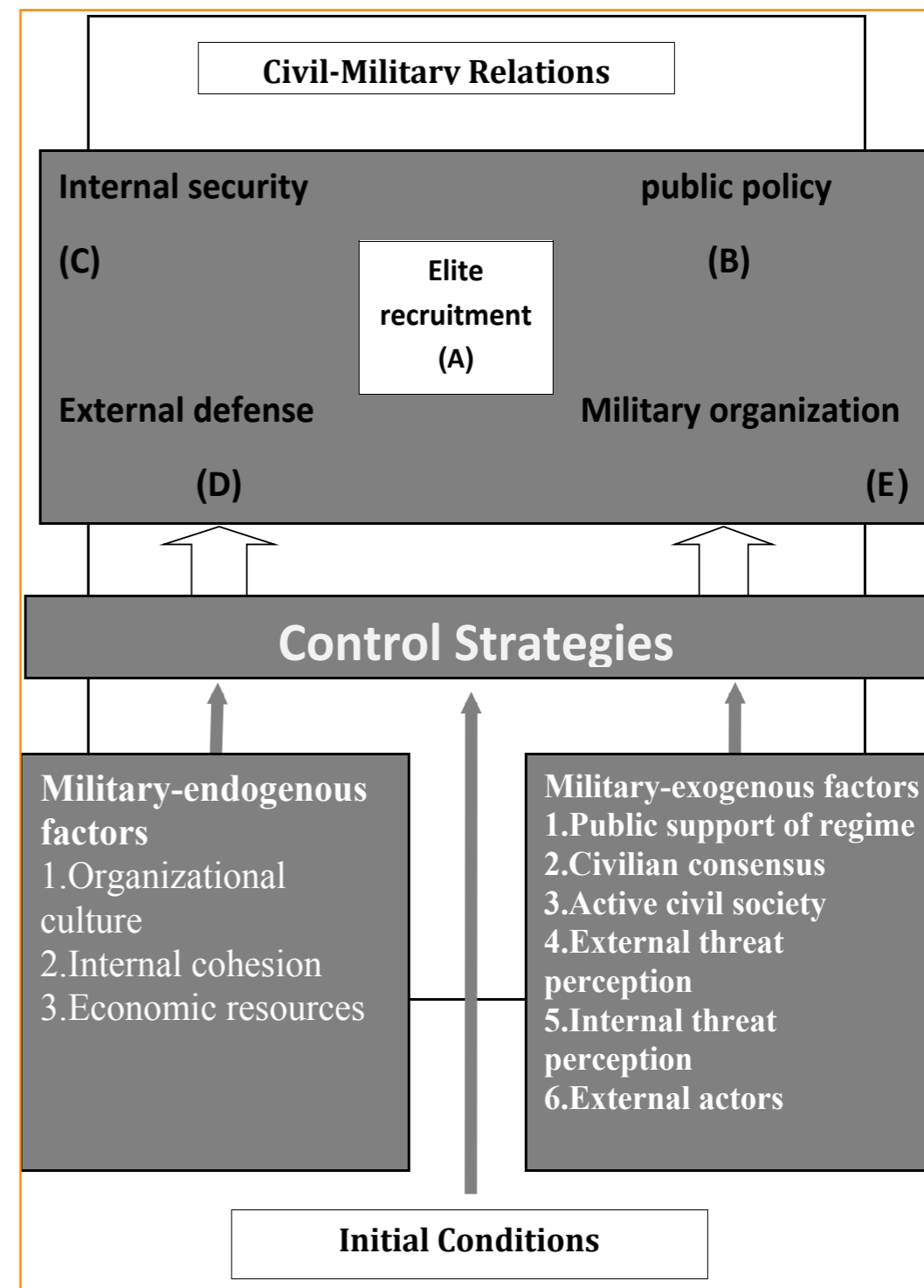


Figure 1: Factors and Strategies of Crafting Civilian Control⁹

posture. On the other hand, the exogenous factors shape the civil-military balance of power from outside the military complex. Six different factors can be identified here: public support of the regime, civilian consensus, active civil society, external threat perception, internal threat perception and external actors. Based on these structural and contextual factors the civilian elites can choose which control strategies to adopt to win the competition.

The *main hypothesis* of this paper is that by ousting the old SCAF, Morsi did not impose civilian control over the military; rather he just terminated the mandate of

strong generals who used to be loyal to Mubarak and his old regime and replaced them with new generals to be loyal to his own mandate. Thus, the role of the EAF in the political process in Egypt is not expected to vanish in the coming years.

The following part of this paper is to explore the structural and situational factors of civil military relations in Egypt. The five areas of competition will then be surveyed in post-revolution Egypt to track the development in each of them over the transitional period. Finally, the author intends to investigate different control strategies applied by the civilians to impose civilian control before approaching the conclusion of the future of this struggle.

3. Civil Military Relations in Egypt: the Past and Present

3.1 Structural and Situational Factors Governing Civil-Military Competition

The army in Egypt is a modern institution with a great number of armed soldiers and a lack of civil-military integration. Despite the fact that the Egyptian military is intruding on civil matters through its control of institutions relevant to the civilian sector, the Egyptian army nonetheless remains a fully independent actor, called by some 'a state within the state'. Therefore, the Egyptian army cannot be compared to other modern armies identified by increasing civil-military integration and a small highly professional volunteer force.¹⁰

In Egypt, initial conditions as well as military-exogenous and endogenous factors favour the EAF's supremacy in civil military relations and work against ambitions to achieve civilian control. The timeframe of exploring these factors has been divided over two consecutive periods: first, during the transitional period (post uprisings), from February 2011 till the election of Morsi in June 2012; second, after the election of Morsi till his ouster by the military on July 3rd, 2013. This split in time periods aims to explore the evolution of the context in which the first elected civilian president was removed from office by an overt military move.

Egypt has had a long history of military rule since a group of army officers seized power in 1952. All Egyptian rulers since 1952 have come from the military and have relied on it for support. Moreover, the military institution isolated itself from the widespread corruption that came with Mubarak regime's policies of privatisation and it managed to keep its patriotic image in the public eye.

The role of the Egyptian army in politics and decision making processes was highly entrenched in the wake of the July 1952 Coup which toppled the monarch and established the First Republic. This coup was embraced by the crowds and soon turned to a revolution due to the nationalist, reformist project inaugurated by President Nasser. Under Nasser the core elite were fellow military revolutionaries. Under Sadat the top elite was no longer dominated by the military and was transformed into a much more heterogeneous group. Generally, civilians far outnumbered the military in the core elite composition during the Sadat era. Likewise, Mubarak increased the role of civilian technocrats in his inner circle at the expense of active and retired military generals.¹¹

3.1.1 Military-exogenous factors

a. Public Support

Post-Uprisings

Since the first days of the revolution, the army gained public support simply. When military equipment and soldiers were deployed to the streets in the evening of Janu-

ary 28th, 2011, they allowed demonstrators to scrawl 'Mubarak Leave' on the sides of their tanks.

Theoretically the EAF did not oppose Mubarak out loud,¹² but on the ground, the military personnel never tried to end the sit-ins or to open fire on the crowds. On the contrary, several messages were conveyed to the crowds that the military was there for their protection.¹³ Standing neutral and the indicators of forcing Mubarak to step down after 15 days earned the military public support, but this support did not last forever.

As time went on, the SCAF had angered some revolutionary forces, and engaged in bloodshed. Actually, the military was manipulating the crowds, that is, when the anger of the crowds reached its top, the SCAF was applying one of the crowd's demands. The crowd raised a lot of demands but the SCAF only lent them deaf ears.

This irresponsiveness could be traced back to the conservative nature of the top brass who favour gradual changes rather than revolutionary ones demanded by the crowds. What adds to the conservative nature of the SCAF is the average age of its members which revolves around 60. On top of that, the head of the SCAF, Tantawi, served under Mubarak for twenty years, so it was not easy for the SCAF to break with its past.

As a corollary, the SCAF conduct during the transitional period was influenced by its major characteristics – including adversity to change, tendency to secrecy, hostility against dissent, and strict hierarchical structure. As a corollary to the corollary, the tension between SCAF and activists and protesters increased and they started to question its longer-term objectives.¹⁴

It was clear from the very beginning that the SCAF could never win the unconditional support of the revolutionary forces. Therefore, the SCAF tried to gain the support of the Islamists who started to play politics out loud. The SCAF attempts to gain the support of the Islamists was so clear that it pushed the SCAF to deny being Salafist or Brotherhood.¹⁵

Another turning point in the relationship between the SCAF and the revolutionary forces were the bloody events of 'Mohamed Mahmoud Street' which erupted on November 19th, 2011. Those clashes between the security forces and the demonstrators resulted in so much bloodshed with more than 56 deaths. This further undermined the legitimacy and the support of the SCAF.¹⁶

There were many other bloodsheds in which the SCAF was involved including Ministry of Defence clashes (May 2nd, 2012) which resulted in 11 deaths and tens of injuries; the Port-Saied stadium massacre (February 1st, 2012) which resulted in 73 deaths and tens of injuries and many other massacres. Though military forces were absent in some of these clashes, the revolutionary forces had no one to blame but the SCAF for all the bloodshed during the transitional period.

Post-Morsi's Election

The day Morsi was elected the first president after the revolution, thousands of protesters flooded Tahrir Square to celebrate the official announcement of the results.¹⁷ Morsi took the presidential oath in front of hundreds of thousands of Egyptians in Tahrir Square before taking the official oath in front of the Constitutional Court Judges, which was a sign that Morsi was the revolution candidate and that he held the support of the revolutionary forces.

Morsi could maximise his public support by firing Tantawi and the Chief of Staff, Sami Anan, on August 12th, 2012, a few weeks after he took office.¹⁸ At the beginning of his term, fears of military interventions dispersed any hope of the military to come back to the political stage. Notwithstanding, his swaying of political and economic

policies (i.e. constitutional declaration issued in November 2012 and repealed a few days after¹⁹ and the decision to raise taxes in March 2013 which was relinquished the next day!) have triggered some calls from the public for the military to come back.

b. Civilian Consensus and Active Civil Society

Post-Uprisings

The main obstacle in the way of civilian control was the lack of civilian consensus. Political parties and movements split for the first time after the revolution with regard to the constitutional amendments, issued by the SCAF, which was supported by Islamists and opposed by liberal political parties and revolutionary movements.²⁰ Since then, a serious partition between both wings has sharpened over time. With the development of the transitional period after the parliamentary elections, the split was further increased on the same basis.

Post-Morsi's Election

The election of Morsi to the presidency did not stop the erosion of civilian consensus over major issues but increased it. In this context, the more Morsi advanced as an elected president, the greater the gap grew between civil and liberal parties on the one side and Islamist parties on the other.

Morsi's decisions themselves ignited the conflict between his camp, the Islamists; and the liberal camp, resulting in recurring bloody clashes between the two blocks, like what happened after the constitutional declaration issued by Morsi on November 22nd, 2012, and repealed only days after.²¹

c. Internal and External Threat Perceptions

In the aftermath of the revolution, an unprecedented security breakdown took place. Security forces withdrew from the streets by the evening of January 28th, 2011 and normal citizens took the responsibility of securing their neighbourhoods.²² Recurring violent clashes between demonstrators and security forces also added to the dilemma of the security breakdown.

In fact, the fear that embraced the overwhelming majority of Egyptians both from internal and external threats played off well for the sake of the SCAF and its intent to control.²³ Furthermore, terrorist attacks in Sinai and recently in downtown Cairo intensified the security dilemma.²⁴

Externally, the perception of threats against the Egyptian national security has also maximised and was highlighted by both the SCAF and civilians. Even after the election of Morsi, the perception of internal and external threats continued to prevail.

d. External Actors

One of the key factors in the transitional period in Egypt was the American role. This role has not only been mushroomed, but also comprehensive and subtle to network with all the main internal actors of the scene, i.e. the SCAF, the presidency, both Islamic and liberal political parties etc.

If the involved external actors in the Egyptian scene support civilian attempts to control the military, civilians are more likely to adopt robust strategies to impose such control.

Before and after the revolution, the United States has always been the most relevant strategic partner and the most influential actor in Egypt. Economically, the U.S. is the largest trading partner with Egypt.²⁵ Secondly, the United States has provided significant military and economic assistance to Egypt since the late 1970s.²⁶

Egypt also is highly dependent on the U.S. for the military and economic aid which accounts for more than a billion US-Dollar per year.²⁷ Since 1979, Egypt has been the second-largest recipient, after Israel, of U.S. bilateral foreign assistance, and from 1987 to the present Egypt has been receiving \$1.3 billion a year in military aid from the U.S.²⁸ Although the exact amount of Egyptian military spending is unknown, it is estimated that U.S. military aid covers as much as 80% of the Defence Ministry's arms procurement costs.²⁹ Other estimates hold that the \$1.3 billion military aid yearly represents 25 percent of Egypt's total annual defence spending.³⁰

Tracking the steps of the U.S. in Egypt during the transitional period reveals that it never chose a side over the other. The U.S. tried its utmost to maintain good relations with all the civilian elites alongside with the military. This is clear from the series of visits by U.S. diplomats and representatives to different actors during the transitional period and especially after the parliamentary elections.

American diplomats during the transitional period have always assured that they favour no specific party or group but that they support the democratisation process *per se*.³¹ They also more than once affirmed the importance of holding parliamentary and presidential elections and transferring authority to an elected civilian government.³²

This reveals that the U.S. was generating incentives for the Egyptian military to internalise the principle of civilian control, especially with the huge amount of military aid that the U.S. delivers to the Egyptian army. Those incentives include the possibility of suspending the U.S. assistance to Egypt, including military aid, if the Egyptian government would not transition to democracy. The Congress has conditioned assistance to Egypt on an executive branch certification that the Egyptian government is moving to democracy.³³

After deposing of Morsi, the U.S. officials at all levels, including President Obama himself, called upon the Egyptian military to 'return full authority back to a democratically-elected civilian government as soon as possible'³⁴, and the military aid was suspended for a while till the restoration of civilian rule.

3.1.2 Military-endogenous factors

a. Organisational Culture

Two main characteristics that distinguished the SCAF when it took power in February 2011 are conservatism and hierarchy. When they first toppled the monarchy in 1952, they were simply a group of young outsiders (as compared to political elites and political system as a whole of the time) who had gained access to power and resources, and only had their loyalty to the Republic and Nasser's project. Coming back to power in 2011, the military junta was mainly a group of old generals in their sixties and seventies who had built an old experience of access to power and resources, and considered themselves the guardians of the Republic, it was impossible for them to break with their past and organisational culture.³⁵

This culture has enabled the SCAF to resist any kind of change or flexible response to revolutionary demands. They kept their outmoded tools and policies to face and interact with a changed world. Actually, when the SCAF officially retreated from the political scene, they got exactly what they fought for over the transitional period; that is to keep the EAF's independence both institutionally and economically in the new constitution.

b. Economic Resources and Internal Cohesion

Even before the ouster of Mubarak, the size of the Egyptian army's share in the economy has been a subject of great debate. It is well known that the army is manufacturing many things, but no one knows for sure how much of the country's economy the military industries control due to the absence of transparency and scrutiny. Military expenditures are consuming 2.2% of the Gross Domestic Product (GDP).³⁶ The military's oldest commercial interests are the factories run by the Ministry of Military Production, the Arab Organisation for Industrialization (AOI), and the National Service Projects Organisation. Moreover, the army also oversees numerous subsidiaries of state-owned holding companies and owns shares in public-private ventures.³⁷

Over the past thirty years, the army has insisted on concealing information about its enormous interests in the economy and thereby kept them out of reach of public scrutiny and accountability. Some estimates hold that the army's share of the Egyptian economy is around twenty-five to forty percent of the whole economic activity. Army generals and colonels are in charge of these enterprises.³⁸ The rationale behind this economic activity is to relieve the budget. That is, not to place pressure on the national budget while establishing a great and strong army to guard the Republic.³⁹

A review of the main industries of the EAF reveals that they own and run nine engineering companies, five of which produce civilian products only; three chemical companies, two of which are also producing civilian products only; an electronics company serving the civilian market mainly and other training centres training civilians as well as army personnel.⁴⁰

This economic empire has enabled the EAF also to act coherently during the transitional period facing all kinds of pressure. Although there have been always expectations of fragmentation or clashes between different wings inside the SCAF, to the extent that some anticipated an internal coup on Tantawi, such has never happened due to the strong discipline, coherence and independence of the military in Egypt.

We can finally argue that civilian control might be in danger if it is threatening the economic empire of the military. These economic interests of the military might provide its leadership incentives to resist the expansion of civilian control to defend their own interests and economic position.

3.2 Areas of Competition between the Military and Civilians

Both EAF and civilians have been fighting over five main areas since the 1952 Revolution till today. The military's involvement in the political process in Egypt has been declining since the 1952 Revolution which brought the military to the political process in the first place.⁴¹

The following section depicts the main areas of struggle before the January uprisings; since the uprisings till the election of Morsi; and finally since the election of Morsi till his ousting and what happened afterwards.

a. Elite recruitment

Pre-Uprisings

EAF used to play a pivotal role in elite recruitment across different layers of Egyptian decision-making since the beginning of the 1990s (Mubarak era). They first were used as a tool for bureaucratic reform and regime maintenance; they penetrated the senior bureaucratic layers to select the top of oversight and administration agencies and

local government. They were also offered post-retirement careers, as seniors of EAF penetrated civil service, infrastructure, and land-related programs.⁴²

Post-Uprisings

In the period between February 2011 and July 2012 no dramatic changes occurred in Egypt with regard to the prestigious role of EAF in recruiting elite. Benefiting from their position as sole executive and legislative body, the SCAF controlled all appointees in the cabinet, the local government, and all other civil service positions.

Furthermore, they insisted on confirming the positioning of former EAF generals at the top layers of all decision-making and oversight apparatuses. The SCAF also continued to appoint EAF leaders to local government.

Post-Morsi's Election

Once President Morsi was elected to office on June 30th, 2012, debates on how he was going to deal with the SCAF, especially with the issuance by the latter of the constitutional declaration through which it kept the legislative and veto power, erupted. In few weeks, specifically on August 12th, 2012, Morsi ousted top generals of the SCAF, amended the constitutional declaration, gaining back the legislative power; he also cancelled out the veto power of the SCAF.⁴³ This dramatic step was also a matter of controversy if it meant that EAF was to be out of the political game and elite recruitment forever.

Actually, the president appointed the new cabinet avoiding any nomination from the SCAF or EAF in general. In August 2012 he alternated the Chairmen of Presidential Guard, the Intelligence, and the Military Police by other EAF senior generals. He also adopted another reform in governors' positions appointing 10 new governors including only three of EAF (mainly the bordering governorates), and replacing two generals appointed by the SCAF in August 2011.

Even though the general trend of Morsi since then was to gradually replace former EAF generals by civilians, he suddenly decided to appoint three EAF generals to the Shura Council, the body that temporarily assumed the legislative power after the adoption of the new constitution.⁴⁴ This move was perceived as an attempt to ensure the military representation in the only legislative body then, which reveals how Morsi and the military tried to maintain a balance of power between each other.

b. Public policy

Pre-Uprisings

Generally, Mubarak was very keen to keep the EAF away from drafting public policies or intervening in the political process. Furthermore, the emergence of the 'security state', which depended heavily on police forces and suppression, was assumed to have relegated the EAF to the background.

Post-Uprisings

Until the election of the People's Assembly, the SCAF held both executive and legislative authorities so it was able to direct the public policy individually, wherein it issued new laws, modified old ones and directed public policies as it wished.

Post-Morsi's Election

The first step in Morsi's approach to establish civilian control took the path of cancelling Tantawi's decision to dissolve the People's Assembly only 14 days after Morsi was declared president, specifically on July 8th, 2012. This decision was repealed days later by the constitutional court, though. Secondly, with the government Morsi formed and the presidential team, no one can doubt that Morsi and the Muslim Brotherhood became the main agents of public policy after his election. After Morsi settled in office and replaced Tantawi and Anan, the military went off the grid for a while but only to come back soon.

c. Internal Security

Since the uprisings of the central police in Cairo in 1986, when Mubarak was forced to call the EAF troops to impose a curfew for a whole day, he realised the risk of calling the military into political action. After ousting general Abu-Ghazalah, Mubarak was very keen to detach the EAF from internal security issues. This is clear from not calling the military back to the streets after that.

Nevertheless, with the rising role of the police amid the failure of Mubarak's economic policies in the last decade before the revolution, coinciding with the rise of Gamal Mubarak in internal politics, the EAF felt at unease with the whole situation. Although they were excluded from a direct role in internal security issues, the role of military retirees in the local government establishment suggested a certain degree of combination between the military and security structures in the role of regime maintenance before the revolution.⁴⁵

Post-Uprisings

In the aftermath of the security breakdown on January 28th, 2011, the SCAF has played the major role in internal security establishment. The internal security, since then, has depended mainly on EAF, which took responsibility of ending sit-ins and demonstrations, protecting important institutions and facing sectarian crises. After the ouster of Mubarak, the SCAF soon brought the State Security Investigations Service under its direct control, using the powerful General Intelligence Directorate to be its pivotal arm alongside military intelligence.

Post-Morsi's Election

Once he assumed power, Morsi was expected to change the equilibrium of the internal security establishment in Egypt. Although he changed the interior minister, he consistently failed to reform the whole ministry and was obliged to call upon the military on many occasions to sustain the fragile internal security. Amid the terrorist attacks on Sinai in August 2012, the army reasserted its crucial role in maintaining internal security in the light of the huge army arsenal deployed during those operations. So far, the military is the only actor to maintain security in Sinai.

d. External Defence

This area of competition between EAF and civilians has not changed much after the revolution. According to the constitution of December 2012, the president is the Supreme Commander of the Armed Forces (Article 146), and he has the final say, together with the parliament, in taking war decision. However, the new constitution established two councils: the National Security Council and the National Defence Council. Theoretically, these councils with joint civil-military membership enabled

the civilian leadership to have a say in this area, however, since the functions and differences between the councils were vague and confused, the EAF managed to keep the equilibrium of external defence in their favour.

e. Military Organisation

As a sign of asserting his authority, Morsi was keen to attend all the graduation ceremonies of military colleges and he gave prolonged speeches on each of them. However, Article 195 of the new constitution limits the appointment of the minister of defence from among the working military personnel. Moreover, discussing the budget of the military in the constitution is limited to the council of National Defence, which is constituted with a military majority (Article 197). At the conclusion of the transitional period, EAF managed to secure the independence of their organisation and the safety of their economic interests, just as was the case before the revolution.

3.3 Strategies of Civilian Control

This section is guided by the following question: have civilians adopted any strategy after the January Revolution to encourage the military to retreat from politics in Egypt? This part tracks adopted strategies (if any) by civilians whether before or after the election of Morsi.

a. Appeasement

Appeasement and gradual alternation and promotion of the EAF' leaders has been the main tool used by president Morsi to achieve civilian control. In the first government formed by Hisham Qandil on August 2nd, 2012, Field Marshal Tantawi kept his position as minister of defence but he was retired some days later. Though retired, both Tantawi and Anan were bestowed Egypt's highest honour and were named presidential advisers.⁴⁶

Major General Mohamed El Assar, Assistant Defence Minister for Armament Affairs and another SCAF member, told Reuters news agency that the decision of reshaping the SCAF was based on consultation with the field marshal and the rest of the military council.⁴⁷ On the very same day of retiring Tantawi and Anan, three other SCAF members – navy chief, air defence chief and air force chief – were retired and given senior civil service posts.⁴⁸ Furthermore, intelligence chief Lieutenant General Abdul-Fattah El-Sissi, was named defence minister in place of Tantawi. Al-Sissi is in his 50s and the youngest member of the SCAF, which highlights the generational jump.

b. Monitoring

So far there is no institutional method to monitor the army, though the change of the military leadership put Morsi atop the new leadership and so the presidency under Morsi was in a situation enabling it to monitor the army because the new military leadership was appointed by Morsi. The establishment of the National Security Council, with a civilian majority and the National Defence Council with a majority of army members gives contradicting signs on the degree of civilian oversight over the army. The relations between the two bodies remain too vague.

c. Ascriptive Selection (Selection Based on Loyalty not Merit)

President Morsi's decisions on Sunday August 12th, 2012 to retire Tantawi and Anan, the two highest ranking members of the SCAF, terminate the SCAF's contentious June 18th

constitutional addendum and appoint a new vice-president launched a severe debate.⁴⁹ In this regard, some analysts argued that in order to do so, Morsi took advantage of the previously well-hidden rivalries between the 78-year-old Tantawi and a younger generation of generals, but was careful to ensure that both Tantawi and his number two on the SCAF, Anan, were given honourable exits.⁵⁰

Appointing El-Sissi new defence minister was the result of a safe exit deal with some members of the SCAF, so even if Morsi was not sure about his loyalty to him, it was at least his best option to sideline Tantawi and Anan.

d. Sanctions

A number of punishments have been used since the inauguration of Morsi over the EAF's top generals as follows:

- Morsi fired intelligence chief Major General Murad Muwafi the day after the August 5th attacks in Sinai by Islamist militants, in which 16 Egyptian soldiers were killed.
- President Morsi also sacked Major General Hamdi Badeen, chief of Military Police, and replaced him without declaring a reason.
- The president also replaced the former Republican Guard commander, Major General Samy Dyab with no reasons given.⁵¹

One can conclude that before the inauguration of Morsi, civilians failed to sideline the SCAF and the EAF in general from the political sphere, and they have not used any strategy to fulfil this objective. This is a logical outcome since the SCAF had been manipulating both the legislative and the executive powers since the ouster of Mubarak. However, since his election, President Morsi worked to some extent to give the SCAF incentives to stay away from politics and to be loyal to his civilian mandate.

The Muslim Brotherhood and the military came out of the 2011 revolution as the two dominant actors in Egypt, with the former taking over power from the latter.⁵² The triumph of the Muslim Brotherhood in the parliamentary elections, the victory of its presidential candidate Mohamed Morsi and the approval of the constitution drafted in line with its ideology were indicators of the gradual consolidation of the Muslim Brotherhood power in all branches of government. But the control of the military over national security and some foreign policy decision-making represented a challenge to the authority of the Muslim Brotherhood.

Also, the fact that Mohamed Morsi was the first civilian president since 1952 ignited some fears on the side of the Brotherhood that the military institution would not subordinate itself under his mandate. As a corollary, attempts to impose civilian control over the military by President Morsi were inevitable to consolidate his grasp over national security and foreign policy decision-making.

4. Partisan Neutrality of the Military: a Look Forward

In the Egyptian case, the military's direct involvement in politics started in January 2011 and has been exacerbated over time ever since. Huntington, an advocate of military professionalism, argues that it is impossible to be professional in military science and party politics. Consequently, political involvement of the military can be dysfunctional and it undermines the professionalism of the officer corps.⁵³

The fact that the military institution wields coercive power raises fears that it may enforce its will over the community that created it. When the military is politically

neutral, the rotation of power among different civilian elites will not be hindered by military disobedience. This neutrality guarantees that the military will not be involved in political power struggles and tip the balance.⁵⁴

In Turkey, for example, the Turkish Armed Forces (TAF) plays the 'guardian' role for the secular nation-state in general and the Kemalist ideology in particular. The TAF considers itself responsible for guarding the state from the 'internal enemies', that is, Political Islam and the Kurdish Movement.⁵⁵

Egypt is heading towards the same direction. The military intervention on July 3rd, 2013 represented a kind of partisan partiality of the military towards the liberal-oriented parties and against the Islamists. Deposing the freely elected president after only 2 days of demonstrations represents direct involvement of the military in a political power struggle. The bias of the military towards the liberal-oriented parties will open the door for a 'guardian' role for the military, as with the Turkish case, which will hinder imposing complete civilian control over the military.

Moreover, regardless of the future plan set by the military and regardless of handing the authority over to the chief of the constitutional court, no one can deny that the army is the dominant force in the political scene these days.

5. Conclusion

The main aim of this paper was to analyse the civil-military relations in Egypt. Its main statement that guides the research is that with the election of President Morsi, the civil-military equation during Mubarak era was only inherited by Morsi and, therefore, it is less likely that Egypt is going to witness a genuine civilian control. Through implementing the model suggested by Aurel Croissant and David Kuehn, the main interactions, strategies, and manoeuvres used by both civilians and the EAF in Egypt has been analysed and led us to draw four main conclusions in this context as follows:

First: exploring the structural and situational conditions of the relationship showed how beneficial and superior the position of the EAF was facing the civilians both before and after the revolution. Enjoying public support and respect, exploiting fragmentations and factions among civilians, setting policies to undermine and distort the public image of civil society organisations and finally maximising the fear of the public of both internal and external threats to prove their ultimate ability to guard Egypt from fatal threats, have worked well for their sake to push their military control over civilians during the transitional period, and to secure rooms of influence in the new constitution before leaving the political scene. The EAF's economic independence and its internal cohesion have also enabled the army in Egypt to maximise its gains during the transitional period in a sense that makes full civilian control almost impossible.

Second: revising the main areas of supposed contest between civilians and the military in Egypt proved that the SCAF has manipulated all areas of competition during the transitional period that is elite recruitment, public policy-making, security, defence, and the EAF's organisation itself. They managed to play and negotiate with all actors exploiting the aforementioned structural and situational conditions and play them all off for the sake of the military control. With the election of President Morsi he gradually managed to harness the first two areas, that is elite recruitment and public policy-making; however, the SCAF managed to keep the upper hand over the rest of the contested areas, and there has been no indication that Morsi would have extended his civilian mandate over these areas.

Third: Morsi has used the strategies of appeasement, ascriptive selection, and sanctions in order to harness the army and force them to adhere to his civilian control. However, as shown throughout the paper, these strategies have been used temporarily by the former president to inherit the same civil-military equation that prevailed dur-

ing the Mubarak era, rather than offering a new trend of policies that will continue to seek a full civilian control.

Lastly: It is less important for foreign powers and institutions (EU, etc.) to analyse what happened in Egypt from June 30th onwards in rigid dichotomies (coup/non-coup). On the one side, it was obviously a military intervention that will paralyse the civilian control; however, on the other side, it was supported by the general public due to the fatal mistakes committed by the Muslim Brothers during the first transitional period, especially the threat they presented to the Egyptian nation-state through alleged networks over borders that have always been cause for skepticism among the army and other sovereign institutions in Egypt. Instead, it is more valuable to trace back how weak civilians were during this period and how democracy was only a tool in the hand of Islamists to achieve their political agendas that was breaking almost all promises made to keep their alliance with rebels and other liberal movements and political parties.

Moreover, it is essential not to consider the June 30th in Egypt as one static moment of history; the ongoing developments since then should be taken into consideration to make a final judgment on how Egypt will move smoothly towards democratisation and civil control. In this regard, Egypt is awaiting three main scenarios:

The *first* scenario is to move towards a stable democratic state through the achievement of the civil control. In this scenario the army will return back to its military bases, with the resumption of the democratic life. However, this scenario is less likely to occur in the short- and medium-term for multiple reasons: (1) the army is enjoying a wide support by the public who expect them to play a more active role in the political process.⁵⁶ (2) The army is lobbying the new committee that was composed to amend the 2012 Constitution with many indicators they will keep the same privileges they got 2012.⁵⁷ (3) The alternative to the organised Islamists in Egypt is only the old networks of Mubarak's regime, and therefore, liberals in Egypt are weaker and less organised and it is less likely that they can have the support of the public to govern elected institutions (the parliament, the government, and the presidency, etc.). (4) Finally, the ongoing terrorist attacks in Sinai and recently in downtown Cairo will also convince both the public and the government to keep the state of emergency and will strengthen the role of security apparatuses (including the army) in the political process and decision-making process.

The *second* scenario of Egypt is to witness a complete and classical military coup (or even a coup on the coup) where a military leader takes the lead and only the military machine will govern the country with a minimal role for civilians. This scenario is not really anticipated (however it should be considered) especially given that the army and El-Sissi are cautious of the international pressure if this should happen; they are also afraid that the youth and other social movements could withdraw the strong support they gave to the military on June 30th. Moreover, the military understands that with the economic challenges in Egypt, governing the country will lead to a possible clash with poor and marginalised Egyptians who are already under strain and expected to rise at any moment.

The *third* and last scenario is that Egypt will keep the current equation for a while, where the army plays the guardian role enjoying the wide support they got on their call for Egyptians to 'delegate power to fight terrorism' on July 26th and civilians play a minimal but official role in governing the country but without real civilian control. In this scenario the army will play the-behind-the-scene politics and Egypt will witness a short period of stability. But how long will this stability remain? With the great economic pressure on Egyptians and with unexpected steps to lean for real social policies to distribute the wealth and strengthen the social justice, there are many other waves of uprisings and changing political equations yet to come.

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Amal Hamada

Understanding the Military Role in the Egyptian Revolution

Comparing February 2011 and July 2013

Introduction

On the dusk of February 11, 2011 General Omar Soliman, Egypt's Vice-President from January 29th, 2011 to February 11th, 2011, made an appearance on national television to announce that President Mubarak had decided to leave office and delegate the Supreme Council of the Armed Forces (SCAF) to run the country. Twenty-eight months later, early in the evening on July 3rd, 2013 General Abdle Fattah El-Sisi, the Minister of Defence, made a similar appearance of national television announcing a new roadmap for troubled Egypt. The roadmap included the removal of President Morsi, the first elected civilian president and the assigning of the head of the Supreme Court as interim president during the transitional period. The two radical and historical events triggered different reactions on national, regional and international levels, although both of them represented different forms of civil-military engagement. While the February event was hailed by the world as the great Egyptian popular revolution, the same international powers remained hesitant to recognise the second intervention as a revolution and at the end decided to adopt a 'wait and see' policy. This paper is an attempt to analyse the two crucial scenes in the history of the Egyptian revolution, assuming that we can analyse the differences between the two scenes on four levels: a) the interactions preceding the interventions, b) the setting of the interventions, c) motives of the interventions and d) lastly their implications.

The question of civil-military relations in Egypt remains a crucial factor in understanding the power structure and the broader picture of the political map in Egypt. Thus, it is important to address this relationship on the theoretical level before engaging in the discussion of the two cases.

Civil-Military Relations: Theoretical Issues and Historical Indicators

Literature on the political roles of the military categorise different roles according to the strength of the state institutions and the dependent/independent roles played by the army in political, social and economic institutions. In countries where there are strong state institutions capable of delivering adequate and proper social, political and economic services, civil-military relations are more likely to take one of the following forms: traditional aristocratic model, totalitarian model or the liberal-democratic model.¹ While in countries which lack powerful political institutions and adequate mechanisms for coping with social and economic problems, military institutions are likely to play one of the following roles: veto regime, guardian regime or dominating regime.² This paper argues that there was an unspoken approval that the role of the army in Egyptian politics in the last 60 years was a mix between the veto and the guardian regime. The first wave of the Egyptian revolution in 2011 failed to recognise this relationship, and accordingly failed to deconstruct it in favour of a civilian control over the military institutions.

Noteworthy, it is established in the literature of civil-military relations that the level of civilian control identifies with a more democratic nature of the political system.³ This control usually revolves around five main areas; formulation of public policy, elite recruitment, interior security, defence and the organisation of the military institutions.⁴ Yet it is also accepted that the armed forces are still a crucial actor in domestic politics in many countries, often playing key roles in state and nation-building, political decision-making, maintaining internal order, and in ensuring national security.⁵

Nevertheless, the focus of this paper is not to discuss the Egyptian case in this respect, though important, but to focus more on different forms of military intervention in the political system. Accordingly, it is more relevant to discuss in more detail the three types of civil-military relations in which military coups are not the pillar of the discussion, rather it is the different types of interactions and roles played by the military establishment within the political system. In a 'Veto Regime' the army does not take direct control over the political system, yet it preserves the right to object and halt unapproved decisions made by the political non-military elite.⁶ In cases of conflict between the civilian and the military sector, the latter can take things into its hands, but for a provisional time only. In a 'Guardian Regime', military institutions feel obliged to interfere to protect the nation from any mess caused by civilians domestically and externally. To achieve this goal, personal and civil liberties can be sacrificed for the 'good of the state' which of course is identified by the military elite. In the last type, the 'Dominating Regime', the military exercises much more influence than in the previous types, it opts to exercise political rule for a long period of time. The officers see themselves as the radical modernisers and they control the media very strictly. In this type, most of the time, political parties, civil associations and trade unions, etc. are closed down.⁷

According to many scholars who have written about the role played by the military in Egypt, the army never ceased to play a role in politics.⁸ The question hence, is how much the army interfered in politics to mark the relationship with civilians as veto or guardian regime. The power of the military in Egyptian politics can be traced to three main areas, economic activities of the army, their presence within the state bureaucracy and finally their organic relationship with the presidency in terms of candidacy and support.⁹ Noteworthy is the role the army played in the history of modern Egypt on societal level; conscripted soldiers and acting officers come from all over Egypt in terms of geography, education and economic background. Thus, as much as the army is a coercive institution of the state, it is a societal mechanism to emphasise national integrity. The role played by the free officers in 1952 to topple the monarchy and induce a social and economic transformation of the Egyptian society and the role played by the army in achieving a relative military triumph over the Israelis in 1973 secured the military a certain status in the collective memory of the Egyptians.¹⁰ It actually played in favour of calling the army to interfere both in 2011 and 2013, and accepting (relatively of course) the roadmap proposed/enforced by the army in either case; which will be discussed in the following pages.

Pre-intervention Political Interactions

The similarities/differences between the two historical junctures (February 2011 and July 2013) reveal the interactions in civil-military relations in Egypt. The main question in this regard focuses on how understanding these interactions would help scholars understand both different forms of civil-military relations and the implication of the Egyptian case.

Early in January 2011, few days after the eruption of the revolutionary upheaval in Tunisia, a call for demonstrating on January 25th started and spread widely on the social media in Egypt. Economic difficulties, political stagnation, social decay and brutality of the police were the major driving forces for the call for demonstrations. The date marked the national day of the police, in commemoration of the battle between the Egyptian police and the British troops in Ismailia in 1952. Selection of that date was meant to send a message to the people, the regime and the police themselves that police brutality had gone too far and would not be tolerated anymore.

What started as a call for a day of demonstration turned into the first wave of a revolutionary upheaval that had its difficulties three years after its start.¹¹ The days from the 25th until the 27th were marked with confrontations between police forces and increasing numbers of demonstrators in Cairo and other major cities in Egypt.

Developments on the 28th are of a great relevance to this paper and require special attention.

The organisers of a call for demonstration took the confrontation with the police and the regime to a new level by calling for the 28th to be the Day of Anger all over Egypt. Escalation on the streets in different places were very bloody with police opening fire against demonstrations, and attacks against a number of police stations by angry protestors. Prisons were opened and inmates fled. Thugs and thieves were all over the streets unleashing panic and fear of total chaos. By the end of the day, police forces were exhausted; protestors had entered Tahrir Square in downtown Cairo and called for a sit-in that would last until the fall of Mubarak. Ordinary people formed People's Committees to protect their homes and properties and President Mubarak called the army to uphold order and as the Supreme Head of the Armed Forces declared state of emergency and a curfew. Internet service and cellular phones were cut off early that day, yet photos of tanks with soldiers on top hailed by ordinary people were repeatedly aired on private national and international media stations. During that day, Egyptians crying for the intervention of the military to protect them against the police forces were heard in different places. After 25 years, tanks were again on the streets, but this time with a lot of joy and with spray writings calling for Mubarak to leave.¹²

President Mubarak's first speech came late on the 28th after three days of ignoring or downplaying the developments on the ground. He offered very little compromise compared to the rising demands of the demonstrators. What started with demands to dismiss the minister of interior on the 25th escalated to include social, political and economic demands (the three slogans of the marches were 'Bread, Freedom and Human Dignity'). Dismissing the government and appointing a vice president were not enough, and the sit-in continued with increasing numbers.

For eighteen days people and tanks neighboured in Tahrir Square (the major sit-in), in main streets (People's Committees) and in front of state buildings. Open confrontation with the police came to a halt, and political escalation was the mark of this period. President Mubarak resided over meetings of the SCAF, the Supreme Council of Armed Forces, as the supreme leader to monitor the developments of the events. Political negotiation between the newly appointed vice-president (Gen. Omar Soliman) and Ikhwan and other political parties (except for revolutionary forces who refused to negotiate) took many rounds trying to find a way out of the crisis while giving in to little compromises to save the regime.

The second speech of Mubarak on February 1st was very emotional and he pledged not to run for presidential elections (due in September 2011). Disagreement between Egyptians about whether to believe Mubarak or not, soon concluded in the negative with supporters of President Mubarak attacking Tahrir Square in a bloody confrontation known as 'the Battle of the Camel'.¹³ Stalemate was the mark of the first ten days of February, protesters called for million marches and numbers of people joining the sit-in increased. The government headed by the newly appointed Prime-Minister Ahmed Sahfiq tried to manage the situation but in vain.

On February 10th, 2011, media outlets published photos of the meeting of the SCAF without the presence of President Mubarak which sent a message to observers that a change was taking place in the political scene. This feeling was asserted with statement No. 1 issued by the council affirming the army's understanding and appreciation of the 'legitimate demands of the people'. Reports on Tahrir Square said that a high profile officer talked to people in the square assuring them that there were good news on the way, with increasing aspiration that Mubarak was going to announce his resignation later that day. Nevertheless, early on the evening Mubarak gave his third speech affirming his presence and closing any potential for compromise. People started marching to the Presidential Palace in Heliopolis from different parts of Cairo, the situation on the ground was likely to explode and destroy any chances of restoring the system. Thus, less than twenty four hours from Mubarak's last speech,

General Omar Soliman announced 'Mubarak's decision to step down and leave office'. Millions were on the streets celebrating the decision and chanting, 'the army and the people are united (one hand)'.

The situation during the summer of 2013 was radically different from the 18 days of the sit-in. Mohamed Morsi won the presidential election with a slight majority (51%) signalling a cleavage in the Egyptian society about politics, economics and revolutionary path. On June 30th, 2012, after many speculations about the intentions of the SCAF to hand over the presidency to a civilian president, Morsi was sworn in as the new president before the Supreme Court, before political figures and forces in Cairo University and for a third time in Tahrir Square. The new administration kept General Tantawi as the defence minister and the formation of the SCAF intact for almost two months.

The cleavage further intensified over the one year of Morsi's presidency, and different factors played into this. First, Morsi's administration remained inactive and incapable of delivering in terms of services and more importantly restoring political and social cohesion. Second, the deep state in alliance with ancient regime figures played into hindering any attempts by President Morsi to make a difference in ordinary people's daily needs.¹⁴ Third, the discourse of the Islamic forces allied with Ikhwan was alarming to women, Christians and seculars. In certain cases, this discourse materialised in attacks (verbal and physical) against different groups raising anxiety and tension in society. Fourth, though President Morsi announced on multiple occasions his willingness to meet the opposition and reach out for a compromise, the decision he made in late November 2012 by issuing the constitutional declaration sanctioning his rulings, the Shura Council and the Constitutional Committee in fact added to the fuel of the political tension and the implications were irreversible ever after.

In August 2012, President Morsi made a number of changes in the composition of the SCAF, forcing the retirement of General Tantawi (the defence minister and the person in charge of running the transitional period), General Anan (Head of Staff) and appointing General Al-Sisi as the new defence minister (he was the head of the military intelligence during the transitional period).¹⁵ After 18 months of being in the forefront of the political scene in Egypt, the SCAF was pushed a little bit from the scene (it kept its presence in the constitutional committee as well as in the administrative as governors). There was an assumption that a new chapter of civil-military relations in Egypt was being drafted to reduce the political role of the military. Under General Al-Sisi it maintained its distance from the political interactions, and it seemed that it is giving more attention to rebuild and restore the integrity of the armed forces after the long troubled 18 months of SCAF administration.

The political role of the military came to the forefront twice in the few months after the inauguration of President Morsi. The presence of General Mamdouh Shahin in the constitutional committee for drafting the new constitution affirmed the intention of the military to guard its special status in the future constitution. The final draft of the constitution did not require the discussion of the military budget by the legislative or any other elected bodies, and assigned the army the only authority over armed forces with zero supervision from the legislative. The second instance was in the aftermath of the constitutional declaration announced by President Morsi on November 22nd, 2012 in which he protected his rulings, the Shura Council and the Constitutional Committee against any rulings issued by the Supreme Court. The implications of this declaration triggered bloody confrontations on the streets and intensified the tension between the presidency and its allies (mostly Islamic parties) and the liberal and secular opposition. Though President Morsi had to void his declaration and announced his willingness to start a new round of dialogue with the opposition, leaders of the Salvation Front¹⁶ refused to meet with him. General Sisi called for a meeting with opposition forces and to be attended by the president to reduce the tension, yet the invitation failed to materialise and preparations for the constitutional referendum exhausted all efforts to achieve a national consensus.

The new constitution got the approval of 63% of the voters and tensions took a new turn starting spring 2013. Late in April, a new initiative called 'Tamaroud' (Rebel) started collecting signatures against the elected president, aiming to collect more than 12 million signatures (to outnumber the votes president Morsi got in the election). The initiative picked the first anniversary of Morsi's presidency to announce the number of signatures and to force the president to call for early presidential elections. To show connections of this initiative to security and/or intelligence is beyond the capacity of this paper, yet the ability of the initiative to secure millions of signatures was remarkable.¹⁷ The initiative started away from conventional and traditional political powers, yet was later hijacked by the Front and other opposition figures. The presidency downplayed the importance of the initiative and its ability to mobilise considerable numbers on the assigned date.

The months following the launch of Tamaroud were marked by an intensification of economic problems and deterioration of living conditions of average Egyptians in terms of security, prices and shortage in electricity and gas. The inability of the cabinet to deliver, with statements made by a number of ministers denying the existence of the problems and blaming the 'deep state' and the counter-revolution for these problems, all these added to the popular anger. A week before June 30th, General Al-Sisi called the political forces (including the presidency and the opposition) to come to terms. In a televised statement, the defence minister announced that the armed forces were working for the interest of the Egyptian people with no political affiliation to any party. He emphasised that the armed forces did not interfere in the political interactions and focused on rebuilding the capabilities of the army. Nevertheless, the statement asserted that the military would not stand still watching the country sliding into civil war; that it was the responsibility of the armed forces to protect the will of the people. The minister gave all parties a one-week chance to compromise and reach a solution for the political crisis.¹⁸ Stubbornness on both sides rendered the country on the verge of a civil war. On June 28th, thousands of pro-Morsi supporters started a sit-in in Rab'a Eladawia and in Nahda Square in the Cairo and Giza Governorates respectively, and on June 30th, millions of people took to the streets in Cairo and in other major cities calling for President Morsi to step down. Later on the evening of June 30th, a televised statement by Gen. Al-Sisi was broadcast praising people on the streets and giving the president 48 hours to respond to demands of the people to leave office.¹⁹ As a response, President Morsi gave a recorded speech asserting his legitimacy and showing little signs of compromise.²⁰ A couple of hours after the end of the ultimatum, millions of Egyptians were on the streets; either in support of Morsi or in support of the army intervention.

Against the scene on February 11th of the vice-president alone in the cadre (with his assistance in the background of the picture), this time the defence minister made an appearance declaring the roadmap. The minister was surrounded by religious figures (Sheikh Al-Azhar and the Pope of the orthodox Egyptian Church), political figures (Al-Baradi'e). Representatives from Tamaroud, representatives from the Salafi Al-Nour party, representative of the higher Council of the judiciary body and a woman representing intellectuals also participated in announcing the roadmap. The new roadmap included handing over of the authority to the head of the Supreme Constitutional Court, dissolving the Shura Council, dismissal of the government, suspending the constitution and formulating a new Constitutional Committee to modify it as well as calling for new legislative and presidential elections. Fireworks were all over Cairo that evening, some celebrating the army intervention, and others defending the ousted president and attacking the roadmap.

The above mentioned discussion reveals one similarity as well as many differences. Millions of Egyptians were on the streets on both cases, yet the composition was different. In 2011, millions on the streets shared the goal of removing Mubarak from office, with no clear vision of what to be expected after. In 2013, protestors were divided between two camps; those in Tahrir and Etihadaya (the presidential palace) calling for Morsi to leave and those in Rabaa and Nahda defending the legitimacy of the president.

The army was called in to intervene in 2011 by almost all protestors; however, in 2013 the role of the army became more and more controversial. Increasing number of citizen opposed the intervention for different reasons. Pro-legitimacy protestors labelled the intervention as a coup against public will, ignoring the millions in the streets or accusing them of being ignorant and delusional. Some of the revolutionary elites also rejected the intervention of the army and considered it a setback in the democratisation process.

Noteworthy, there was a huge difference in the time frame of either context. While Mubarak's reign lasted for thirty years, less than three years marked the time before July 2013. This difference should be taken into consideration, as well as the consideration that revolutionary upheavals intensify interactions and changes.

Setting of the Intervention

It is crucial at this point to understand the setting of the intervention in order to try to explain and discuss the motives, and understand the role played by the military as guardian or as practicing veto power in the political system.

As previously mentioned, on February 11, it was the responsibility of the newly appointed vice-president to announce the president's decision to step down and hand over power to the SCAF. Reports said that Mubarak did not make the decision; it was the SCAF who realised that the continuation of Mubarak in office meant dragging the country into open confrontation between the people and state institutions; mainly the army (police forces were inactive and could not be called to the scene in the aftermath of January 28th). Maintaining the armed forces integrated and united required ending the political conflict with minimal damage. Yet, it was crucial to assert the traditions of the Egyptian military of siding by the legal authority; thus, the president (represented by his vice-president) announced the decision. Noteworthy, few days before February 11th, members from the armed forces who were responsible for securing the square made a number of statements assuring that the army and the officers would never fire against the people. Later on, a member of the SCAF appeared on national television to praise the great revolution of the people and paid the martyrs the military salute.

The debate about the legality of this decision started the day it happened. Constitutional experts argued that the 1971 Constitution did not have any reference to the president's decision to step down or hand over authority to the Supreme Council of the Armed Forces. According to Article 82, '[i]f on account of any temporary obstacle the President of the Republic is unable to discharge his functions, he shall delegate his powers to a Vice-President, or to the Prime Minister should there be no Vice-President able to take over'. Article 84 further stipulates, '[i]n case of the vacancy of the Presidential Office or the permanent disability of the President of the Republic, the President of the People's Assembly or, if at that time the People's Assembly is dissolved, the President of the Supreme Constitutional Court shall take over the Presidency'.²¹ Yet this debate was downplayed with the continuation of the SCAF in administering the transitional period that lasted for eighteen months.²²

The other case, July 3rd was different in the setting of the intervention. Though the minister of defence and army personnel kept their distance from daily political interactions, it became clear that they followed the developments of relationships between different political forces very closely. Calls and anticipation of intervention of the army started before the final escalation in the summer.²³ Observing the dysfunctionality of the state institutions and the inability of the government to resolve the daily crisis of shortage of gas and electricity, the military was the only functioning and integrated institution and perceived as the only one capable of bridging the gap between the conflicting political forces. Approaching the crucial day of June 30th, Egypt was divided more than ever. The opposition stood hard by their demands of calling for early presidential election and refusing to give any concession for dialogue with

the presidency. On the other hand, the administration underestimated the ability of the opposition and Tamaroud to mobilise people on the streets. The alliance of the Islamic political parties (led by Freedom and Justice Party) trusted their abilities to counter-mobilise supporters in greater numbers. The political map was very fluid and received the warning issued by the minister of defence on June 23rd as a mixed signal. Both the opposition and the presidency perceived it as siding by each of them. The presidency built its estimation on the tradition of the military to side with legality, while the opposition read it in the light of the army decision in February 2011 to side with legitimacy. Thus, when the army announced their ultimatum later on June 30th, it was too late to react.

Millions of people in the streets June 30th until July 3rd called for President Morsi to leave, which gave the military the support it needed to declare the roadmap. Nevertheless, it needed to arrange the setting of the decision to engage the state, the opposition, political parties and the youth. Instead of the vice-president standing alone in the televised cadre with the flag in the background, the minister of defence stood in the middle of the cadre surrounded by religious figures (Muslim and Christian), high profile members of the military institutions, head of the Supreme Council of the Judiciary, a representative of the Islamic political party, a representative of the Salvation Front, a woman (author and writer Sakina Fouad) and two representatives of youth (Tamaroud).

The state was present in the decision, supported by millions waiting for the decision while other millions²⁴ protected the president and his legality. It is important to note at this point that the roadmap called in the Chief Staff of the Supreme Constitutional Court to be the interim president. The roadmap also suspended the constitution and called for a formulation of a new Constitutional Committee to make necessary amendments. Noteworthy, calling the head of the Supreme Court as an interim president corresponds to the Constitution of 1971 (as discussed above). In the 2012 constitution, Article 153 reads:

'If on account of a temporary obstacle, the President of the Republic is rendered unable to carry out the presidential functions, the Prime Minister shall act in his place. If the Presidential office becomes vacant, due to resignation, death, permanent inability to work or any other reason, the House of Representatives shall announce the vacancy and notify the Presidential Elections Commission. The Speaker of the House of Representatives shall temporarily assume the presidential authorities. The Shura Council and its Speaker replace the House of Representatives and its Speaker in the above in cases in which the House of Representatives is dissolved'.

A coup, a revolution or a new wave in the Egyptian revolution? The debate started and has not yet ended. There is no simple answer to this complicated question, as there is no simple description of the interactions on the streets since January 25th to present.

Understanding the motives of the intervention might help us in analysing the situation and figuring out the best way to deal with it both academically and practically.

Motives for Interventions

Siding by the people, would be the easy answer to understand the motives for intervention in both cases; i.e. February 11th and July 3rd. Yet, the key to understand each case needs a little more investigation.²⁵ A lot has been written about motives for the military to choose the side of the people especially in 2011, most importantly the study by Yezid Sayeigh in which he discusses the political and economic role of the armed forces in the history of modern Egypt.²⁶ Many reports discussed the implicit opposition of the army against the Mubarak regime. According to these reports, Mubarak's economic policies were threatening the economic activities of the armed forces. The issue of

putting Mubarak's son on top of the political system as an heir to the father was not accepted in the military who had a long history of dealing and respecting presidents with military background. Mubarak's reliance on the police force on the expense of the military, the traditional base of support and influence, alarmed the army, yet no reaction was taken to confront any of these threats.²⁷ Therefore, the January events represented an excellent chance to change an unwanted situation (economically, politically and in terms of social influence).

The question then was how the military could change its long-standing tradition of staying away from political conflict and siding by the president in whatever crisis (remembering Sadat's conflict with power centres in the early 1970s). In other words, how to solve the dilemma of legality vs. legitimacy. It seems that the solution was the people; as long as the people did not express in action their dissatisfaction with the system, thus legitimacy and legality did not conflict. When the people decided to take the streets and express their agony; it was the perfect moment for the armed forces to side by legitimacy (popular support) and protect its threatened interests.

The declared reasons for the intervention of the army in summer 2013 were stated by General Al-Sisi to be the increasing cleavages in the Egyptian society with increasing usage of violence among political rivals. Throughout the first and last year of the ousted president, different rounds of bloody clashes took place between Ikhwan supporters and liberals and seculars. Few days before the second round of the presidential elections, a number of liberals and seculars representing different political forces and public figures met in Heliopolis with Morsi in an attempt to unite the revolutionary front against Ahmed Shafiq who was perceived to be the candidate of the old regime. The outcome of this meeting was known as 'Fairmont Agreement', in which Morsi secured the support of these figures and parties in return for a commitment of reformulating the constitutional committee in a more consensual way, selecting a woman and a Copt as vice-president, selecting a prime-minister reflecting consensus and working towards achieving national dialogue with all political parties.²⁸ This fragile alliance broke down very early leaving different political parties (including the presidency) incapable of building confidence and trust to launch a national dialogue and reach common grounds.

In the statement read by General Al-Sisi on July 3rd, he affirmed that the military tried to mediate between political forces and called for national dialogue, as well as presenting a number of assessment reports to the presidency and different approaches to reach a compromise but in vain. This statement as well as other statements justified the army's decision to step in to remove the elected president and declare a roadmap to keep the country from sliding into civil war. Observers refer also to an earlier conference attended by the president and number of Islamic political figures in support for Syria. According to these observers, the president announced cutting off relations with Syria and promised to support the opposition against the regime, which was considered an attempt to implicate the army in the Syrian crisis and jeopardise national security. This conference was also alarming to many political forces including the army, as it reflected the increasing dependency of the president and his entourage on the larger alliance with Islamists (including Jihadis).

In comparing February 2011 and July 2013, it becomes clear that the decision of the military to step in and convince/force Mubarak to leave was based on an estimation that the interests of the military was in conflict with the interests of the ruling regime. Nevertheless, it is not clear to us that this was the case in July 2013. Drafting the new constitution was done with the presence and the approval of the representative of the military. The president's decision to reshuffle the SCAF by forcing the retirement of General Tantawi and General Anan was not rejected or opposed by the armed forces (which indicates some sort of coordination). In addition to that, the long and historical representation of the military in the executive branch was maintained. In the following weeks after the ouster of President Morsi, there were many reports about the army's concern about developments in Sinai and the increasing influence of Islamists and

Jihadis there. Increase in arms smuggled from Libya using the tunnels to Gaza, gas and oil trafficking to Gaza were signs of a loss of sovereignty on the peninsula hence endangering national security of the state.

Yet the question remains how to assess the implication of the intervention in each case.

Implications for the intervention

It is important to emphasise that the two cases of intervention are connected and they had and will continue to have great implications on the political, social and economic developments in Egypt. Yet, what we know is far less than what we do not. The process is still happening and the fundamental implications are still in the shaping. Therefore, we will focus very briefly on the direct implications of the interventions and leave further details for further investigations. Accordingly, two images are important and summarise the different implications of each case. On February 11th, 2011 millions of Egyptians celebrated the ousting of Mubarak and praised the army for siding with the people. On July 3rd, 2013 there were two contesting squares; one in Tahrir Square (representing other squares in Egypt) with millions celebrating the ousting of Morsi and praising the army for siding with the people. The other squares in Rab'a and Nahda (representing other squares in Egypt) chanted angry slogans against the opposition and the army and called for the restoration of legitimacy.²⁹

The months following the removal of Mubarak were marked with the SCAF in the forefront of the political scene in Egypt. General Tantawi (the defence minister and the General Commander of the Armed Forces) served as the president both domestically and internationally. Tantawi appointed a prime-minister who took oath before him in his dual (rather conflicting) identity; as the acting president and the minister of defence. The SCAF was the administrator of two junctures in the transitional period; the constitutional amendments in March 2011 and the presidential election in June 2012. The outcome of these processes needs further discussion to understand the role of the military in the transitional phase.

The implications of the intervention of the armed forces and the removal of the elected president are still unfolding and require follow-up and further discussion. Nevertheless, it is important to highlight the fact that General Al-Sisi tried to downplay the role of the military in the development of the events. Instead of being in the forefront as the SCAF was, the army handed over the presidency (even as a formality) to the Chief Staff of the Higher Constitutional Court who is serving as the interim president. He appointed the Prime Minister, the Constitutional Committee and officially is responsible for administering the transitional period until the election of the new legislative and president. In certain moments in the last three months, General Al-Sisi stepped in and influenced the direction and the developments of the events on the ground, especially when it was related to the conflict with Ikhwan and supporters of the ousted president.³⁰

Analysing the role of the military in Egyptian politics in general and in the different waves of the revolution go far beyond the traditional and conventional study of civil-military relations as well as the simplistic description of the two examples discussed in this paper as revolution or coup. To sum up, millions of people had serious complaints against a failed government which failed to respond and failed to recognise the grievances of the ordinary people. Political elites were also irresponsible and failed to present an alternative to the ruling elite in terms of politics and economics. There was a president insisting on ignoring the problems and blaming others for them. The military decided to step in and take action to protect 'interests of the people'. What happened in February 2011 and July 2013 is actually a 'coup-volution'. The course of the Egyptian revolution, nevertheless is still in the making and not over yet.

Endnotes

- 1 This classification is based on the traditional work of Samuel Huntington and Morris Ganowitz in the 1950s and 1960s. It was also used to analyse the Turkish case as well as other forms of civil military relations. For more details see: Samuel Huntington (1957), 'The Soldier and the State: the Theory and Politics of Civil-Military Relations', Natraj Publishers; Morris Janowitz (1960), 'The Professional Soldier: A Social and Political Portrait', Glencoe, the Free Press. Reprinted in 2000, 02, 03; William Hale (1994), 'Turkish Politics and the Military', Routledge: London.
- 2 Burak, B. (2011) 'The role of the Military in Turkish Politics: to Guard whom from what', *European Journal of Economics and Political Studies*, No.4 (1), 155-156.
- 3 Fever, P.D. (1996) 'The Civil – Military Problematique: Huntington, Janowitz and the Question of Civilian Control', in *Armed Forces and Society*, Vol. 23, No.2.
- 4 Croissant, A and D. Kuehn (2010) 'Civilian Control of the Military and Democracy: Conceptual and Theoretical Perspectives' in Champers, P. & Croissant, A. (2010) *Democracy under Stress: Civil-Military Relations in South and Southeast Asia*, Institute of Security and International Studies (ISIS), Chulalongkorn University, Bangkok, 29-30.
- 5 Ibid. BID, 38.
- 6 This type is also characterised as the 'arbitrator army' which is a sub-type of praetorian state. Amos Perlmutter coined this term in the late seventies of the twentieth century. See: D. Lutterbeck, 'Arab Uprising, Armed Forces and Civil- Military Relations', in *Armed forces and Society*, 39:28, 30.
- 7 Burak, B. (2011) op.cit, pp. 155-156.
- 8 Gotowicki, S.H. (1999) 'The Military in the Egyptian Society', in Phebe Marr (Ed), *Egypt at the Crossroad: Domestic Stability and Regional Role*, National Defense Uni. Press: Washington; Cherine Chams El-Dine (2013), 'The Military and Egypt's Transformation Process: Preservation of the Military's Reserve Domains', SWP (German Institute for International and Security Affairs), Berlin; Steven A. Cook (2007), 'Ruling but Not Governing: the Military and Political Development in Egypt, Algeria and Turkey', Johns Hopkins University Press, Baltimore.
- 9 Sayigh, Y. (2012) 'Above the State: the Officers Republic in Egypt', Carnegie Endowment for International Peace. Available at: <http://carnegieendowment.org/2012/08/01/above-state-officers-republic-in-egypt/d4l2> (accessed on April 6th 2014).
- 10 Few months after the eruption of the first wave of the revolution in January 2011, Councilor Tareq El-Beshri (a prominent thinker and judge) gave a lecture in the Faculty of Economics and Political Science in which he analyzed the historical role of the Egyptian army in the making of modern Egypt and in all-important political junctures. Unpublished lecture, Center for Civilization Studies and Dialogue of Cultures, May 2011.
- 11 Media, national and international, scholars and observers refer to January 25th as the revolution of January 25th. The researcher would like to assert that defining the revolution as a process not as event; the date but marks the start of the revolution only. Examining the developments in Egypt since then emphasises analysing these development as a process of the revolution.
- 12 The last time military tanks were called into cities to maintain order was in 1986, when the army was called by Mubarak to crush the mutiny of Central Security Forces. For details on the historical role of the military in the Egyptian case until the 1990s, see: Ibrahim Karawan (1996) 'Egypt', in Constantine P. Danopoulos and Cynthia Watson (Eds) *The Political Role of the Military: international Handbook*, Greenwood Press, 1996. pp. 107-135.
- 13 This is an important juncture in the course of the eighteen days. The case brought before the court was not solid and investigations did not lead to anything concrete. Many questions are still un-answered about the role of the army in these dramatic events especially with the forces supposedly protecting the square, yet attackers were able to break into it with camels and horses.
- 14 The term deep state is a very controversial one. On the academic level, it refers to the Turkish experience in civil-military relations and the alliance between the military, businesspersons, high profile bureaucracy and the mafia. Yet in the Egyptian context, it is used to describe the counter revolutionary forces.

For further discussion see: Serdar Kaya, 'the Rise and Decline of the Turkish Deep State: the ergenekon Case', in *Insight Turkey*, Vol. 11, No.4, 2009, pp. 101-103; Dexter Filkins, 'Letter from Turkey: The Deep State, the Prime Minister is revered as a moderate, but how far will he go to stay in power', in http://www.newyorker.com/reporting/2012/03/12/120312fa_fact_filkins, March 20, 2012; Bill Park, 'Turkey's Deep State', the RUSI Journal, 2008, pp 153:5, 54-59, available at: <http://dx.doi.org/10.1080/03071840802521937> ; Merve Kavakci, 'Turkey's Test with its Deep State', in *Mediterranean Quarterly*, 20:4, 2009, DOI 10.1215/10474552-2009-026; Fahmy Howedei, 'the Question of Deep State in Egypt', June 12th 2012 in <http://www.shorouknews.com/columns/view.aspx?cdate=12062012&id=04b0c1ca-8bbe-49a9-b3ac-6ad495764737> ; Rabab El-Mahdy, 'not a deep state but a failed state' September 10th 2012, in <http://www.shorouknews.com/columns/rabab-el-mahdi> ; Amr Al-Shoubky, 'banality of the deep state' July 8th 2012, in <http://www.almasryalyoum.com/node/973206> ; Seif Ed Din Abdel Fattah, 'Scenario of the soft coup and the battle of the deep state' June 16th 2012, in <http://shorouknews.com/columns/view.aspx?cdate=15062012&id=6bdb3137-31b1-4370-a17c-5387fffbcc31>.

15 The decision was made in the aftermath of the killing of 17 soldiers on the borders with Israel in Ramada. Popular agony over the incident, and the failure of the intelligence to respond adequately to the crisis provided president Morsi with a chance to shuffle the SCAF.

16 The front is the alliance between liberal and secular opposition forces that formed after the constitutional declaration; and was headed by El-Baradi'e, Amr Moussa, Hamdeen Sabahi, and Amr Hamzawi and others.

17 The debate about the connections between members of Tamaroud and the intelligence, and the accurate numbers of signatures is still questionable. The initiative declared 22 million signatures days before June 30th, while supporters of the ousted president accused them of fraud.

18 'Anadol Agency: Al-Sisi invites Political Forces for a national Dialogue before June 30', published on June 23, 2013, available at: <http://onaeg.com/?p=1036096> (accessed on March 23rd 2014).

19 'Egyptian Army gives Morsi 48 hours Ultimatum to share power', published on July 1, 2013. Available at: <http://ara.reuters.com/article/topNews/idARACAE9BzZYD20130701> (accessed on March 23rd 2014).

20 In this speech, President Morsi announced that he has received an initiative from number of political parties to reach a solution for the political crisis; he emphasised his legitimacy saying he was ready to sacrifice his own life in defense of legitimacy. 'Morsi Holds to his Legitimacy and refuses the Army's Ultimatum'. Available at: <http://www.aljazeera.net/news/pages/abcc7a68-39b5-41dc-acf3-3902667db71d> (accessed on March 17th 2014).

21 Egypt constitution of 1971.

22 For example, see the argument raised by Prof. Ibrahim Darwish in October magazine on 1 April 2012.

23 See for example the statement made by Al-Baradi'e in November 2012, in the aftermath of the constitutional declaration issued by President Morsi. 'Al- Baradie: I won't be surprised if the army interfered: if it steps in to maintain security, it will be back in power with different measures and arrangements' Available at: <http://www.alarabiya.net/articles/2012/11/26/251863.html> (accessed on March 23rd, 2014). See also the study by Florence Gaub published by Carnegie in April 2013 titled 'Countdown to a coup d'etat in Egypt?'. Available at: <http://carnegieeurope.eu/strategieurope/?fa=51567> (accessed on April 1st 2014).

24 Estimations of how many people were on each side is part of the political game. The relevance is that each side had supporters who were ready to mobilise in the streets in defense of their position.

25 No one can claim to know the real reasons and motives of intervention in both cases, no one has the data necessary for such an assessment. Yet, we can try to read the complicated map and explain parts of it.

26 Yezid Sayeigh (2012), 'Above the State: the Officer Republic in Egypt', *Carnegie papers*, August 2012.

27 For an example of the discussions of the dynamics of the relationship between Mubarak, the armed forces and the police, and how it affected the decision of the military to intervene in Feb, 2011 see: Zoltan Baramy (2011) 'The Role of the Military', in *Journal of Democracy*, Vol.22, No.4, pp. 24-35.

28 See for example the four articles by Wael Kandil (a participant in the meeting and the agreement) in Shorouk newspaper. Published in July 7, 26, 27, and 29 2013. Available at: <http://www.shorouknews.com/columns/wael-kandil> (accessed on April 5th 2014).

29 From a political science perspective, they were defending the legality of the regime; the legitimacy was contested with increasing numbers of Egyptians opposing the presidency.

30 For example, he made a public appearance on July 24th asking Egyptians to give him popular delegation to fight what he called 'terrorism'. See: <http://www.ahram.org.eg/NewsQ/222871.aspx>.

Ilka Eickhof

My Friend, the Rebel

Structures and Dynamics of Cultural Foreign Funding in Cairo

‘[I]n such a collaboration, one must ask the question of Who Frames Whom?’

(Ndikung, 2013, p. 164)

The images of the Arab uprisings are all too familiar. In the fields of political science, sociology and history, countless pages have been devoted to explain and meet the changes which occurred in the past three years.¹ What has been left understudied so far are the structures and frameworks of intervention and regulation in the cultural field: A lot of research has been conducted in relation to specific cultural fields, like film or the arts, but not about underlying structures of the role of funding through foreign (cultural) institutions.² But despite the continuous challenging economic and political transitions which have been subject to many of these accounts, cultural production boomed in the wake of the so-called Arab Spring, bringing unprecedented opportunities to the culture industries on a local as well as global scale, and garnering much public interest in Western art capitals such as London, Paris, and Berlin.³ Furthermore, many cultural projects in the Arab World itself were implemented through international funding initiatives, like the American Ford Foundation, or foreign cultural institutions such as the Goethe Institute or the British Council.

Foreign cultural institutions and their funding lines imply a specific discourse on contemporary art and ‘modern’ cultural productions. They play a specific role in regards to what is being *selected* for funding, and of what is being *represented* as ‘contemporary (Arab) art’ and/or culture. This paper will take a look at the complex entanglements between systems of thought, social institutions, and different forms of material and symbolic power (Bourdieu, 1993), specifically regarding the notion of representation and the possible perpetuation of cultural hierarchies in foreign cultural politics and the cultural sector. It will further discuss the construction and use of (ascribed) concepts such as youth, modernity, or art and the revolution in the case of Egypt/Cairo. One of the central underlying concerns here is the role of culture in terms of reproducing a social structure, in which unequal power relations, accepted as legitimate, are embedded in systems of classification and in ways of perceiving reality, and how they are closely intertwined with economic and political power (Bourdieu, 2003).

As was hoped in utmost optimism in the beginning of the uprisings by many, a new era within a post-colonial situation would arise, challenging and rejecting knowledge productions and epistemological power (the power and means to define narrations, therefore determining interpretations of historical processes, connected to identity issues and the process of meaning-making) coming from the Northern West.⁴ This struggle about knowledge production and the narration of a hegemonic (his)story was very visible in the realm of June 30, 2013 and the ongoing coup/non-coup debate, where discussions circled around the notion whether or not the Northern West dictates a coup-narrative. The importance of the politics of narration are not to be underestimated, especially if we understand culture as a process of meaning-making in regards to concepts of identity (e.g. as an Egyptian or an Arab), seen within the contexts of the uprisings.⁵ Politics and mechanisms of political representation through voice and narration are modes of cultural politics. The capacity of being heard is interwoven in today’s global neoliberal economic discourse and historical context, and is therefore socially grounded and depending on material as well as social resources: Some voices

(or narrations) exclude or dominate others, depending on the respective condition.⁶ Cultural politics, and the politics of narrating the uprisings can be seen in this context as well. In his book *The Arab Spring. The End of Postcolonialism* (2012) Hamid Dabashi even envisioned a 'remapping' of the world, a loss of Western normativity through the epistemological emancipation (the uprisings) of the Arab World.⁷ A recognition and acknowledgement (by 'the West' in as much as by the 'Self') of what was happening would finally lead to end of coloniality, an expression coined by Anibal Quijano, a Peruvian sociologist, referring to the structures of power, control, and hegemony that have emerged in the era of colonialism, which stretches to the present⁸ as a condition of knowledge production (Dabashi, 2012, p. 164), and put on hold what Elizabeth Kassab refers to as a constant feeling of a 'lamentable cultural decline of the present':

'For more than two centuries, our sole interlocutor has been the West, to which we have tried to measure up, from which we have tried to learn, and against which we have defended ourselves in often fruitless polemics and apologetics – a sterile fixation that has reinforced the sense of solitude as well as the sense of a threatened, defeated, and impotent self.'

(Kassab, 2010, p. xi)

This might also refer to the notion of what W.B. Dubois described as 'double consciousness', a 'sense of always looking at oneself through the eyes of others' (Couldry, 2010, p. 9).⁹ As Couldry, author of *Why Voice Matters: Culture and Politics After Neoliberalism* (2010) states, if an interpretation or narration of an (continuous) event which is of utmost importance regarding processes of identification is 'not theirs to adapt or control, then this represents a deep denial of voice, a deep form of oppression' (Couldry, 2010, p. 9).

The topics of knowledge production, epistemological power, and narrating the revolution touch upon issues of identity and notions of national and/or cultural and/or religious belonging, which are frequently being articulated as well as circulated and (re)presented in the realm of 'art'. The recognition of cultural productions coming from the region was part of the hope to now be able to be heard, to narrate, and to redefine the thematic 9/11-Islamism-Terrorism-and-Gender-corset, centring around questions of Islam, modernity, authenticity, tradition, and progress, which somehow determined almost every project and encounter in the West as well as in the Arab World. But the reproduction of global symbolic hierarchies did not seem to be at stake in the end, and the (mostly European) funding of cultural productions seems to be based on a new ethnocentrism and an ongoing perpetuation of asymmetrical interdependencies, in short: a new coat with more or less the same colours (revolution, terrorism, gender, Islam).

Economies of Arab Revolutionary Art

Though contemporary art of the region has gained more attention since 9/11 for various reasons¹⁰, less attention has been drawn to institutions, their various political agendas, and the actual patterns of patronage and practices of production and market regulations, not to mention the representation of 'the Other' through the selection process of the respective funding lines of (Western) foreign cultural institutions. Here it is important to distinguish between the global art market related to established museums, galleries, and fine art auctions, linked to the art markets in China, the US, Europe, or places like Dubai, and the cultural productions and artists funded through foreign cultural institutions. Only the latter is connected to cultural politics of the respective country, although market-related as well, but is not necessarily involving well-known, established artists and/or high prices for the cultural productions or art works, and mostly not involved in the economies of the global art market, but in the field of foreign politics and representation. Regarding the past three years, the sudden interest in and representation of young Arab artists in the Western Global North is

interesting for various reasons. First, there is interest on a market-based level (supply and demand) which translates into currency. Second, the interest opens up questions regarding the role of foreign cultural institutions in connection with foreign politics of the respective countries, a matter that will be discussed later in this paper.

Reedah El-Saie, Curator of London's Modern Islamic and Contemporary Art Gallery, stated in an article published in *The Guardian* in January 2012:

'The perception of Arab art has changed. Before the uprisings people either saw it as exotic and innocuous or steeped in the Islamic tradition; artists were wary of showing work that might be seen as too political. But now there's an appetite to understand the context of the uprisings, and there's a real flourishing of work that's more edgy.'

(Batty, 2012)

To add a few more examples, the Venice Biennale in 2011 held Europe's largest ever show of contemporary Arab art, 'The Future of a Promise'. In London, mayor Boris Johnson presented the capital's first ever festival of contemporary Arab culture, Shubbak (in which Ashraf Foda's 'Stones from Tahrir' were exhibited¹¹). In October 2011 the Dubai branch of Christie's extended its autumn sale of Arab art to promote younger contemporary artists, and The British Museum and the Victoria & Albert Museum are expanding their collections of contemporary art from the region. 'The Arab spring is feeding into that interest', says Venetia Porter, curator at the British Museum (Batty, 2012). Next to countless film festivals, art shows, or symposiums on 'Art and Revolt' in Europe's major art capitals Berlin, Paris and London, several invitation-only events took place as well, for instance a two-day summit entitled 'Art and Patronage', held at the British Museum in London 2012. On the website one could read:

'The Summit will allow individuals and institutions alike to collaborate creatively in support of an emerging art scene. Capitalizing on *the region's current cultural vitality* and political flux, the Summit aims to engage cultural debate for the Middle East and, ultimately, to translate bold ideas into new initiatives.'¹²

Similar to this notion and with a perspective on global art, Sabine Vogel states that due to economic dynamics, dominant types are always regulated by an 'archeological gaze', trying to find something 'exotic' or new to serve the audience-driven market – rather than angling for a mutual exchange (Vogel, 2013, p. 47).

Although it has to be differentiated on many levels where art works are being exhibited and represented, and what accompanies the representation (museum, off-space, festival, international renowned artists or geographical cluster of unknown artists, etc.), these few examples out of many give an impression how there has been a market-related interest in cultural productions from the Arab World, connected to the uprisings. With the interest in and funding of so-called revolutionary art, a specific narration of the uprising (in this case, the Egyptian uprisings) and of social change is articulated through the selection process of foreign institutes of cultural productions in accordance with their respective funding lines.

This opens up several questions, for instance, whether the circulation around one possible narrative only feeds to an epistemological power through funding, because the 'revolution stamp' might lead to reinforcing one narrative only, and forestalling the interpretation of what was or is happening.¹³ The instantaneous translation of historic (as in drastic) moments into cultural productions is very ambivalent in itself. It is clearly a currency on the one hand (the artists/conceptualisers of the project/art work gain monetary as well as social capital), on the other hand, it may serve as an (important) emotional outlet, a documentation/archive, and/or political counter-hegemonic art practice. Either way, politics of representation and questions concerning the value

and purpose of cultural productions do play a major role in this field, and will be the main focus of the next section.

The Representation of the Revolutionary Other

In 2006, Jessica Winegar published her book *Creative Reckonings: The Politics of Arts and Culture in Contemporary Egypt*. She conducted her research between 1996 and 2004, in the time of change and transformation towards neoliberalism, when various forces were pushing towards the privatisation of culture. In the book she states that critics, curators, and scholars working from Western institutions had judged the art and artists discussed in her book according to a teleological notion of artistic progress that is mapped according to a 'West-before-and-above-the-Rest'-cultural hierarchy. Artists had been assessed according to the persistent idea that they should be individualist malcontents, always challenging social norms. Their work had been judged through hierarchies of value that emphasise the 'shock of the new' and a break with 'traditions' (Winegar, 2006, p. 2).

Looking at what kind of art productions were being called for regarding the Arab World, it was assumed that art should be a space of freedom from the supposed strictures of Middle Eastern societies, particularly in the realms of gender and Islam, so Winegar (2006, p. 4). The rebel artist in Euro-American ideologies of the artist is related to concepts of individualist personhood in capitalist societies, depending heavily on Kantian formulations of an 'autonomous aesthetic characterized by disinterest' (Winegar, 2006, p. 47). This is connected to Euro-American theories of modern art which seem to depend on notions of progress and development, including the above mentioned idea of 'shock of the new'. As Ella Shohat and Robert Stam state in their essay on visual culture in 1998, Europe perceives itself as the normative culture of reference, as the 'primum mobile' for progressive historical change, including change in the arts. A more recent example for this self-reference as normative and morally superior, yet located in a different field, is the distribution of prizes and awards for human rights, e.g. Erdem Gündüz (the 'standing man' from Taksim) who received the German M100 media award for human rights in 2013 (fun fact: One of the previous recipients was Danish cartoonist Kurt Westergaard who became famous for the so-called Jyllands-Posten Muhammad cartoons which ignited an ongoing and partly culturalistic controversy about freedom of speech, Islam, and the West), or the Egyptian theatre director Laila Soleiman who was given the Willy-Brandt-Prize for outstanding courage in 2011 for her work 'No Time for Art'.²⁴ The intrinsic symbolic act is obvious, although reversing the giving-receiving procedure to take a closer look at the power structures behind does not seem to be useful: Egypt, a country that just sentenced the political activist Alaa Abd El-Fattah to 15 years in prison for demonstrating against the newly implied anti-demonstration law, giving a prize for outstanding courage to a German activist who works in an NGO dealing with refugee issues, and maybe trying to protect political activists who had fled from Egypt because they were threatened by state security just reveals another layer of dynamics in itself that would need further explanation. But nevertheless, '[l]ike the sociology of 'modernization' and the economics of 'development,' the aesthetics of modernism (and of postmodernism) often covertly assume a telos toward which Third World cultural practices are presumed to be evolving' (Shihah/Stam, 1998, p. 27).

Coming back to Egypt and the so-called Arab Spring and the art scene, what comes to mind is street art, or graffiti art, and the 'young rebel' who produces it. A central player within the field of funding lines and cultural productions, and also a prominent figure regarding certain lines of interpretation of the uprisings is 'the Arab youth', portrayed by the image of the educated, modern, graffiti-spraying, demonstrating and democracy (and digital technology) loving, globalised individual.²⁵ This emphasis revived a teleological notion of transformation in terms of progress, modernity and change. So-called graffiti art from the Middle East, but specifically from Egypt has been in the spotlight for the past two years, producing several glossy books, graffiti

festivals, and documentary films on the very topic, as well as igniting scholarly encounters, such as a webinar entitled 'Graffiti and Street Art: Art and Political Protest of the Arab Spring' (Harvard University), among other countless articles and papers with similar prominent titles, such as *Revolution Graffiti: Street Art of the New Egypt*, *Graffiti Reclaims Egypt's Revolution From Marketers*, *Maturing of Street Art in Cairo*, *The revolution will be painted: Cairo street art*, *The Revolutionary Art. Street Art Before and After the Tunisian Revolution*, or *The Art of Revolution. Street Art and the Egyptian Revolution*.²⁶ Seen as a counter-hegemonic force, the artist as the rebel who goes out at night and sprays his or her message/image on the walls of Cairo attracts the attention of 'the West' in the way that the artist now fits into the frame of the Euro-American ideal, and partakes in a universal (teleological) modernity. It seems to be less about the content, the sign, the struggle, but more about the artists as opposed to the regime, the radical, the free mind, the universal standard of an imagined Western modernity now attached to Cairo, Tunis and other Middle Eastern cities: Street Art depicts modernity, or a certain notion of it. In an interview with the Culture Magazine *Reorient*, Egyptian street artist Aya Tarek makes a clear point when answering the question whether she thinks it is important to stress that her art is not political:

'After the revolution – or the 'Arab Spring' – I didn't care about politics, and I still don't care about politics. [...] The thing was that a market opened up after the revolution. Everyone was looking at Egypt. If you produced anything about the revolution [or] about politics, it would sell immediately – it would sell rapidly, in a scary way. [...] This is my problem, generally, particularly with how the 'West' looks at us. [...] If I were from the West, then my art would be critiqued [for what it is]. But because I'm Egyptian, I find there is often this undercurrent, like, you are just so brave for making art in spite of all your suffering.'

(Aqrabawi, 2013)

The notion that art from the Arab World has to cater to a certain geopolitical interest is by far not new. For instance, both artists Basim Magdy (Egypt) and Toni Chakar (Lebanon) published notes on the topic of the growing interest in different artistic practices in so-called Third World countries more than ten years ago, at *Nafas Art Magazine*. 'Based on the Western media's stereotypical views of the social, cultural, and political situation in Egypt, most Western curators find themselves fascinated only by Egyptian artwork that deals specifically with socio-political issues, dismissing diverse aesthetic interests as ones that do not relate to any immediate local reality', says Magdy. Artists 'have been selected largely on the basis of their respective geographical background (e.g. Egyptian/Arab/African), bearing in mind the cultural, ethnic, and religious expectations that background is associated with' (Magdy, 2003). Chakar adds to this notion:

'[...], when the work is 'transported' to Europe [...], a double effort must be made: it is no surprise to anyone that the 'West' already has a 'system of reception', a web of ideas about what the 'East' is about, what it should be, and what it is expected to say; a web of ideas, I dare say, that is a direct descendant of the old Orientalist discourse that doesn't seem to subside.'

(Chakar, 2003)

In line with the theoretical paradigm of cognitive capitalism, a term coined by economist Yann Moulier-Boutang, the value of controlling the creation of knowledge productions plays a significant role. Boutang relates cognitive capitalism to knowledge society and knowledge production, network society, and information society, seeing it as a third type of capitalism, related to the growing role of immaterial labor and new communication technologies. Cognitive capitalism offers the possibility to understand the value, wealth and complexity of today's world economic system, focusing on the impact and rise of knowledge as a factor of production, control and regulation

in contemporary economies.¹⁷ In as much as colonialism was in many ways a project of controlling knowledge and education, with knowledge being an instrument of domination, a decolonial perspective looks at the geopolitical constraints interwoven in Europe's knowledge-based economy and the 'specific regime of gaze' (von Osten, 2007), a notion that relates to Dabashi's expressed hope to overcome historical-political power relations and the aforementioned mechanisms of political representation and dominant knowledge productions, as well as to Magdy's 'web of ideas'.

What Magdy refers to in 2003 as the 'stereotyping of socio-political art as the pre-eminent representation of contemporary Egyptian art' can be translated into the representation of contemporary Egyptian art or cultural productions, or the so-called revolutionary art, selected and represented through foreign cultural institutions and their employers, through implemented funding lines coming from the respective governments (although it is important to differ between the funding lines and their actual implication and translation into actual projects and support). Here, the assumed anti-position of the artists does cater to the Western market, and to a certain notion of modernity. This not only opens up the historical binaries of 'the West' and 'the Rest', but also questions regarding the funding and support of a certain selection and representation of artists and their artworks. Furthermore, the *belonging* as context or identity marker, the '[...] ethnological allocation of ranking [...] in which primarily belonging counts' is the basis of the selling point (Belting/Buddensieg, 2013, p. 65, translation IE). It becomes clear that the market-driven dynamics (interest, monetary capital) are structured by an asymmetrical interdependency (cultural hierarchy, knowledge production, epistemological power). Regarding the funding of cultural projects, artists, and curators through foreign cultural institutions, the central question is: What is the profit in non-profit?

Hey big Spender!

In August 2012, Kirsten Scheid wrote a critique of the international attention that has been focused on art productions from the Arab region since the uprisings (Scheid, 2012). She focuses on Nama Khalil's article entitled 'Art and the Arab Awakening', which was published in *Foreign Policy in Focus* (2 August 2012). Let aside the aforementioned teleological notion of the title (the term 'awakening' evokes buzzwords like enlightening, modernity, progressiveness, etc), Scheid questions the article's position in an American-Anglophone magazine for foreign policy: '[...] [T]his approach to art is the flip-side of a policy of humanitarian intervention that minimizes and limits how victimized people may come to participate in global politics' (Scheid, 2012). Stressing the difficult burden of depending on outside funding support as artist or as someone who conceptualises artistic projects, Scheid criticises the humanitarian touch the Western interest in art production from the region seems to have.

This 'humanitarian touch' is visible in various calls for cultural projects and funding lines, for instance in a project call from May 2011, launched by the European Commission, entitled 'Revolution meets the Arts!'. On the website it states that

'The global objective of this Call for Proposals is to contribute to the diversity of cultural creation and promote a culture of human rights. [...] Proposals should contribute to a culture of Human Rights and especially freedom of expression. In particular, proposals should take into consideration the recent political developments that unfolded in Egypt and build upon them.'

Here, the increasing overlapping and entangling of cultural politics and politics of development becomes transparent. Also, flipping the donor-receiver positions in juxtaposition, and imagining an Egyptian cultural institute supporting German artists in Berlin working on questions of identity and the notion of an ongoing East/West divide, stressing the notion of gender politics (and in fact meaning only women)

makes the inherent power structures visible (although yet again, flipping positions oversimplifies and fall short on current political situations as well as historical contexts).

Another example is the EUNIC (European Union National Institutes for Culture) yearbook 2012/2013, available online. On the website, it states that the report entitled *Culture & Conflict. Challenges for Europe's Foreign Policy* 'elaborates on the external cultural policies Europe needs to embrace in order to foster the development of art, education and intercultural dialogue'.¹⁸ EUNIC members are, among many others, the Goethe Institute, the British Council, and the French Ministry of Foreign Affairs. EUNIC not only 'strongly advocates for culture to become an integral part of EU development policy', but has also developed a long-term project concerning EUNIC activities in North Africa & the Middle East (MENA), targeting specifically youth and women. The main goal of EUNIC MENA is to 'put culture and civil society at the forefront of the democratic transformation'. In the foreword which carries the significant title 'Lifting the Veil', the author argues that after Huntington's 'Clash of Civilization' and 9/11, the 'geopolitical significance of culture' and its role in conflict regions became obvious. In continuing his argument, the author then states: 'In parallel to this, the limited success achieved by military interventions in Somalia, Afghanistan and Iraq pose the question of whether other, softer, approaches would be more effective' (Körber, 2013, p. 4).

To do justice to the report and its various authors: It *does* contain controversial and critical opinions and perspectives. The connection between cultural politics and politics of development is evident, but concurrently not per se to be doomed and criticised – and also much depending on the personal accounts and acting of the respective institute's individual representative. The ambiguities, ambivalences and difficulties foreign cultural institutions face in regions with a repressive state apparatus are not to be undermined, ever more so since the institutions are not officially recognised by the state, but operate in a status of being tolerated. Courageous and important programmes and initiatives are often implemented through foreign funding – in situations where local funding does not exist at all, or is rather rare or state-controlled. The situation got even more serious in Egypt after the police raided 17 US-based and local civil society organizations receiving foreign funding in 2011, the German foundation Konrad Adenauer Stiftung being one among them, an organization that is associated with Chancellor Angela Merkel's Christian Democratic Union party. Still the selection process remains an issue: What is being represented through the selection process of foreign institutions as 'contemporary Arab art' or under the umbrella topic of 'Art and the Revolution' is relevant and a matter of representation as well as a struggle over meaning and power. But again, the ambivalences entailed within the relation between foreign cultural institutions and local artists/curators/critics need to be stressed, since both parties have interests and are involved in and part of a structure which exists in and through signifying practices (Fowler, 1997). The main significant difference here relates to the notion of 'giving', intrinsic in cultural funding itself, and the power structure that dynamic is based on. In reference to sociologists and philosophers like Marcel Mauss, Pierre Bourdieu, or Jean Baudrillard, among others, the donation, or gift, is ambivalent in itself, being placed in a triad of giving, receiving, and replying, or returning.¹⁹ The one who 'gives' interpellates (as in a self-referential behaviour) to him/herself in a certain way. Through the giving process, a relation is created between individuals of a society. The theory of donation and, concurrently, obligation can also be translated to relations between societies, one being the receiver (e.g., of development aid), the other one being the donor (e.g., of foreign funding for cultural productions). The donation is regarded as fundamental to the social context. It is a means to create a state of mutual obligation and a condition for the peaceful interaction with each other. Therefore, the donation can be understood as an instrument of power, situating the one who gives within the social structure.

Since most of the European Cultural Institutions (in Cairo) have received extra funding from their respective governments since the beginning of the uprisings,²⁰ the concept of 'soft power' embedded in cultural politics and the connection of cultural activities and funding of artistic projects in combination with a humanitarian approach

is to be critically examined. This structure perpetuates a morally superior Western World or Global North, acting upon the plight of the Rest of the World, but doing so in a regulatory, controlling manner instead of one that recognises and acknowledges historical entanglements, coloniality, dependencies and responsibilities.

Conclusion

The uprisings in the Arab World have catered to a new, sudden interest in the Arab World – especially in the area of cultural productions, art and youth. With the marking of cultural productions with signifiers such as ‘revolutionary’ or ‘rebellious’ (directed towards a non-democratic counterpart), a certain value and code has been attached, embedded in a line of thought with specific imaginations regarding notions of modernity and progress. Entangled with a structural, market-driven economic interest (for instance by cultural institutions in cities such as Berlin, Paris, but also by individuals/the beneficiaries – regarding both monetary as well as social capital) is an asymmetrical interdependency based on who is the beneficiary, and who is the donor. As illustrated above, the donation/funding-*spiel* is embedded in a complicated triangle of giving, receiving, and replying, or returning, which enforces and perpetuates (historic) power structures. Needless to say, there is an interest on both ends: The search of individuals (artists, curators, critiques, etc.) to access the promised ‘good life’ when entering the game is part of the global neoliberal structure (Berlant, 2011, pp. 3).

The funding of cultural productions through foreign (European or American) cultural institutions in relation to the frame of buzzwords such as democracy, human rights, gender, and/or youth, makes foreign cultural politics appear as politics of development. Taking a closer look at politics of representation, ‘soft power’, development politics and the dynamics embedded in the dynamics of giving and receiving allow a critical view on asymmetrical power structures within the issue of foreign funding.²¹

Endnotes

- 1 For a more detailed account on the manifold interpretations of the uprisings, see Bennani-Chraïbi, M. et al., 2012.
- 2 See Mehrez, S. (2008) *Egypt's Culture Wars. Politics and Practices* (Cairo: The American University in Cairo Press). For further research, see e.g., Shafik, V. (1998) *Arab Cinema: History and Cultural Identity* (Cairo: The American University in Cairo Press); Abu Lughod, L. (2005) *Dramas of Nationhood: The Politics of Television in Egypt* (Chicago: University of Chicago Press); Armbrust, W. (1996) *Mass Culture and Modernism in Egypt* (Cambridge: Cambridge University Press), Winegar, J., 2006, Winegar, J./Pahwa, S. 2013).
- 3 See Demerdash, N. (2012); Winegar, J./Pahwa, S. (2012).
- 4 Dabashi, H. (2012).
- 5 See also Wedeen, L. (2002) ‘Conceptualizing Culture: Possibilities for Political Science’ in *The American Political Science Review* (96/4), 713-728. In this theoretical approach, the author focuses on the notion of understanding culture as a practice of meaning-making, analysing the relations between agent’s practices and systems of signification (such as language or symbolic systems), and how semiotic practices are also effects of institutional arrangements, of structures of domination, and of strategic interests.
- 6 See Couldry, N. (2010).
- 7 Needless to say that the debate about this is far more complex than depicted here, see for instance Nigam, A. (2013) ‘End of Postcolonialism and the Challenge for ‘Non-European’ Thought’ in *Critical Encounters. a forum of critical thought from the global south* (19 May 2013), <http://criticalencounters.net/2013/05/19/end-of-postcolonialism-and-the-challenge-for-non-european-thought/> (last time accessed 1 May 2014), and the debates she is mentioning in her piece.
- 8 The theoretical body behind is called ‘Coloniality of Power’. See also Quijano, A. (2000) ‘Coloniality of Power, Eurocentrism, and Latin America’, in *Nepentla: Views From the South* (1/3), 533-580; Quijano, A. (2007) ‘Coloniality and Modernity/Rationality’, in *Cultural Studies*, (21), (2-3), 168-178.
- 9 See DuBois, W.B. (1989 [1903]), *The Souls of Black Folk* (Chicago: A.C. McClurg & Co), p. 3, quoted in: Couldry, N. (2010), p. 9.
- 10 See Ramadan, D. (2004) *Regional Emissaries: Geographical Platforms and the Challenges of Marginalisation in Contemporary Egyptian Art*, proceedings of Apex Conference 3. (Honolulu); Dagher, S./David, C./Salti, R./Tohme C. (2007) ‘Curating Beirut: A Conversation on the Politics of Representation’, *Art Journal*, 109-112; Toukan, H. (2013) ‘Negotiating Representation, Re-making War: Transnationalism, Counter-hegemony and Contemporary Art from post-Taif Beirut’, in Matar, D./Harb, Z. (eds.) *Narrating Conflict in the Middle East. Discourse, Image and Communications Practices in Lebanon and Palestine* (New York: I.B.Tauris) , 58-84; Göckede, R./Karentzos, A. (eds.) (2006) *Der Orient, Die Fremde. Positionen zeitgenössischer Kunst und Literatur* (Bielefeld: transcript).
- 11 The artist exhibits an installation of stones thrown by police at pro-democracy campaigners on Tahrir Square. The signed stones are for sale, the profit will go to charities helping victims (not further defined) of the revolution. More information on the artist’s website, <http://afoda.com/>.
- 12 Art & Patronage (2012) <http://www.apsummit.com/index.html> (last accessed 1 May 2014), emphasis by IE.
- 13 See also Abdallah, M. (2011) Monumental Narratives Waiting to Cave, Blog entry, <http://moabdallah.wordpress.com/2011/08/22/monumental-narratives-awaiting-to-cave/> (last date of access: 1 May 2014); here, the author criticises the instrumentalisation of art, which led to a monumentalisation of the revolution.
- 14 Her very interesting response in her speech can be read here (<http://www.kulturundpolitik.de/aktuelles/die-revolution-geht-weiter/>); unfortunately, it is available in German only. Here, Laila Soliman criticizes the ‘politics of honoring’, and reflects upon her own role within it.
- 15 See also Bennani-Chraïbi, M. et al. (2012), p. 19, and El-Mahdi, R. (2011) ‘Orientalising the Egyptian uprising’, in *Jadaliyya* (11 April 2011), www.jadaliyya.com/pages/index/1214/orientalising-the-egyptian-uprising (last date accessed:

1 May 2014). It remains questionable why a major part of scholarly interpretations of the uprisings stresses the fact (and seems surprised) that the main actor of the uprisings were youth when a) revolutions or (violent) uprisings are hardly ever fought by the elderly, and b) the high unemployment rate combined with a demographic youth bulge were a known fact even before 2011 (see for instance the data bases of index mundi, undata, Central Agency for Public Mobilization and Statistics (CAPMAS) (Egypt), UN Demographic Yearbooks, etc.).

16 Link webinar 2012: <http://cmes.hmdc.harvard.edu/node/2533> (30.10.2013); recent movie 'Art War' by Marco Wilms, focusing on street art in Cairo, 2014; several books and articles (random selection): e.g., Grondahl, M. (2013) *Revolution Graffiti: Street Art of the New Egypt* (Cairo: American University in Cairo Press); Westervelt, E. (2011) 'Graffiti Reclaims Egypt's Revolution From Marketers', in *NPR - National Public Radio*, 03.07.2011, www.npr.org/2011/07/03/137402744/artists-street-artists-defend-egypts-revolutionary-imagery (last date accessed: 1 May 2014); Wood, J. (2011) 'The Maturing of Street Art in Cairo', in *The New York Times* (27.07.2011), www.nytimes.com/2011/07/28/world/middleeast/28iht-M28-EGYPT-TAGS.html?pagewanted=all&_r=0 (last date accessed: 1 May 2014); McLaren, J. (2011) 'The revolution will be painted: Cairo street art', in *Rabble* (17.06.2011), <http://rabble.ca/blogs/bloggers/jesse/2011/06/revolution-will-be-painted-cairo-street-art> (last date accessed: 1 May 2014); Korody, N. (2011) *The Revolutionary Art. Street Art Before and After the Tunisian Revolution* (SIT Graduate Institute, ISP Collection, 1134); Gillard, C./Wells, G. (2011) 'The Art of Revolution. Street Art and the Egyptian Revolution', in *The Atlantic* (09.05.2011), www.theatlantic.com/international/archive/2011/05/the-art-of-revolution/238049/ (last date accessed: 1 May 2014).

17 See Moulier-Boutangm, Y. (2011), *Cognitive Capitalism* (Cambridge: Polity).

18 Here and the following: www.eunic-online.eu/ (31.12.2013).

19 Pierre Bourdieu (1993) [1980] *Sozialer Sinn. Kritik der theoretischen Vernunft* (Frankfurt, Suhrkamp); 1998 [1994] *Praktische Vernunft. Zur Theorie des Handelns* (Frankfurt: Suhrkamp); Jean Baudrillard ((2000) *Der unmögliche Tausch* (Berlin: Merve); Marcel Mauss (1990 [1924] *Die Gabe. Form und Funktion des Austausches in archaischen Gesellschaften* (Frankfurt: Suhrkamp); 2006 [1924] 'Gift - Gift', in Moebius, S./Papilloud, C. (eds.) *Gift - Marcel Mauss' Kulturtheorie der Gabe* (Wiesbaden: VS), 13-21.). For an extensive analysis of the sociology of gift and donation in relation to organ donation, see the recommended reading Motakef, Mona 2011 *Körper Gabe. Ambivalente Ökonomien der Organspende* (Bielefeld: transcript Verlag).

20 Frefel, A. 'The Art of Dealing with Others', in: *Passages. The Taste of Freedom. Art and the Egyptian Revolution*, *The Cultural Magazine of Pro Helvetia* (58), (1/2012), 19-20, here p. 19.

21 Furthermore, it opens up questions of morality when we look at the proposed funding lines and the support of cultural projects that tackle and promote human rights issues, democratisation, gender equality, etc., and show a direct interest in and support of the young, educated (or to be educated) revolutionary youth on the one side, and an increased racism in Europe on the other side (see for example Taras, R. (2012) *Xenophobia and Islamophobia in Europe* (Edinburgh: Edinburgh University Press; Fekete/Sivanandan (2009) *A suitable enemy: racism, migration and Islamophobia in Europe* (London: Pluto Press); or the various research papers by UK-based Runnymede Trust (www.runnymedetrust.org/), or EUMIC (European Monitoring Centre on Racism and Xenophobia) with the following research papers which can be downloaded from their website: Allen, C./Nielsen, J.S. (2002), *Summary Report on Islamophobia in the EU after 11 September 2001*, or: EUNIC (2006) *Muslims in the European Union. Discrimination and Islamophobia*). Along these thoughts, European immigration laws and their implementation do not always correspond with the proposed human rights, which one can find implemented among some of the funding lines. But, as the scholar Hisham Aidi notes, the notion and support of the 'rebellious, modern youth' of the 'Arab Spring' through cultural (and academic) projects focusing on democracy, human rights, or gender is not necessarily contradictory, but could be read as part of a diplomatic or regulating tool: 'The Great Game of the twenty-first century – the ideological and geopolitical tussles centered around post-colonial Africa and the Middle East – is increasingly playing out in Europe's immigrant neighborhoods', says Aidi (Aidi, 2011, p. 36). Aidi's work centres around Hip Hop as a tool of diplomacy ('hip hop diplomacy') in order to rebrand the respective states and to push Muslim youth away from (Islamic) extremism. He refers to the support of artistic communities as 'development strategies' as well: 'The young artists of the revolution have become 'a means of protest and a tool of public diplomacy, counter-terrorism, democracy promotion and economic development': 'It is in the post-September 11 'War on Terror' and in Western states' dealings with Muslim majority states and Muslims in Europe that government mobilization [of hip-hop] is most noticeable' (Aidi, 2011, p. 26).

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Nooh Alshyab & Raed Khasawneh

The Impact of the Arab Spring on Remittances Flows to Jordan

1. Introduction

Many developing countries receive a conspicuous amount of foreign capital in terms of remittances from the respective migrant workers and 'the large size of remittances relative to other external flows and to the GDP in many countries suggest that the macroeconomic effect of remittances maybe of critical importance in many countries' (World Bank, 2006, p. 99). On aggregate, the inflow of remittances to the whole MENA region (Middle East and North Africa) exceeds foreign direct investment (FDI) and official development assistance (ODA) (Cogneau/Gubert, 2005). Among the most important effects of remittances, they grant a stable inflow of foreign exchange, balance the current account, increase national savings so to favour capital formation, as well as to improve a country's ranking and access to international borrowing'. At a microeconomic level, the capital brought in by remittances increases a household's spending possibilities and allows higher consumption levels but may also encourage entrepreneurship, financing small investments, both in human and physical capital (see e.g. Yang, 2004, Woodruff/Zenteno, 2004).

However, remittances may also have some negative effects for the recipient economy: They might create dependency on a flow of external rent² and increase the influence of external shocks on the business climate of a country. Moreover, the massive inflow of capital may increase the exposure to inflation. Also labour supply may be reduced, as due to the existence of alternative sources of income for households.

Since the 1970s, work-related migration of Jordanians has become an increasingly significant phenomenon. As originally mainly due to the oil boom, many Jordanians have moved to different countries of the Gulf. The trend to migrate persists until today and Jordan has a significant number of citizens residing and working in many industrialised countries. Exploiting the wage differential, the migrants transfer back home a significant amount of remittances. Between 2000 and 2011, workers' remittances accruing to Jordan were on average 2,819.38 m US\$ per year, which is almost 19% of GDP.³

So far, the implication of the Arab Spring on the remittances inflowing to the different countries of the Middle East and North Africa (MENA) have not been analytically examined, due to the fact that 'the full impact of the 'Arab Spring' is not yet visible in data' (Migration and Development Brief 17 of World Bank, 2011, p. 12). It seems, however, that, despite of the difficult economic situation in North Africa, of the economic crisis and of the tighter immigration policies in the European Union, remittances to Sub-Saharan Africa have increased to 7.4% in 2011 (Migration and Development Brief 17). Before 2011, it has been on the contrary a period of lower remittances (and some analysts have actually interpreted this fact as contributing to the uprisings in Egypt and Tunisia) (Acevedo, 2013). The political crisis in Libya caused the return of many Egyptian and Tunisian workers and respectively brought about a decrease in remittances' growth and a decrease in remittances (Migration and Development Brief 17).

The present study, thus, aims to analyse the impact of the Arab Spring on the remittances inflowing to Jordan. The underlying hypothesis is that the Arab Spring, even if it did not culminate into a regime change in Jordan, is a regional phenomenon having deeper social, political, and economic consequences for all countries of the Middle East. As a proof of such a hypothesis, the Arab Spring should imply profound changes in the patterns of remittances accruing to Jordan, too. With changes in the patterns is

here not only meant a change in the absolute size of remittances, but changes in the regularities underlying them and in the relations between remittances and typical determinants of them.

To the best of our knowledge, this study is the first contribution which empirically and statistically analyses the effects of the current political and social changes in the MENA region in relation to remittances inflow to a specific country. The choice of Jordan as case study is motivated by the relative importance of remittances for this small, resource-poor country, as well as by the non-revolutionary impact of the Arab Spring, so to check the 'regional phenomenon' hypothesis and to grant for the availability of reliable data.⁴

The paper is organised as follows: Section 2 discusses the latest political developments and transformations occurring in Jordan, linking them to the current economic situation of the country. Section 3 presents then a short overview on models of remittances, while section 4 introduces the framework for the empirical analysis of the effects of the Arab Spring on the remittances accruing to Jordan. Section 5 deals with the main results of the study and section 6 and 7 conclude the paper.

2. The Arab Spring in Jordan and the Current Economic Situation

Since the end of 2010, a wave of upheavals and demonstrations has been shaking the Arab World, beginning with Tunisia, Libya, followed by Egypt, for then mainly extending to Jordan, Syria, Lebanon, and Bahrain. These protests have been labelled 'Arab Spring'. Together with the malcontent with the political and social situation of the region, these protests are very strongly motivated by economic issues and structural problems (Malik/Awadallah, 2013). Profound economic implications are expected, as well: in the latest research report by HSBC it is predicted that by the end of 2014 the seven countries which have been more affected by the Arab Spring, namely Egypt, Tunisia, Libya, Syria, Jordan, Lebanon, and Bahrain, will suffer output losses of around 800 billion US\$, corresponding to 35% of their total GDP, compared with predictions if the Arab Spring had not occurred (Reuters for the Middle East as of 09.10.2013).

It may be argued that Jordan has been less affected by the Arab Spring than other countries of the region, in the sense that it has not experienced a regime change, so that it can be mentioned as a case of 'transformation without transition'.⁵ Nevertheless, the Arab Spring has led to major social and political transformations and its implications for Jordan are meaningful: The country has seen repeated waves of protests (which led to the dismissing of three cabinets, to the resignation of Prime Minister Al Khasawneh, to the design of a new electoral law, to amendments in the Constitutional Law, to more liberal Party and Freedom of Assembly Laws, as well as to new parliamentary elections).⁶ Due to the upheavals in Syria, Jordan is host to a large number of Syrian refugees, which further strains the scarce resources and economic capabilities of the country. The United Nations Refugee Agency (UNHCR) has currently registered the presence of 579,892 refugees from Syria.⁷ Further 450,000 refugees from Iraq were expected by the end of 2013.

As due to the current instabilities in Egypt, natural gas imports have become more expensive, as provision from Egypt has significantly reduced during the whole 2012 (IMF, 2013).

Jordan currently faces several economic challenges that are also common to many other countries of the region (Sullivan et al., 2012): first of all, high unemployment rates with peaks among the youth who represent a large proportion of the population. More specifically, according to IMF (2013) official estimations of unemployment, by the end of 2012, 12.5% were unemployed, whereas the Jordan Economy Profile 2013 reports non-official figures to assess unemployment around 30%. With an official rate of 27%, youth unemployment is then particularly high.⁸ Population growth has

been sustained for all of the last decade (more than 2% annual growth) and seems to be declining since 2010. In 2011, the age-dependency ratio was 69.38%.⁹

A further problem of the country is the high debt: according to the Ministry of Finance, public debt has increased by the end of May 2013 to 17.3 billion JD (i.e. more than 20 billion US\$), representing almost 72% of GDP forecasts (The Jordan Times, 21.07.2013). During the last years, inflation has been quite high, too, with a peak of almost 19% in 2008 and a rate of 5.7% on average between 2009 and 2012.¹⁰

Basically, also in Jordan¹¹ the protests have been all very tightly linked to the difficult economic situation of the country (which are, according to Mirkin, 2013, further aggravated by demographic pressure). Among the most common demands leading the demonstrations, several were of economic nature: fighting corruption, putting an end to the elites' privileges, raising income level, and ending the cuts of subsidies.

The first big protest episode occurred on 14th January, 2011, followed by other demonstrations demanding the dismissal of the Prime Minister, Samir Rifai.¹² But even Rifai's dismissal on 1st February did not put an end to the protests, now demanding economic and political reforms, a constitutional monarchy and, in general, more political freedom. If on the one hand, numerous protests escalated violently,¹³ on the other hand, in response to them, the strategy of the King was to make small concessions: As an example, in a speech in June 2011, King Abdallah II promised to limit his own powers concerning the nomination of the Prime Minister and his cabinet. Following a summer of further demonstrations, on 17th October the King dismissed the cabinet.

Protests continued for the rest of 2011 and then calmed down in 2012. But the political climate did not become more stable, with Prime Minister Al Khasawneh resigning in April 2012. In September, a new wave of demonstrations, essentially motivated by a 10% increase in the fuel prices, started and spread all over the country. On 4th October the King dissolved the Parliament and nominated Abdullah Ensour as Prime Minister. New parliamentary elections were announced and took place in January 2013. Protests against the increase in the fuel prices, which was due to the cut in subsidies as long advised by the IMF, escalated into real riots.

Among the reasons for Jordan not having experienced a radical regime change so far may be the concessive behaviour of the monarchy (notwithstanding repression of several demonstrations), as well as the fact that protests even though of size without precedent for Jordan never assumed the mass character they had in other countries. Possible further and rather economic reasons may be the patrimonial character of the state and the social contract resulting in the public sector being the main employer for a still large part of the population (Carroll, 2003).

Further, the massive accruing of international aid has contributed to the political and social stability of Jordan. Recently, mainly because of the Syrian refugees, aid to Jordan has increased, according to the World Bank (WDI, 2013), from 740m US\$ in 2009 to 954m US\$ in 2010 and 959m in 2011. A further very important type of rent accruing from abroad, which may have helped in containing escalation of protests, is the capital flow generated by workers' remittances.

3. Models of Remittances

Remittances from migrant workers are a quite relevant source of external capital for many countries and have therefore recently received more attention in the literature. There are several models to explain the reasons for migrant workers to remit part of their income home and different paradigms trying to define the main determinants of remittances. A further field of investigation focuses on the cyclicity of remittances and aims to assess the stabilising and/or destabilising effect of remittances on an economy.

In general, however, research on remittances has suffered from data collection problems: data on bilateral flows are very often incomplete (Lueth/Ruiz-Arranz, 2006) and typically official statistics underestimate the flows of remittances, as they cannot ascertain the amounts sent via unofficial channels. According to the Global Economic Prospects of World Bank (2006), estimates of informal flows seem to be particularly high in the MENA, in Sub-Saharan Africa, Europe, and Central Asia and would add approximately 50 % to the official remittances' flows.

Concerning the reasons of remittances, there are several different explanations that have been proposed in the literature: the most important models are based on altruism, self-interest, implicit family contracts, and strategic reasons. The models based on the motivation to remit are non-mutually exclusive, in the sense that the real motives for remitting are typically mixed (Rapoport/Docquier, 2005). Moreover, remitting behaviour has much to do with the cultural and social backgrounds of the different migrants' groups, as it emerges from comparative studies on the patterns of remittances from migrants of different origin (Funkhouser, 1995).

The motives of remittances can be typically understood by looking at their main determinants and at their impact, as summarised in Table 1.

Explanatory variables	Altruism	Self-Interest	Implicit Family Contracts			Strategic Motive
			Loan Repayment	Co-Insurance	Exchange	
Migrant's income	+	+	+	n.s.	+	+
Migrant's education	n.s.	+	+	n.s.	-	+
Time since emigration	-	n.s.	n.s.	n.s.	n.s.	-
Distance from family	-	+	n.s.	n.s.	n.s.	n.s.
Number of migrants / heirs	-	n.s.	n.s.	n.s.	n.s.	n.s.
Household's long run income	-	+/-	n.s.	+	+/-	-
Adverse shocks in home country	+	+	n.s.	+	+/-	+
Household's assets	n.s.	+	n.s.	n.s.	n.s.	n.s.

+... positive effect; -... negative effect; n.s.... non-significant effect

Table 1: Empirical Test of Competing Motives to Remit;
Source: Alshyab, 2011, p. 67

Recent and influential contributions discuss the macroeconomic determinants of remittances relying on gravity models, which have been originally formulated to explain trade (Sheperd, 2013). The basic framework is a 'gravity' equation according to which flows between two countries are proportional to the two countries' economic sizes, measured by their respective GDPs, and inversely proportional to their distance. Gravity models of remittances further typically include other variables, such as income level (GDP per capita), limitations to trade, cultural similarities etc. Some specifications of the model also take time effects into account.¹⁴

Other models considering time effects are those aiming to perceive the cyclicity of remittances.¹⁵ Cyclicity may be an aspect of interest in analysing the effects of remittances for the recipient country, as pro-cyclical remittances tend to have a destabilising effect on the recipient economy, in the sense that they amplify cyclical fluctuations, whereas anti-cyclical remittances tend to have a stabilising effect, as they smooth out

cyclical movements and disturbances. Besides pro- and/or anti-cyclicity, remittances can be synchronous to the business cycle or lag it (Sayan, 2006).

A further interesting line of analysis is exploring the political consequences of remittances. In this regard, the link between accruing of remittances and survival of authoritarian regimes has led to the formulation and empirical validation of two competing hypotheses: on the one hand, there is evidence pointing at remittances increasing participation in political life and democratic transition, which is often referred to as 'political activation hypothesis' (Magaloni et al., 2007; Stokes, 2005; Pfutze, 2012); and on the other hand there are also contributions supporting the view that remittances cushion social tensions, thus diminish protests and work against democratic transition - the so-called 'safety valve hypothesis' (Hirschman, 1993). As corollaries to the safety valve hypothesis there are studies empirically corroborating the idea that remittances increase corruption (Abdih et al., 2011), decrease public expenditure programmes and support authoritarian regimes (Ahmed, 2012).

Even though the direction of the relationship between remittances and protests may be different from one country to the other, it is interesting to see that remittances do have a political effect. In this perspective, it may not have been only a coincidence that in Egypt and Tunisia the protests leading to the regime changes happened when remittances were decreasing (Acevedo, 2013).

The approach followed by this study somehow mirrors (and thus somehow completes) these lines of analysis, as it strives to understand the effects of protests and instabilities on the workers' remittances accruing to a country.

3. Design of the Empirical Investigation and Research Hypothesis

One of the challenges of analysing the effects of the Arab Spring on the flows of remittances accruing to Jordan is, without any doubt, the short time horizon to which the research question relates. Still, we believe that a timely analysis of the repercussion of the ongoing changes on a crucial flow of capital such as remittances for Jordan is necessary, as such changes yield profound implications for the country's economy and related political stability.

For the purpose of the empirical analysis, the Arab Spring has been dated back to the fourth quarter of 2010.¹⁶ Thus, the empirical analysis mainly engages in the comparison of data before and after the 4th quarter 2010. Thus, there is a total of 9 quarters that relate to the period after the Arab Spring. This is obviously too small a number of observations for applying typical macroeconomic techniques of econometric analysis, such as regressions and analysis of variance. To overcome this issue, the presented data analysis relies on bi-variate correlations,¹⁷ which are widely applied in more microeconomic, experimental, and psychological studies, as well as in equity and portfolio analysis, where there is often the need of drawing statistically valid and significant conclusions relying on smaller samples and/or short time series.¹⁸

3.1 Steps of Analysis and Research Hypothesis

More specifically, the analysis has been organised into three subsequent steps: In a first step, it examines an annual data time series from 1990 to 2012 and thereby tests the correlation of remittances accruing to Jordan with other macroeconomic variables. To this end, it checks for the bi-variate parametric correlation between workers' remittances, Jordanian GDP in current US\$, net official development assistance received (net ODA) in current US\$, and (upon inspiration from gravity models of remittances) average GDP of main hosting countries of Jordanian migrant workers. All series in this are annual series from the World Bank (WDI, 2013).

In a second step of analysis, the same correlations are tested against the quarterly data time series between 2000 and 2012, whether similar correlation coefficients are necessary, as in many cases there can be radical differences between short- and long-horizon correlations (Turley, 2012). A further reason for this second step is that correlation is a measure of the linear relationship between two variables and, thus, may be, e.g., strongly affected by seasonality and, in general, by the larger variability in quarterly data.

Tracing back the Arab Spring to the last quarter of 2010, in the third step of analysis differences in the correlation coefficients between remittances are further checked, i.e. GDP, Consumer Price Index (CPI), and GDP of host countries after and before the date. We thus compare this small sample of respectively nine quarterly data entries per variable (i.e. from the fourth quarter of 2010 to the fourth quarter of 2012) with three antecedent periods of the same length. The exact specification of the four sub-periods considered according to the design for the empirical analysis is presented in Table 2.

Sub-sample of data	Sub-period considered	Denomination
1	4 th quarter of 2010-4 th quarter of 2012	Arab Spring
2	3 rd quarter of 2008-3 rd quarter of 2010	Economic and financial crisis
3	2 nd quarter of 2006-2 nd quarter of 2008	First benchmark period
4	1 st quarter of 2004-1 st quarter of 2006	Second benchmark period

Table 2: Design for Empirical Analysis;
Source: Authors' Representation

Thus, the main hypothesis of the study is that the Arab Spring has been changing the patterns of remittances to Jordan and can be operationalised as finding substantially different correlation coefficients for (1) sub-sample 1 and the other three sub-samples, as well as for (2) sub-sample 1 and the correlations for the whole period from 2000 to 2012, while finding (3) similar correlation coefficients for sub-samples 3 and 4 and for the period 2000-2012.

3.2 Datasets

The dataset for the annual data has been built mostly relying on annual data from the World Bank's World Development Indicators 2013 (WDI, 2013). The main source for quarterly data is the Central Bank of Jordan (CBJ, 2013). Different data sources are specified in the text.

The variable 'mean GDP of host countries' has been calculated based on World Bank data, too (WDI, 2013), while selecting the main hosting countries of Jordanian workers according to data presented in the Migration Policy Centre's migration profile for Jordan (2013).

The Migration Policy Centre estimates the Jordanian emigration stocks as specified by the following quote:

'In 2009, according to the national Ministry of Labor, Jordanians residing in oil-producing countries stood at 140,722. The majority of them lived in the United Arab Emirates (39.0%), Saudi Arabia (36.2%), Kuwait (13.4%)

and Qatar (6.8%). As to the rest of the world, the most recent data (c.2012) would put the figure at 177,901, of whom a very large proportion (41.7%) live in the US. 31.6% live, instead, in other southern and eastern Mediterranean (SEM) countries and 'only' 18.6% in the European Union. The total number of Jordanian migrants thus stands at 339,755, or 5.4% of the total population in Jordan'

(Migration Policy Centre, 2013, p. 2).

Among the European countries hosting a large number of Jordanian migrants there are Germany, Italy, and the United Kingdom. The report, however, admits difficulties in collecting reliable data on the number of Jordanian work-related migration (Migration Policy Centre, 2013).

Thus, the variable 'mean GDP of main hosting countries for Jordanian workers' has been built considering the GDP of United Arab Emirates, Qatar, Kuwait, Oman, Saudi Arabia, United Kingdom, Germany, Italy, United States, and Canada. As further important emigration countries, Libya and Palestine, have been excluded because of data availability and reliability.

Quarterly data stems all from the Central Bank of Jordan, except the variable related to the average GDP of host countries. The Central Bank of Jordan publishes its data in Jordan Dinar. Conversion to US\$ has been done using the fixed exchange rate with the US\$ of 0.708.¹⁹ As quarterly GDP data were not completely available for the countries of the Gulf considered for calculating the annual variable GDP of host countries, we here had to rely on quarterly data on OECD member countries, only. Thus, the quarterly variable GDP of host countries presents an average per quarter of the GDP of Germany, Italy, Canada, United Kingdom, and USA.

4. Empirical Investigation and Main Results

Looking at the data, remittances accruing to Jordan have started to decrease in terms of share of GDP from almost 18% in 2007 to 8.7% by the last quarter of 2012 (see Fig. 1). Table 3 provides an overview on the quarterly data on remittances accruing to Jordan, as published by the Central Bank of Jordan.²⁰

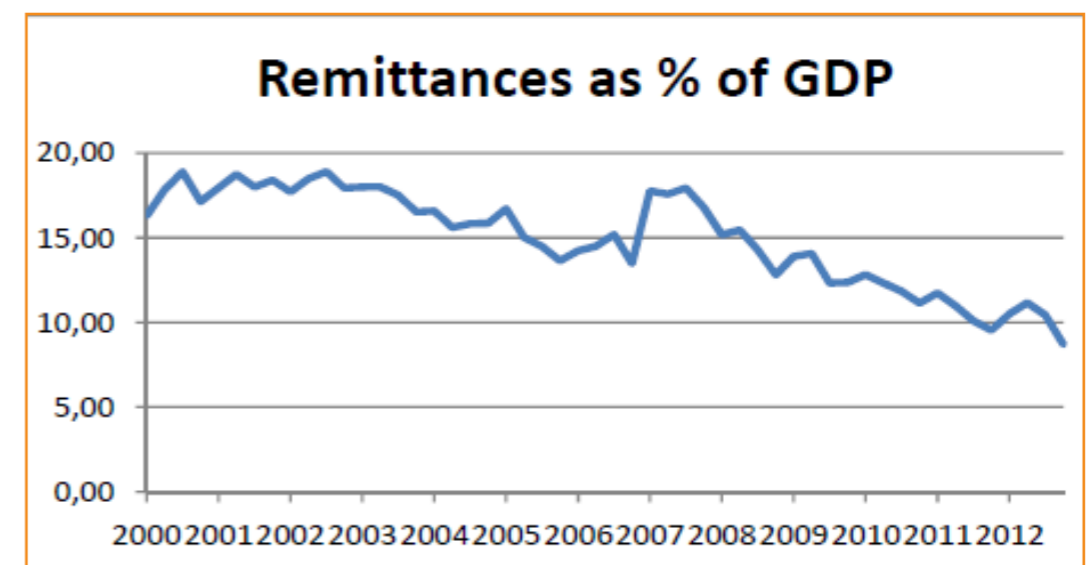


Fig. 1: Remittances as a Percentage of GDP,
Quarterly Data from 2000 to 2012;
Data Source: CBJ, 2013

Year	Quarter	Remittances (ml US\$)	Quarterly remittances' growth rate (%)	Year	Quarter	Remittances (ml US\$)	Quarterly remittances' growth rate (%)
2000	1	312,01		2006	3	611,58	12,50
2000	2	377,97	21,14	2006	4	540,54	-11,62
2000	3	417,51	10,46	2007	1	676,55	25,16
2000	4	380,79	-8,80	2007	2	736,16	8,81
2001	1	363,14	-4,64	2007	3	816,81	10,96
2001	2	419,21	15,44	2007	4	768,36	-5,93
2001	3	426,13	1,65	2008	1	725,14	-5,63
2001	4	433,47	1,72	2008	2	835,73	15,25
2002	1	380,08	-12,32	2008	3	882,77	5,63
2002	2	438,70	15,42	2008	4	723,02	-18,10
2002	3	479,52	9,30	2009	1	711,86	-1,54
2002	4	454,52	-5,21	2009	2	819,63	15,14
2003	1	406,36	-10,60	2009	3	830,93	1,38
2003	2	455,37	12,06	2009	4	764,97	-7,94
2003	3	475,99	4,53	2010	1	741,81	-3,03
2003	4	445,62	-6,38	2010	2	784,46	5,75
2004	1	421,75	-5,36	2010	3	854,10	8,88
2004	2	450,28	6,76	2010	4	793,79	-7,06
2004	3	478,11	6,18	2011	1	748,45	-5,71
2004	4	471,19	-1,45	2011	2	751,84	0,45
2005	1	453,11	-3,84	2011	3	794,77	5,71
2005	2	471,19	3,99	2011	4	744,63	-6,31
2005	3	478,25	1,50	2012	1	723,87	-2,79
2005	4	470,90	-1,54	2012	2	824,86	13,95
2006	1	467,51	-0,72	2012	3	878,25	6,47
2006	2	543,64	16,28	2012	4	722,46	-17,74

Table 3: Workers' remittances per quarter and their growth rate;
Source: Authors' calculations based on data from CBJ, 2013

Just having a descriptive look at the data, there is no specific trend in the period after the Arab Spring: In particular, it is not possible to disentangle without further statistical analysis the effect of the Arab Spring from the effects of the global financial crisis of 2008-2009.

Fig. 2 provides a graphical comparison between the variables involved in the correlation analysis that follows. A fact which emerges at first glance, and which will be corroborated by correlation analysis, is the synchronicity of remittances with GDP movements. As discussed in Alshyab (2012), remittances accruing to Jordan are strongly pro-cyclical and synchronous with GDP movements. Pro-cyclicality and synchronicity may corroborate the idea of investment motives, rather than altruism, driving remittances to Jordan, but may also simply refer to the fact that the Jordanian economy is strongly influenced by the business cycle in the Gulf countries (IMF, 2010), which host a large number of Jordanian migrant workers.

For the first step of analysis, the results of Pearson's correlations based on annual data from 1990 to 2011-12 (depending on data availability) are summarised in Table 4.

As postulated by gravity models, workers' remittances are highly correlated with the domestic GDP ($\rho=0.922$, significant at the 0.01 level), as well as with the GDP of host countries ($\rho=0.974$, with $\alpha<0.01$). Consumer price index is a further variable which is

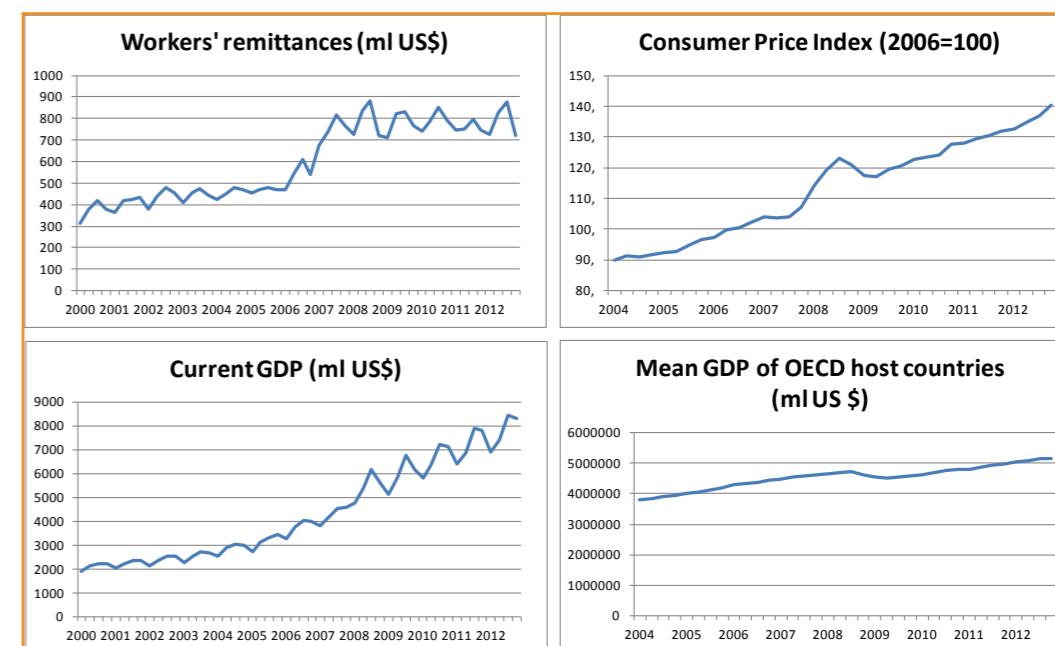


Fig. 2: Graphical Comparison between Workers' Remittances, GDP Current, CPI, and Mean GDP of OECD Host Countries between 2004 and 2012 (Source: Authors' Representation based on Data from CBJ, 2013, and OECD, 2013)

Correlations 1990-2012, annual data						
		Workers' remittances received (current US\$)	Jordanian GDP (current US\$)	Mean GDP of host countries	CPI (2005=100)	Net ODA received (current US\$)
Workers' remittances received (current US\$)	Pearson Correlation	1	,922	,974	,967	,287
	Sig. (2-tailed)		,000	,000	,000	,195
	N	22	22	22	22	22
Jordanian GDP (current US\$)	Pearson Correlation	,922	1	,880	,986	,407
	Sig. (2-tailed)	,000		,000	,000	,060
	N	22	23	23	23	22
Mean GDP of host countries	Pearson Correlation	,974	,880	1	,876	,381
	Sig. (2-tailed)	,000	,000		,000	,080
	N	22	23	23	23	22
CPI (2005=100)	Pearson Correlation	,967	,986	,876	1	,357
	Sig. (2-tailed)	,000	,000	,000		,103
	N	22	23	23	23	22
Net ODA received (current US\$)	Pearson Correlation	,287	,407	,381	,357	1
	Sig. (2-tailed)	,195	,060	,080	,103	
	N	22	22	22	22	22

Table 4: Correlation Results based on Annual Data from 1990 to 2012;
Data Source: WDI, 2013

highly and significantly correlated with remittances ($\rho=0.967$, with $\alpha<0.01$). There is, on the contrary, no significant correlation between remittances and aid, so that aid has not been further considered. The significant and strong correlation between the GDP of Jordan and of the countries hosting Jordanian migrants is definitely a non-surprising result. Having considered nominal GDP, it was expected to be strongly and significantly related to the consumer price index.

A similar picture is confirmed by examining, as second step of analysis, quarterly data for the same variables. They are checked for similar correlation coefficients between quarterly variables and over a shorter time horizon, i.e. between 2000 and 2013. The results are presented in Table 5.

Correlations 2000-2012, quarterly data					
		Rem. (mIUS\$)	GDP (mIUS\$)	Mean GDP of OECD host countries (mIUS\$)	CPI (2006= 100)
Rem. (mIUS\$)	Pearson Correlation	1	,909	,903	,910
	Sig. (2- tailed)		,000	,000	,000
	N	52	52	49	52
GDP (mIUS\$)	Pearson Correlation	,909	1	,926	,987
	Sig. (2- tailed)	,000		,000	,000
	N	52	52	49	52
Mean GDP of OECD host countries (mIUS\$)	Pearson Correlation	,903	,926	1	,946
	Sig. (2- tailed)	,000	,000		,000
	N	49	49	49	49
CPI (2006= 100)	Pearson Correlation	,910	,987	,946	1
	Sig. (2- tailed)	,000	,000	,000	
	N	52	52	49	52

Table 5: Correlation Results Based on Quarterly Data from 2000 to 2012;
Data Source: CBJ, 2013, and OECD, 2013.

Looking at the correlation coefficient between quarterly data on remittances and on average host countries' GDP reveals this newly specified variable to be a good proxy for the average GDP of the main hosting countries for Jordanian workers. Strength, direction, and significance of correlations do not basically differ from the results based on annual data.

Thus, after having proven the validity of correlation patterns over quarterly data (step 2), it is possible to proceed to the third step of analysis.

Period		Current GDP at market prices	Consumer Price Index (2006=10 0)	Mean GDP of host- OECD countries (ml US\$)
1	Pearson's ρ	,394	,117	,210
	Sig.	,294	,765	,588
2	Pearson's ρ	,724	,330	,416
	Sig.	,027	,386	,265
3	Pearson's ρ	,800	,677	,899
	Sig.	,010	,045	,001
4	Pearson's ρ	,796	,492	,579
	Sig.	,010	,179	,103

Table 6: Main Results on Correlation Coefficients with Workers' Remittances
Received (ml US\$) per Period (Authors' Representation)

The most interesting results about correlations over the four sub-samples of periods are summarised in Table 6. We were here first of all interested in strength and direction of such correlation coefficients and less in their significance.²¹

The first fact that emerges from the results in Table 6 is that after the Arab Spring (i.e. period 1) the previous correlations are no longer valid. This is clear looking at the much lower coefficients, as well as their non-significance. Thus, it can be said that the Arab Spring is disrupting the existing patterns of remittances. Its effect seems to be even deeper than the effects of the financial and economic crisis of 2008-2009 (period 2), a crisis that caused a decrease in remittances but still did not significantly change the strength of the correlation between remittances and GDP. What was affected during the nine quarters of period 2 (which makes a lot of sense, actually) was essentially a much lower (and much less significant) correlation between inflation (captured by CPI) and remittances. The variable GDP of OECD-host countries may here actually depict a less realistic picture: Since remittances to Jordan are much dependent on the GDP of Gulf countries, too, and since those countries were less affected by the financial crisis of 2008-2009 than the OECD countries considered,²² the fact of having excluded (due to data availability) those countries may have led to a biased (too large) reduction in the correlation coefficients. Overall, period 3 and 4 can be considered as reliable proof of the existence of stable patterns of remittances, due to the similarity of their correlation coefficients with those valid for the entire period between 2000 and 2012.

5. Discussion and Implications

Overall, the study provides evidence for the Arab Spring significantly affecting the patterns of remittances inflowing to Jordan: Comparing the correlations between remittances and their main macroeconomic determinants for Jordan, it emerges that the strength of the relations before the Arab Spring are no longer valid. Thus, the Arab Spring can be said to have deeply affected the equilibrium with remittances. Thanks to the correlation analysis, it is possible to disentangle the decrease in the remittances due to the economic and financial crisis of 2008-2009 with the further decreasing trend due to the Arab Spring.

In other words, this study has empirically demonstrated that the patterns of remittances have been changed in the period of the Arab Spring. This emerges from the fact that workers' remittances are no longer dependent on GDP, host countries' GDP, or consumer price index. This corroborates the research hypothesis of the present study and points at the Arab Spring as mainly responsible for the reduction in the amount of remittances. This is a striking fact that government and political actors should take into consideration.

Nevertheless, this study is intended to be just a first contribution in this regard, as further research is needed in order to understand the motivations behind the disruption of previously existing patterns of remittances. Previous research has basically provided evidence for pro-cyclicality and synchronicity of remittances accruing to Jordan. These results can be typically linked to investment motives underlying remittances. Relying on a similar line of analysis, it could make sense to interpret the Arab Spring as an increase in the uncertainty in Jordan: such an increase may have discouraged migrant workers from the search for investments in their home country. Anyhow, only further research may clarify this point: As possible further research developments there are, in the first row, qualitative studies on Jordanian migrants and their households.

6. Conclusion

The paper shows that the Arab Spring has not only aggravated the reduction in remittances which started with the financial crisis of 2008, but it has also disrupted previously existing correlations and trends. The Arab Spring has deeply changed the patterns of remittances to Jordan and these changes are quite more substantial than the changes brought by the financial crisis. In particular, this means that after the Arab Spring, remittances are no longer correlated with either the Jordanian GDP, the host countries' GDP, or the CPI. Their inflow has, thus, become less predictable and this may yield important policy implications and should be considered by policy-makers.

The further reduction of remittances since the Arab Spring can be interpreted as due to the uncertainty and to the political and economic instability, therefore policy-makers may wish to consider restoring the previous conditions to attract remittances.

Endnotes

- 1 It is reasonable to suppose that the "country risk premium in international capital markets are inversely related to the size of the remittance flows the country receives." Cf. Chami et al., 2008, p. 35.
- 2 For a discussion of the effects of massive accruing of external rent from remittances, see e.g. Alshyab, 2011.
- 3 Authors' calculations, based on data from WDI (2013).
- 4 Actually, empirical analyses of the macroeconomic effects of very recent phenomena are challenging tasks, as they are linked with the availability of short data series. Nevertheless, we believe that timely analysis with regard to remittances is particularly needed, as it can assist policy makers and stakeholders to take appropriate steps.
- 5 This is a situation in which profound social, economic and cultural transformations are not followed by a change in the political system (cf. Harders, 2008).
- 6 These facts can be corroborated by different newspaper sources, see e.g. the Jordan Times.
- 7 Status of April, 26th, as of <http://data.unhcr.org/syrianrefugees/country.php?id=107>
- 8 This refers to unemployment rates for population ages 15-24. It is further specified that male youth unemployment is about 22.6% and female youth unemployment was in 2009 around 45.9% (cf. Jordan Economy Profile, 2013).
- 9 Data from Jordan Economy Profile 2013, referring to estimates from World Bank. Herein, the age dependency ratio is defined as the proportion of dependents (i.e. individuals younger than 15 or older than 64) to working-age population (i.e. people between 15 and 64 years of age).
- 10 Authors' calculations based on WDI (2013).
- 11 For an interesting analysis of the economics of the Arab Spring, see Malik/Awadallah, 2013.
- 12 The facts mentioned in this paragraph refer to various newspaper sources and news platforms, such as The Jordan Times, Al Rai, and Al Jazeera News for the Middle East.
- 13 During protests that took place in March and April 2011 several people were injured.
- 14 A further recent development of a gravity model consists of applying the underlying logic to FDI, as well (cf. Lueth/Ruiz-Arranz, 2006).
- 15 A model which analyses the cyclicity of remittances, also considering output fluctuations in the host country, is presented by Sayan (2004).
- 16 The beginning of the protests that led to the ousting of President Ben Ali in Tunisia, in December 2010, is typically recognised as the beginning of the protests that have been shaking the Arab world, the so-called Arab Spring.
- 17 In general, the Pearson product-moment correlation coefficient (ρ) measures the relative strength of the linear relationship between two numerical variables as is defined as their covariance relative to the product of the variables' respective standard deviation (cf., e.g., Berenson et al., 2012).
- 18 For an example of the application of correlation with microeconomic experimental data, see Sandri et al., 2010. A further study supporting the use of correlations rather than variance ratios for capturing price co-movement over the short term is Turley (2012).
- 19 Singer (2010) shows and provides evidence that fixed exchange rate regimes are very common in countries that receive a large amount of remittances.
- 20 Remittances are expressed in Jordanian Dinar, which has a fixed exchange rate with the US\$ of 0.708. The Jordanian Dinar has been pegged (under a conventional peg regime) to the US\$ since 1995 (cf. IMF Annual Report on Exchange Arrangement and Exchange Restriction for 2012) and, since then, the exchange rate has remained at 0.708.

21 For an argumentation of the meaning of correlation coefficients despite their significance in small samples, see Sandri et al., 2010.

22 Even the debt crisis in Dubai had a minimal impact on the other countries of the GCC (cf. Khamis/Senhadji, 2010, p. 8).

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Localising Authoritarianism:

The Case of Egypt's Waste Policy

1. Introduction¹

When Adel Labib, the current Minister of Local Development in Egypt declared that 'enhancing decentralization is our highest priority is the next phase' – this statement was celebrated as a step forward and an attempt to enhance local participation (Labib in Aldustur 2013).² However, before celebrating this declaration it is important to scrutinise what is *de facto* meant by it.

In order to tackle this issue in greater detail, this paper analyses the latest developments in Egypt's waste policy since these provide deep insights into ongoing struggles to enhance and/or to restrict local participation. These struggles were particularly manifest in the aftermath of the government's decision at the beginning of the millennium to reform the solid waste management (SWM)³ by introducing Public Private Partnerships (PPP) with multi-national companies in some governorates.

Contrary to common narratives in newspaper articles, I contend that the 'garbage crisis' (*azmat al-qimāma*⁴) and the related struggles are not just caused by mismanagement, misbehaviour and the lack of technical solutions (Khater, 2009, Almasry Al-youm, 2009). My assertion is that struggles over the allocation and (re-)distribution of resources, e.g. the access to waste and the charges for waste collection, are informed by the authoritarian logics of actions in Egypt. Based on this starting point I ask: How did the implementation of the reform plans in Egypt's waste policy affect local authoritarian dynamics from 2000 till 2011? And how did these dynamics change in the course of the last few years since the 25th January revolution?

Understanding authoritarianism as characterised by Juan Linz through the missing ideology, the limited pluralism and the de-politicisation in society, i.e. the limited political participation (Linz, 1975) places attempts to restrict or enhance local participation at the core of the analysis. In this context I adopt Bouziane, Harders and Hoffmann's broad notion of participation which is 'defined as involvement in the social, political, and economic processes of formal and informal resource allocation in a society' (Bouziane/Harders/Hoffmann, 2013, p. 11). Based on this understanding, formal elements such as the relation between appointed executives and locally elected councils as well as informal local networks of marginalised actors and their interaction with local officials could give deeper insights in local participation (Harders, 2002; Singerman, 1995; Ben Nefisa, 2009).

In the following chapters I argue that throughout the implementation of the reform plan in SWM a process of authoritarian modernisation has been taking place. On the one hand more powers have been delegated to the governors, as the main representatives of the central state. On the other hand, the fund allocation for the modernisation of the SWM has been decentralised through diverse means in each governorate. Both processes combined led to a local reproduction of authoritarian logics of action.

This will be shown by taking up two exemplary case studies that have been celebrated as success stories for modernising the SWM system: Alexandria and Qena (EcoConSery, 2005; Mubasher, 2002; Hashem, 2003). Before turning to the detailed examination of the SWM reform and its implementation I shall start with briefly outlining the methodological and analytical framework of the study.⁵

2. Approach and State of the Art

The basic data for this research was compiled during fieldwork trips in 2012 and 2013. I conducted qualitative guideline-based interviews with various actors, among others state officials at the national and local level, (former) policy advisors, Zabbaleen (informal waste collectors and recyclers) and local NGO workers.⁶ Furthermore, official documents and relevant articles available online in independent as well as state-affiliated newspapers were gathered and analysed using a qualitative content analysis approach (Mayring, 2000).

The access to these primary sources helped me to contextualise diverse local experiences and thus complement and critically reflect the available secondary literature that is largely Cairo-centred. The literature tackling Egypt's waste sector includes academic publications (Furniss, 2012; Assad, 1996; Debout/Florin, 2011) as well as more practically oriented policy papers and NGO publications (Bushra, 2000; CID, 2008; EcoConServ, 2005; 2010; Neamatalla, 1998; Kipper/Fischer, 2009).

The main focus in the latter body of literature lies on tackling the questions of why and how the informal sector should be integrated in a governorate's waste management system. In this context, the living conditions of the Zabbaleen and the impact of certain policies (e.g. privatisation) have been analysed in great detail (e.g. Fahmi/Sutton, 2010; Fahmi, 2005; EcoConServ, 2010).

A different approach is adopted by Furniss who analyses in his dissertation how the Zabbaleen are framed by outsiders, e.g. the World Bank and local NGOs among others. Furniss' ethnographic study aims to critically reflect the role of interventions in the Zabbaleen community. His study provides thick descriptions and therefore deep insights about the Zabbaleen's daily practices, but it does not link the adopted policies and local practices to the authoritarian logics of action. That's why I adopt this up to date marginalised perspective in an attempt to fill this scholarly gap by use of the following analytical framework.

3. Analytical Framework

In this paper I draw upon the scholarship tackling 'the state from below' or 'local governance' in the Middle East as exemplified by the work of Bayat (2009), Ben Nefissa (2009), Deboulet (2009), Harders (2002, 2013) and Singerman (1995, 2009) among others. These authors shift the analytical focus away from the dominant perspective in political sciences about the region which favours elites and their contribution to a transition of the political system. By placing the starting point of their analysis at the heart of society, i.e. at the level of the daily lived practices of survival, the networks of families and neighbourhoods as well as the interaction between these 'institutions of the *sha'b*' (Singerman, 1995, p. 10) and the state agencies, they draw a quite precise picture of the on-going contestation over the access to resources and therefore of authoritarian practices.

Their analysis shows how the state-society relations in Egypt have shifted in the last few decades. During the Nasserist era (1956-1970) a social contract was forged that promised the people welfare and access to resources, e.g. jobs in the bureaucracy, social security and public housing in exchange for their political demobilisation and their restricted freedoms (Harders, 2002; Singerman, 2009). Following the 1970s *Infitāh* (open door economic) policy and increasingly in the 1990s this social contract shifted towards what Harders calls the 'Social Contract of Informality':

"This contract offers access to an informal flow of resources which is based on clientelistic relationships. The informal social contract takes up the anti-participatory dimension of the Nasserist social contract but qualitatively and quantitatively reduces the welfarist dimension. Instead

of welfare and social rights, it offers space for informal types of agency and participation.'

(Harders, 2003, p. 192)

The social contract in Harders' work is used to capture a historical development that explains the claim of the regime's legitimacy. Hence, the contract and its formation are tacit; however its expression is materialised in the daily lived practices of state agencies and citizens.⁷ In brief, the Social Contract is shaped by general rules or 'logics of action' (LoA) (Harders, 2013b). These are derived from deep core, policy core and secondary beliefs (Sabatier/Weible, 1999) that can be 'situated at the level of actors (as individual convictions) or social structures (as cultural discourses)' (Horst et al., 2013, p. 10). Thus, as elaborated by Horst et al. the LoA approach grasps actors as well as structures in its scope without falling into the determinism of causal laws (ibid.). This dynamic and process oriented perspective facilitates an examination of the 'quality of change' occurring in certain policy areas, political regimes or even international relations (ibid., p. 4). Change is hereby defined as follows:

'We only talk about substantial political change when the higher levels of policy core beliefs or – although not very likely to happen – deep core beliefs are affected. If however change is merely restricted to the level of secondary beliefs, it will not lead to substantial political changes but rather foster persistence. This mechanism, to give an example, is well known from the literature on "authoritarian upgrading"'

(Heydemann, 2007; Horst et al., p. 11)

This notion of change is helpful in apprehending differentiations between the case studies, since I argue that both case studies share the same logics of actions (derived from deep core and policy core beliefs) even if their means (that touch upon secondary beliefs) differ.

Within the context of the authoritarian social contract, the regime coalition⁸ has been deploying five strategies which serve as means of securing its rule. Next to the above mentioned informalisation, the other strategies are: repression, Islamisation and a limited political as well as economic liberalisation (Harders, 2013b).

Repression is generally targeted at oppositional groups, including the Islamist, leftist and liberal independent forces. This strategy is especially applied when the regime coalition fails to co-opt the actors in question. The third strategy, 'Islamisation', is part of a struggle between the regime coalition and the Islamist opposition over discursive legitimacy within society. The fourth and fifth strategy, limited political and economic liberalisation respectively, will be elaborated in greater detail due to their stronger relevancy for the research question.

Limited political and economic liberalisation

Throughout the 1990s, the local as well as national elections in Egypt witnessed a pluralisation of actors. Rather than triggering a regime transformation, this tendency led to what Kienle calls political 'de-liberalisation' (Kienle, 2000). The adoption of co-optation and/or repression targeted at emerging actors eventually secured the regime's local hegemony in the course of the last decades. This tendency was coupled with a limited economic liberalisation.

Following the 1980 economic crisis in Egypt, the IMF and the World Bank negotiated and eventually implemented the first Structural Adjustment Program (SAP) with the Egyptian government (Wurzel, 2007). The initially hesitant and to some extent resistant stance of the Egyptian government soon changed and the government started

adopting further privatisation policies; however, without jeopardising the regime's stability. This could be achieved by propagating the government's advancements in implementing the liberalisation plans while maintaining the logic of co-optation through diverting publicly owned resources to the new emerging regime loyal business elites (ibid.).

As Guazzone and Pioppi explain:

'privatization processes have represented a change for ruling elites to reorganize or, better, shift patronage networks towards the private sector without undermining the power of the state as the ultimate source of rent. On the contrary they provided the state with new sources of wealth and new opportunities for accumulation and distribution.'

(Guazzone/Pioppi, 2009, p. 5)

In the framework of the propagated economic liberalisation, the Egyptian government started discussing to 'privatise the waste management' (Ezz El-Din, 2011). This narrative is challenged by Furniss who argues that the waste management in Egypt had already been delegated decades ago to local private – yet informal – actors, the Zabbaleen. The contracts with the waste management companies followed the model of

'Public-Private Partnerships of the Build Operate Transfer (BOT) kind. That means that the foreign companies were invited to invest in building up infrastructure from scratch in exchange for an exclusive right to operate it at a profit for a fixed period of time.'

(Furniss, 2012, p. 172)

According to Furniss, a different aspect, namely a specific vision of modernisation – what he terms 'technology fetishism and the engineering mystique' (ibid.) – informed the state officials' decision to contract the multi-national firms. Although Furniss' argument provides an adequate contextualisation for the introduction of the SWM reform plan, it does not address how the implementation of this plan took place. In this regard it is important to note that the aimed modernisation went hand in hand with constant attempts to privatise the fund allocation. The attempt of passing on the costs of the new contracts to private actors was implemented through diverse measures which will be scrutinised in the following chapters after elaborating on the general background of the SWM in Egypt.

4. Institutional and Legal Framework for the SWM

The legal framework for Egypt's solid waste management is based on a fragmented set of laws and regulations (EEAA, 2013). The main legal basis is laid down by Law 38 of 1967 which was amended by Law 31 of 1976 (Bushra, 2000; EcoConServ, 2005). According to this law, the task of coordinating the waste management (generally referred to as 'public cleansing': *'naẓafa 'amma'*) is delegated to the local administration in each governorate. The local executive authorities in governorates, districts and cities set the conditions for waste collection and disposal and they remain responsible for monitoring the activities of the private company.

The daily lived practice and the Zabbaleen

Throughout the last decades, an informally institutionalised division of labour has existed between workers at the local council and the informal waste collectors in many cities.⁹ While the former clean the streets and public gardens, plant trees and occasionally remove accumulated piles of garbage, the latter (and recently also

community-based NGOs) have provided a door-to-door garbage collection service to households in urban middle and upper income areas, especially in Cairo, Giza and Alexandria (Bushra, 2000; Furniss, 2012).

Within the Egyptian system, the Zabbaleen fall under the category of the *'arzuqi* workers (day labourers) in the informal sector. The general precarious working conditions for *'arzuqi* are compensated by the Zabbaleen through their institutionalised (*'urfi*) arrangements and their established networks with the households as well as with the factories. This capital places them in a privileged position compared to other, more vulnerable *'arzuqi* workers, e.g. in construction work. Compared to *muwazafin*, *'arzuqi* workers are less dependent on the state; albeit their informal work is based on the toleration of the state agencies (Harders, 2002; Ben Nefissa, 2009). Following the logic of the 'Social Contract of Informality', the activities of informal waste collectors and recyclers were tolerated and quite often neglected.¹⁰

Debate over the financial feasibility of the SWM reform

Following the national strategy to reform the waste management (announced in 2000), the Prime Minister delegated the responsibility of contracting private companies to the governors and allowed these to allocate the finances for the contracts by imposing the waste management charge or literally 'the cleansing charge' over the electricity bill (Bushra, 2012).¹¹

Many citizens protested against this decision and some even filed a lawsuit to dispute the legality of this measure. In 2004 the Highest Administrative Court declared this instrument of allocation unconstitutional since no citizen shall be obliged to pay for a service twice (Al-giddawi, 2004). According to the back then still adopted Law 38 of 1967, the waste management charge amounted to 2% of the rental value for each household (ibid.). The court's decision severely hit Alexandria, Cairo and Giza as these governorates were bound to the contracts annually worth 250 million up to 500 million LE for at least 17 more years (Bushra, 2012; Al-Sharqawi, 2012). Almost a year later, the prior existing law for waste management was revised in Parliament and the initial 2% waste management charge was cancelled. Law 10 of 2005 introduced a new system that gave the governors in coordination with the local popular elected councils¹² the right to determine a new instrument of charge allocation within a specific framework (Alahram, 2005).¹³

This legalisation and direct enforcement of the waste management charge led to a wave of protests with citizens, e.g. in Giza, heaping their garbage bags in front of the governorate buildings (Yaseen, 2006). By 2006 the increasing debt of the governorates caused the Ministry of Finance assign 218 million LE for Alexandria, Giza and Cairo to pay off their debts (Yaseen/Abdel Razzaq, 2006). Beyond this short term measure each governorate had its own strategy to overcome shortcuts in allocations from the central state (Soliman, 2003).

5. Local experiences: Varying means for one objective

Based on the above mentioned legal framework, the governors in Egypt were strengthened to seek local means for financing the SWM. Qena for example witnessed an obvious development throughout the last decade which led to narrating its experience as a success story (Mubasher, 2002; Hashem, 2003). The 'modernisation of the city' has been propagated by Adel Labib (Qena's governor between 1999-2005 and 2011-2013) who funded diverse services and projects via *'al-tamwil al-dhāti'* – self-funding in order to overcome the shortage of central state allocations (Al-miligi, 2003). First, Labib raised donations from the inhabitants and also introduced a charge for the waste management – with the approval of the local elected councils and the Cabinet of Ministers (ibid.). A further source of income consisted in the increased fines for violations relating to

'public cleansing', e.g. for throwing household or construction waste in public spaces and for transporting waste in not well equipped cars (Soliman, 2003; Al-Samkuri, 2005; Labib in Ona, 2013). The fines ranged between 100 LE up to 5000 LE (ibid.; Maged, 2012¹⁴) which is the highest amount of fines in the whole country. The initial discontent of the people was eventually overcome mainly by enforcing the coercive measures in cooperation with the local notables. As an interviewee in Qena explained:

'When the notables' families refused to pay their fines, Adel Labib would go and negotiate with them. At the end of the meeting he would announce that all charges and fines are dropped and that the families would pay the same amount of money as donations to the government. So he showed the families respect. That's why they worked with him.'

(Maged, 2012)

Publicly announcing a consensual narrative (Nielsen, 2001) that may differ from the original one is central to establishing a peaceful resolution without jeopardising justice and social balance in the context of the *majlis al-'arab* tradition¹⁵ (Harders, 2002). In contrast to the limited scope of this mechanism in Cairene informal neighbourhoods where local inhabitants, officials and police staff may be (directly or indirectly) involved in the process of conflict resolution (Harders, 2002), in Qena this process shows a broader scope with the governor taking part and accepting its ruling (see also Nielsen, 2001). Through the *majlis al-'arab* judgment, a discursive legitimisation is established that obscures its mere function which lies in privatising the costs for public services, such as waste management.

In addition to increasing fines, Adel Labib endorsed a strategy that aimed to reduce the unemployment in the city according to statements of officials (see also Al-miligi, 2003). The municipality contracted local workers as waste pickers; the applicants had to be graduates with a diploma degree in any field. Besides, they worked temporarily on the basis of fixed-term. Despite the bad working conditions, the hope for getting a permanent official position initially attracted many graduates.

Eventually, the felt improvements in Qena's urban centre were celebrated as a success story and a legacy whereby Labib was portrayed as the 'founder of the modern Qena's renaissance' ('*bānī nahḍat qinā al-ḥadīthā*') (Almasry Alyoum, 2011b). The success is seen by the former governor as a consequence of 'decentralisation' and 'local participation' (Labib in Ona, 2013). The concrete meaning of both terms for Labib is quite revealing: During an interview – when Labib argued against the suggested election of governors – he made a side note about the importance of 'realising decentralisation throughout the *implementation* of administrative and financial decisions' (Alyoum Alsabe', 2010, author's translation from Arabic, own emphasis). According to this understanding, decentralisation primarily concerns the fund allocations and not the decision making process.¹⁶ Also Magdy Ayyub, the later governor of Qena (2006-2011) praised the decentralisation efforts, since 'more powers are delegated to the governors. This helps them to seek quick and adequate solutions for service provision problems' (Ayub in Al-aswani, 2006, author's translation from Arabic).

Under Magdy Ayyub, Labib's approach was gradually altered. Ayyub's focus on other sectors (especially education and the infrastructure in villages) was accompanied by a marginalisation of the city's garbage collection (Al-aswani, 2006, Rizq, 2006a,b).¹⁷ Hence, complaints about the deteriorating service provision increased (Hamdy/Al-Samkuri, 2006). In the aftermath of the revolution in 2011, protests erupted demanding the removal of the governor and the return of Adel Labib (Al-dusuqi, 2011). Interestingly, comparing the cleanliness of the city under both governors became one of the central issues raised by the demonstrators to underline their demands (ibid.).

Summing up, the outlined developments in Qena show how the coercive measures adopted led to a passing on of the expenses of public services to local private actors.

This went along with increased efforts to enhance and co-opt the informal networks of the *qabā'il* (tribes). Nonetheless, in comparison to other governorates (e.g. Cairo or Alexandria), informality in Qena plays a more ambivalent role. While the executives headed by the governor publicly engage and acknowledge informal traditional networks, such as the *majlis al-'arab* tradition, other informal actors, such as the Zabbaleen, face a stronger marginalisation and repression. This is manifest in the dominant local discourse in Qena about Zabbaleen who are framed by many of my interview partners (especially among local officials) as 'criminals and thieves'. This narrative is also referred to by the Zabbaleen. *Ḥaj Jom'a*, for example, a chief of the Zabbaleen explains how he is often harassed by the police or taken into custody whenever something is stolen in neighbouring tourist resorts.

Tolerating only the informal *qabā'il* structures is interpreted by an interviewed former policy advisor (E.H., 2012) as a means to 'establish order and security,' which is the main role of the governor.¹⁸ Due to this securitised stance towards local politics, the limited economic and political liberalisation goes hand in hand with nurturing clientelistic networks between the governorate's executives and the *qabā'il* heads who were generally local supporters and/or members of the previously ruling NDP. This eventually resulted in a depoliticisation of the election process (Harders, 2002).

In the framework of the 'order and security' as well as the 'modern vision of the city' paradigms, the Zabbaleen among other marginalised informal actors represent an antipode. Their elimination is therefore a means for the local officials to emphasise their efforts in realising both dominant paradigms and their inherent objectives.

In comparison to Qena, Alexandria took a seemingly different path through contracting a multi-national company that took over the waste management. Throughout the implementation of the targeted 'modernisation of the city' the formal private sector's involvement has been a central aspect (Soliman, 2003). As cited in newspaper articles, Alexandria's governor Al-Mahgub (1997-2006) focused on increasing local revenue to the municipality's budget via businessmen donations (ibid.). In this context, diverse assets were privatised, including beaches and estates. Besides, the informal construction work increased in a quasi-legal manner: businessmen paid donations to the governorate's council in return for 'exceptional licenses' ('*ta'shīrāt istithnā'iyya*'), e.g. for building extra floors (Ramadan/Abu Shal, 2006). As a result of this dynamic, the limited economic liberalisation in Alexandria went along with establishing local clientelistic networks that secured mutual revenues for the local business elite as well as for the municipality (Amr Hussein, 2014).

The reform of the SWM sector was planned and eventually conducted in this framework by contracting private companies. Throughout the negotiations over contracting private companies, a power struggle erupted at the level of the municipality over the access to resources via corruptive channels which are embedded in the local clientelistic networks. The main actors in this struggle, as described by diverse interviewed experts, were the governor, the secretary general, the executives and the independent policy advisors. The structural weakness of the elected members at the popular council prevented them from playing a significant role in shaping the tender documents or in monitoring the negotiation process.¹⁹

Later on, when Adel Labib came to Alexandria in 2006, he started implementing an approach that was characterised by an attempt to modify the 'Social Contract of Informality' towards a stronger confinement of informal spaces of action while at the same time revoking the limited economic liberalisation and increasing the repression. The following examples provide deeper insights about these dynamics and their effects.

According to Labib, there have been 57,800 decisions to demolish illegal housing blocks or floors – 'basically half of Alexandria' – that were never implemented in previous years (Labib in Abu Shal, 2006b). Thus he started ordering the implementation of these decisions in multiple neighbourhoods, low and middle income districts as

well as commercial centres that belonged to the local business elite (Ramadan, 2006, Khairallah/Ramadan, 2007). On multiple occasions narrated by newspaper articles, Labib based the justification for his decisions on legal aspects. He claimed to be 'enforcing the law' and to be fighting corruption, since he 'won't allow for a stratum of thieves to flourish in the governorate's districts,' referring to the municipality (Labib in Almasry Alyoum, 2006, Khairallah, 2006).

Furthermore, in an attempt to redraw the lines for the private sector, Labib tried to regain direct municipality control over the beaches as well as the SWM and started implementing similar decisions as in Qena, e.g. by raising fines for violations (Almasry Alyoum, 2006). Despite the persistent contracts with a multinational company, Labib introduced a system whereby the local councils in each district hire trucks and workers that take over the waste collection. 'This experiment only lasted for two months (in one pilot-district). And it was a total failure,' according to the evaluation of a former political advisor (E.H., 2012).

The first opponents against Labib's approach were local executives in the districts who are but one group among the beneficiaries from corrupt exchanges with the (formal as well as informal) private sector. Their opposition was tacit and only manifest in their practical reluctance to comply with Labib's orders (e.g. to demolish informal housing). Thus Labib and also members of the local popular councils complained on diverse occasions about the reluctance and the 'deliberate absence' of local officials in the districts, especially during monitoring phases for construction sites (Ramadan, 2007b, 2008; Al-Sa'ati, 2008).

Beyond this dynamic at the level of the municipality, Labib's approach was met by waves of protests by the affected inhabitants in informal settlements as well as by the affected business men (Ramadan, 2006; Ramadan, 2007a).²⁰

The public's criticism was directed, first, at the governor's decision to demolish their (informal, previously tolerated) spaces for living and, second, his 'rigidity' in enforcing the law (ibid.) which is strongly connected to the increased police repression that culminated in the death of Khalid Sa'id in 2010 (Shalaby et al., 2010). This prompted some interviewees to argue that the arrival of Labib to Alexandria was one of the main reasons for the outbreak of the 25th January Revolution in the governorate.

To conclude, the means adopted in Alexandria to reform the SWM may differ in comparison to Qena, however they are 'deux modèles pour un même objectif' (Soliman, 2003) – two models for the same objective. In line with the above presented analytical framework I argue that the objective is twofold. First it lies in securing the regime coalition's rule while reproducing the authoritarian logics of action, second in 'modernising' the service provision while (formally or informally) privatising the means to do it. In the context of this authoritarian modernisation, the initially improved modern service provision is portrayed as a success without paying much attention to its authoritarian side. This was facilitated in Alexandria through Al-mahgub's delicate reproduction of the 'Social Contract of Informality' that secured mutual benefits for the local business elite, the informal workers as well as the officials in the municipality. The same logics were reproduced also in Qena by the local officials with the main beneficiaries being the executives and the *qabā'il* notables even if their means differ.

By contrast, when Labib tried to alter the main strategies of the Social Contract of Informality in Alexandria, the authoritarian side of the equation was clearly revealed and thus targeted by public criticism and became a focal point of public mobilisation. This point is perfectly summarised by Labib's own statement: 'Both Mahgub and I are implementing the state's policies (*siyāsat dawla*), however each in his own way' (Labib in Smika, 2008). In other words, both tried to enhance the authoritarian modernisation; however, shifting the balance of the strategies sparked a backlash against Labib in Alexandria and against Ayyub in Qena in 2011. Therefore I argue that local differences matter; not so much for the regime's logics of actions – that touch upon

the deep core and policy core beliefs – but more so for the means used to reinforce these logics. As these means only touch upon the secondary beliefs of the actors, no substantial change towards a stronger inclusionary approach can be traced.

6. Post 25th January Developments

Ever since the 25th January Revolution, an extensive process of re-negotiating the old logics of action was triggered with members of the old regime trying to maintain their interests and regain their authoritarian rule while the emerging oppositional forces constantly challenge this restoration through constant mobilisation (Harders, 2013a; b). This general tendency is also true to the post 25th January developments in the SWM sector as I will elaborate below based on an examination of the policies adopted under the *Ikhwan* and the current military rule.

First, under the rule of the *Ikhwan*, solving the 'garbage crisis' gained a high priority: In the framework of Morsi's 100 days agenda a campaign called '*waṭan naẓīf*' ('a clean homeland') was initiated whereby citizens were urged to join in cleaning the streets and removing the piles of garbage. This campaign was met by various critiques. Since its announcement, the agenda and accordingly the campaign have been labelled as an exclusive *Ikhwan* (and not a genuine national) project (e.g. El-Watan News, 2012). In addition, the focus on short-term measures, e.g. removing piles of garbage without tackling the service provision, undermined the long term impact of the campaign and severely weakened its credibility.

Nonetheless, the campaign's success lied in putting the 'garbage crisis' at the forefront of the political agenda which was followed by a heated debate about the concrete means for reforming the SWM. Although all involved actors agreed upon the failure of the experience with the multi-national companies, they differed concerning the question, who should succeed the (French, Italian and Spanish) multi-national companies, particularly in the northern part of the country.

Morsi's administration suggested contracting national as well as Turkish companies and start using more refined technology to produce bio-gas (Abd El-Ghaffar, 2013). Throughout his elaboration of the government's plans to contract new companies, Khaled Alam Aldin, the ex-president's advisor on environmental issues, saw corruption as the main problem in Mubarak's regime which could be countered by replacing the old guard and loyalists (*folūl*) with 'trusted people' (Alam Al-Din 2012). The missing attempt of addressing a structural reform or including relevant local actors in shaping the new policy prompted critique that the measure was a 'reproduction of Mubarak's faults' (Abd El-Ghaffar, 2013) and thus the same logic of action.

The strongest opposition to the new plans came from representatives of the Zabbaleen who saw the move as an exclusive approach leading (again) to their marginalisation. Ezzat Na'im, who is an advocate of formalising the Zabbaleen's business and an active figure in forming a Zabbaleen's syndicate, criticised the measure and even threatened to file a lawsuit against Morsi for 'neglecting the rights of Egyptian workers and threatening their access to their jobs' (Muhamad, 2013). Comparing the Zabbaleen's reaction following the first entrance of multi-national companies (2000-2003) to the second failed attempt under Morsi (2012) is indicative, first, of the ongoing grassroots transformation which is characterised by a stronger institutionalisation of the Zabbaleen's interests – and second, of the newly reclaimed space for contesting the government's plans.²¹ At the beginning, charity NGOs and the local branches of the Coptic Church took over the representation of the Zabbaleen's interests. In the last few years, however, diverse attempts to formalise the work of the Zabbaleen have led to the creation of dozens of companies specialised in waste collection (estimates range between 33 and 40 companies) (ibid.; Naim, 2012; Gad, 2012). Furthermore, the planned Zabbaleen's syndicate pushes the representation of the Zabbaleen forward

and hence their potential in shaping local politics. This dynamic is however largely centred in Cairo.

Beyond the capital, differing dynamics evolved since the outbreak of the revolution. In Qena, shortly after ousting Mubarak, Labib was brought back as a governor which was met by a celebration, especially on the side of many family notables (Alsaraf, 2012; Almasry Alyoum, 2011b) and a protest on the side of the local 'Union of Revolutionary Youths' and other oppositional parties (Almasry Alyoum, 2012b; Al-dusuqi, 2012). The family notables were rather observant towards the Ikhwan as 'Isam, a taxi driver in Qena mentioned: 'The *kubār* (elderly notables) are not trusting the Ikhwan 100%' ('Isam, 2012). When asked about the *folūl*, another interviewee who works in the informal sector said: 'Here in the South we have some of the big heads of the old regime (*folūl*). Everyone is silent now. Nobody is doing anything.' (Haj Jom'a, 2012).

Concerning the position of the Zabbaleen in Qena, as mentioned earlier, the ambivalent politics towards informality in Qena but also the weak presence of the Zabbaleen renders them more vulnerable to state repression. This is particularly clear throughout the post 25th January campaign in Qena to demolish 'ashwa'iyyat (informal settlements) among other places where Zabbaleen lived (Qena Today, 2012, Hajj Jom'a, 2012).

In contrast to this, in Alexandria the interviewed experts and Zabbaleen emphasised the lack of security and the 'chaos in the SWM sector'. When the governorate stopped paying the company its due payments, the multi-national company left the country and a national company took over the waste collection service in an ad hoc manner.²²

To sum up, Morsi's rule witnessed a strong contestation and a dynamic attempt of re-negotiating the authoritarian logics of action. In many governorates, the initial 'wait and see' approach adopted by the old guard was coupled with a weak presence of the security forces and a strong mobilisation on the side of the various actors who protested, for example against the deteriorating waste service provision (e.g. Al-baz, 2012) or their exclusion from future plans (e.g. the Zabbaleen's case in Cairo).

The 30th June events and their aftermath tipped the scales in favour of the military and the old guard leading to extensive attempts to re-enact the old logics of action (Harders, 2013a). Parallel to the highly repressive politics adopted by the current government particularly regarding protestors and mobilisation efforts (e.g. the military trials for civilians or the new demonstration law, Jadaliyya Reports, 2013), the waste sector has been witnessing an unprecedented reform led by the current Minister of Local Development, Adel Labib, and the Minister of State for Environmental Affairs, Laila Iskandar who has been a longstanding activist and advocate of the Zabbaleen's rights (Al-'isawi, 2013). Both politicians have emphasised the ongoing attempts to legalise the working conditions of the Zabbaleen and to contract them in districts not covered by the multi-national companies (Almasry Alyoum, 2013). The contracts would be signed directly through the municipalities in an attempt to enhance decentralisation as stressed by Labib (Abdel Gawad, 2013).

This development of a state-led inclusionary approach towards the Zabbaleen raises two important questions. First, how could this *inclusive* approach develop under a highly *repressive* regime? I argue that this development makes more sense if contextualised within the current trend to enhance a military led authoritarian modernisation on nationalist grounds. The military involvement in multiple economic activities and development projects (Marshall/Stacher, 2012) is also emphasised in the waste sector by Labib who announced that the machinery for a project to recycle agricultural waste would be produced by the Ministry of Military Production (Labib in Ona, 2013). In this framework, creating *national* waste management companies (*sharikat nazāfa waṭaniyya*) seems to be the overarching goal.

The second question then arises: If *national modernisation* is the aim, then what role do the Zabbaleen play in this context – bearing in mind that in the collective memory and the upheld state vision of 'modernity' the Zabbaleen generally represent an antipode.²³

Without going into much detail beyond the scope of this paper I contend that having a longstanding advocate of the Zabbaleen in the current government certainly brings the Zabbaleen's interests forward and with it an alternative vision of modernisation. This vision favours the 'small is beautiful' paradigm; i.e. small scale and local projects that go along with an enhanced local participation in contrast to large scale centralised models of development (Furniss, 2012; Iskandar, 2010). The 'small is beautiful' paradigm is furthermore advanced due to the last decade's developments in the Zabbaleen communities and the latest attempts to formalise and 'modernise' their work. As a result, two contending visions of modernisation are now present in the bureaucracy (at least in the MSEA) and it remains an open question how this debate is evolving.²⁴

Following this examination, I propose that on the one hand, the military led authoritarian modernisation is largely consistent with the modernisation paradigm which Furniss calls 'technology fetishism and the engineering mystique' (Furniss, 2012, p. 172). On the other hand, its nationalist bend provides the Zabbaleen's advocates with an opportunity window to prove the effectiveness of the Zabbaleen and their contribution to the national modernisation project. This is furthermore tolerated since it does not pose a direct challenge to the military rule; on the contrary it contributes to its vision. Nonetheless, this open window unfortunately seems to be a lonely one as it is paralleled by a repressive wave towards oppositional and revolutionary forces. For any substantial change to happen in the waste policy as well as the state-society relations in general, the visions and needs of the people need to be channelled into the process of shaping local politics. Hence, an inclusionary approach and more space for local participation need to replace the current mistrust towards participation and the ongoing state repression. However, as the upheavals show, this space is rarely given – it needs to be reclaimed.

Endnotes

- 1 In this paper I present the preliminary findings of the research I conducted in the framework of my forthcoming master thesis. I would like to thank Munir Bushra, Shaker Helmy, 'Emad Farid, Bekhit Metry, Ramez, Hajj Hasan, 'Emad, Ustadh Fawzy, Ustadh Muhammad Mahmoud, 'Ayda, and 'Ezzat Na'im for their support during the fieldwork. I would also like to thank Ilka Eickhof, Naoual Belakhdar, and Cilja Harders for their support and critical feedback.
- 2 Labib has been previously the governor in Qena (1999-2005; 2011-2013), Beheira (2005-2006) and Alexandria (2006-2011). Before 2005 he was the head of the local branch of the security state apparatus in Alexandria.
- 3 'SWM includes refuse from households, non-hazardous solid waste from industrial, commercial and institutional establishments (including hospitals and other health care facilities), market waste, yard waste and street sweepings. (...) SWM encompasses the functions of collection, transfer, treatment, recycling, resource recovery and disposal of municipal solid waste' (Bushra, 2000, p. 8).
- 4 The transliteration is done according to the IJMES transliteration system with some exceptions: Due to the common reference to *zabbalīn* as zabbaleen, I use the latter well known form without transliteration. Also the English authors' and governorate's names are written without transliteration. In direct citations from interviews I transliterate according to the Egyptian Dialect.
- 5 The required database for the following analysis was compiled during two fieldwork visits for two months at the end of 2012 and in March 2013. This has been facilitated via the DAAD staff exchange program in the framework of the cooperation project 'Challenges and Transformations in the Wake of the Arab Spring – Addressing Social and Political Change through Teaching and Research'. I appreciate the immense support of the organising team in Cairo as well as in Berlin.
- 6 I conducted 25 personal interviews and 5 group discussions in three governorates: Cairo, Alexandria and Qena.
- 7 By the end of the 1990s it is estimated that 62% of Greater Cairo's population resided in informal areas (Sims, 2000). For more information about the development of the informal social contract and its inherent logics of action in Egypt see Harders, 2013a.
- 8 This refers to the 'groups and institutions seeking to control state powers, (...) i.e. the president, the cabinet of ministers, the ruling party, Al-Azhar university, the military as well as (state affiliated) business elites in the public and private sector' (Harders, 2002, p. 170, author's translation from German).
- 9 The estimates of Zabbaleen numbers in the governorates vary; the estimated for Greater Cairo range from 100,000 to 160,000 people (Debout/Florin, 2011; CID, 2008) compared to 20,000 in Alexandria (I.K., 2012).
- 10 In this paper I put the focus on the dynamics at the level of the municipality. Elsewhere I elaborate more on the interaction between the Zabbaleen and the local state agencies (Amr Hussein, 2014).
- 11 This charge was calculated in relation to the electricity consumption: The higher the value of the electricity bill, the higher the waste charge.
- 12 The decision of the governor is to be approved beforehand by the governorate's popular council which is 'required to take the opinion of the lower ranking popular councils', e.g. in cities and villages, into consideration (Alahram, 2005).
- 13 Households in capital cities of each governorate shall be charged from 1LE to 10LE for waste management, households in other cities pay from 1 to 4 LE and industrial or trade centers and shops pay from 10LE to 30 LE. Villages are exempted from the charge (Alahram, 2005).
- 14 All names of interview partners except for some experts have been changed to protect their identity.
- 15 Majlis al-'arab is an informally institutionalised way of conflict resolution. For more information see Nielsen, 2001.
- 16 The allocated money was transferred to a special fund established for the purpose of financing local projects (Al-miligi, 2003). The function of the special funds is later on emphasised by Labib as the current Minister of Local Development. In the context of the post-25th January debate whether to include the special funds in the national

budget, Labib was among those refusing while underlining the importance of such flexible funds in financing temporary work contracts in governorates (Aswat Masreya, 2013). In addition, many governors criticised the demand since it 'restricts their ability to redistribute rewards' in the municipality (Almasry Alyoum, 2012a).

17 This tendency is also obvious in the newspapers. A quick search in the archives of Almasry Alyoum or Alahram for Adel Labib (as governor in Qena 1999-2005) results in dozens of articles narrating his success, particularly in the SWM. However, searching for Magdy Ayyub (2006-2011) leads to only a few articles with relevance to the SWM.

18 This point is also emphasised by the current governor in Qena who is quoted saying 'security is my highest priority'; this has been achieved so far 'in coordination with the security forces and the tribal leaders (*zu'ama' alqabā'il*)' (Al-Hagan in Hamdy/Al-Samkuri, 2013). According to Law 43 of 1979 the governor is the highest executive authority whose main role lies in establishing order and security. As a result of this priority, 21 out of 27 governors in 2006 were non-commissioned generals (Al-ghotrefy, 2006). Currently there are 19 non-commissioned generals among the governors (Badawi, 2013).

19 There are some accounts of members in the local elected council criticising this decision (for example Abu Shal, 2006a), yet their impact on the implementation process remained weak. Besides, this dynamic is also true to Cairo and Giza (Yaseen, 2007).

20 To give one example in 2008; when the small informal shop (*kushk*) of a young man called Mamduh was demolished he went to the governorate building to complain. Met with neglect, the young man decided to go to the building's rooftop and threaten to commit suicide in case the officials dismiss his request. The people then gathered around the governorate building in support of Mahmud (Al-Sharqawi/Ramadan, 2008). A few years later, on January 28, 2011 protestors set the governorate building on fire (Almasry Alyoum, 2011a).

21 At the beginning of the millennium, the Zabbaleen mainly resorted to coping strategies and there were but a few scattered attempts to protest against the contracts with the multi-national companies (for more information see Amr Hussein, 2014; Furniss, 2012).

22 An anecdote for the current 'lack of security and chaos' was narrated by an interviewed expert: 'Currently there is no police. The one and only sanitary landfill in Borg El-Arab (a district in Alexandria) is now stolen. The Bedouins occupied it. Thus the newly contracted national company has to go to its far away landfill in Hamamat. On the way to this far off location, the company is forced to pay protection money (*itāwā*) to the Bedouins. Of course, this is known to the governorate. But no one moves a finger' (I.K., 2012).

23 This is argument is very well developed by Furniss, 2012.

24 The two contending narratives about the Zabbaleen are first the 'baltageya' (thugs) and second 'contributors to the modernisation process' narratives.

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Shaimaa Magued

The Religious Market in Egypt

Understanding Islamism in the Realm of Politics

Introduction

The Islamists' succession to power in 2011 constituted a challenge to the different Orientalist theories postulating their ideological failure in politics.¹ The political history of the Islamic movements in Egypt shows their persistence as opposition groups with an ideological alternative for governance based on Sharia throughout the successive authoritarian regimes starting from Nasser to Mubarak. The 25th January 2011 and 30th June 2013 revolts present two major political precedents for the Islamists' rule and struggle for power and constitute a contextual framework for understanding the Islamists' political and ideological survival in light of the Religious Market Theory. In spite of the existence of diverse opposition parties and orientations, Political Islam has been activated and re-integrated into national politics after the 25th January revolution and 30th June marches where the Muslim Brotherhood staunchly defended their position as the sole plausible and legitimate ruling authority facing the guards of the old regime. The aim of this paper is to interpret how, in the Egyptian centralised and security-oriented nation-state model, the Islamists survived, from the 1950s till the present, in terms of maintaining a permanent channel of political expression and a persistent organisational structure in comparison to the other opposition forces.

As an attempt to provide a hypothetical answer, in spite of the elimination of the political diversity within an authoritarian process sealing any potential access to the political game, the formulation of a competitive Islamic discourse contrasting the Islamists' message of piety with the state's religious legitimisation process, paved the way for the development of religious grassroots politics captivating large supporters with a remarkable absence of other parties. First of all, the following analysis starts with laying the theoretical foundations of the Religious Market Theory to identify the reasons behind the crystallisation of an Islamic prevalence on the national scene. Afterwards, more emphasis shall be directed on the bipolar nature of the Egyptian politics marked by the secularist-Islamist dichotomy and the state-Islamist competitive Islamisation process that overlooks the liberal exigencies of democracy and denies the existence of the different political groups. Finally, the study focuses on the Muslim Brotherhood's rule until the 30th June marches as a turning point in the Islamists' strategy and political history.

The Religious Market Theory: Behind the Prevalence of the Islamic Opposition

Based on the market logic, the Religious Market Theory analyses the interaction of the competing religious groups in countries with Muslim majorities. In light of its premises, the more unregulated and competitive religious economies are, the more the society becomes pious and religiously committed.² This direct and proportional relation between diversity, be it real or perceived, interbrand or intrabrand,³ and religiousness contradicts with the secularisation thesis claiming that the state monopoly over religion decreases the level of commitment. However, competition and/or internal differentiation was recognised and empirically proven by multiple sociologists as a source of religious entities' strength due to their quasi-autonomy in comparison to the more centralised groups.⁴ Therefore, any constraints imposed on the various religious entities result in behavioural variation in terms of structural and doctrinal adaptation.

The Religious Market Theory enounces that competition increases the quality of religious goods since a monopolistic religious institution cannot satisfy all its adherents'

preferences but through the market forces that requires religious plurality.⁵ Besides, its analysis of the Middle Eastern societies bypasses the proportionally inverted relation between economic development and religiosity while taking into consideration the national identity distortions in its interpretation of the sociopolitical dynamics of the society in question.⁶

By taking recourse to the demand and supply mechanism, the Religious Market Theory supposes that demand is stable in the short and long term since consumers are unconsciously distributed into market niches based on their demographics, financial capabilities, and preferences.⁷ The classification of these niches is based on the level of strictness/costs and the adherents' perception of the relationship between religion, politics and culture.⁸ Both criteria result in different niches: ultra-strict, strict, moderate-conservative, liberal, and ultra-liberal. The liberal niche's consumers integrate liberal and modern values and accept the separation between religion, politics and culture; the ultra-liberals are even more devoted to these values to the extent of providing them with a religious coat and actually promoting the separation between the three spheres. On the other hand, the strict consumers disdain liberal values, perceiving them as negative and instead seek a compromise between religion on the one side and politics and culture on the other side; while the ultra-strict niche refuses them altogether and establishes an identity between the three spheres. Consumers in the moderate-conservative niche allow a sort of conciliation and mutual interpretation of both religious and liberal values to combine them together in their lives. Accordingly, they recognise distinction but prefer religion prevalence in politics and culture.

As explained by the theory, these niches present variable dimensions: a wide central moderate-conservative niche followed by the strict niche that is larger than the liberal and ultra-liberal ones.⁹ According to the free rider logic, the less costs inflicted by the religious niches to its adherents, the less attractive and successful they are. By imposing higher costs, conservative and moderately strict groups ensure their members' commitment, reduce the number of free riders and experience a better success than the liberal groups whose members have secular alternatives. The increasing rates of religious costs and the strictness shift of the entities from a niche to another influence their attractiveness. Most of the strict or extremely strict groups move to niches displaying lesser levels of commitment and only few would remain ultra-strict or ultra-fundamentalist that have recourse to violence. Religious entities most probably move back and forth between ultra-liberalism and fundamentalism.¹⁰

The market mechanisms of the religious demand might be distorted by violent and exceptional circumstances called 'the economy of war' where the depiction of conflicts in a religious lexicon or the persecution of religious groups by the state authority leads to the growth of extremist groups. Controlling fundamentalist groups through governmental crackdown increases their supply capacity regarding membership and goods due to their capacity for underground operation unlike the moderate ones. In such circumstances, the demand and supply of religious goods are insufficient and are hence delegated to the stricter entities.

In the Muslim world, Political Islam is an umbrella combining different categories of Islamic organisations competing with each other in a sort of an intrabrand competition.¹¹ The Middle East presents a wide array of niche religious markets where the state ulemas are in competition with many private preaching organisations that provide various interpretations of the Islamic teachings adopted by the different niches and various sects. This intra-brand competition emphasised in the scholarly writings in the 19th century was referred to as 'the revival' where the different competing religious trends are active and provide holistic visions about the role of religion in all walks of life including politics.¹² For example, Salafis, both fundamentalists and traditionalists referring to ancestral understanding and interpretation of the Islamic teachings, are dedicated to fighting superstition in the religious practices. In addition, reformers like Jamal al-Din Afghani and Muhammad Abduh looked forward to combining Islamic jurisprudence with modernity that was differently perceived by the following

reformist generations. The same holds true for Rashid Rida whose ideas paved the way for the metamorphosis of the 19th century Salafiya towards an organised Islamic community, the Muslim Brotherhood, alongside with modern fundamentalism. On the other hand, Ali Abdel Razik initiated a liberal Islamic thinking inspired by modernism and accepting secularism. In addition to these groups, Sufi Brotherhoods as a widespread religious groups, incarnate moderate conservatism calling for the interpretation of the Sharia principles based on analogous *ijtihad*.

The Emergence of the Religious Market and the Secular-Islamic Polarisation

From the 1920s till the beginning of the 1950s and in the 1980s, the political arena witnessed an Islamic resurgence where Islamic groups were allowed to express their views and opinions in opposition to the leftists and the secular forces respectively.¹³ Based on the Religious Market Theory, the adoption of the religious lexicon as a reference by the state and all the political actors including the liberals and seculars increased the competition among the different groups and consolidated the religious reference in politics. Besides, in addition to the state repression of the Islamic opposition and its adoption of a religious reference as indicated by the second article of the constitution, the emergence of various competitive Islamic groups like the Salafists, the Jihadists, the Jamaa Islamiyya, the Muslim Brotherhood, Sufis and others maintained political Islam in the Egyptian politics till the present as manifested, by excellence, by the Muslim Brotherhood and their accession to power after the 2011 revolution.

The degree of governmental adoption of religious symbols and functions frames the Islamic movements' activities and defines their political action as well as their involvement in the public space in terms of deployment of the religious jurisprudence as a political reference.¹⁴ The dependence of the religious activities and resource mobilisation on the state centrality impedes the autonomy of religion and strengthens the ruling and control of the authority over society, notably in the state-building process as manifested in education, clergy appointment, the acknowledgement of the Sharia as a basic source of legislation and the domination of religious charity organisations. The state incorporation of religion provides the latter with a source of expression in the public sphere and recognises it as a legitimate reference for militant oppositional groups. Al Azhar, a religious institution dominated by the state and officially aligned to its policies, ensures regime legitimacy by controlling the religious socialisation process and marginalising the Islamic opposition.¹⁵ Due to the domination of the religious idiom on the political discourse, most of the political forces, notably the opposition from the liberal forces, take recourse to religion in order to fit into the larger legitimate narration officially embraced by the state. With the restrictions of all other channels and orientations from political participation but the creation of wide and strong religious infrastructures, religion remains the sole available option for the opposition.

Al Sadat provided a legitimate operational ground for the Islamist groups in different institutions but broke up with them by the end of the 1970s when Egypt manifested a clear shift in its diplomacy and adopted drastic economic policies that were considerably harmful for the middle social classes, the backbone of the Islamic opposition. The peace treaty with Israel was a turning point in the relation between Islamists and Sadat since the former started to realise that the believer-president's promises for the application of the Sharia were illusive and manipulative.¹⁶ However, it was not easy to eliminate the power of the Islamic groups in society due to their deep sociopolitical roots in addition to the cultural gap separating the rulers and the masses. Besides, the modernity crisis and the authoritarianism that obstructed Islamists from participating in politics sustained the Islamists' power in society through the development of secret and underground activities.

Throughout the 1970s and the 1980s, secularism and Islamism as rival ideologies were invested in a heated public debate about the possibility of conciliation and the

accuracy of Sharia as a source of legislation that would be either institutionalised or left to individual discretion. Political Islam advocates, in contrast to the secularists, vowed for the institutionalisation of Sharia and its codification as a supreme system of values surpassing the values of history and politics.¹⁷ For example, Muhammad Emmara harshly criticised secularism as a deviation from the Islamic 'true path' and a product of a particular socio-historical context. By opposing two models of development, Emmara defended religion as a source of enlightenment and civilisation in the Islamic history while the church hegemony obstructed progress in Western societies. On the other hand, religion is still by some intellectuals, such as Fuad Zakaria, considered a manipulative double-edged opportunity deployed both as a catalyst to strengthen the opposition and to ensure regime legitimacy by rallying more supporters. The former case was illustrated by the alliance between the Muslim Brotherhood and Al Wafd in 1984 and with the Labour Party and Al Ahrar Party in 1987 providing a platform for the emergence of a religiously coated opposition against the state official Islamic medium, Al Azhar.¹⁸

These debates trapped national politics in a vicious circle that fortified divisions among political forces and increased polarisation between secularist groups and Islamic movements thus disabling them from developing a vision for state policies. Therefore, bilateral verbal altercations turned into political struggles, mutual stigmatisation and recourse to violence usurped religion in the political discourse without defining its confines in the public space and politics and provided a larger room for the state authoritarian practice. Secularists refuted the validity of political Islam based on historical precedence of failure that, according to the Islamists, would be bypassed by the flexibility of the Sharia normative foundations.¹⁹ In light of their lack of a common vision about elementary issues related to the form of the state, the nature of its rules and policies, both Islamists and secularists, while competing for public space domination, manifested an intellectual impasse in reaching an agreement about the place of religion in politics. Hence, Islamism occupied a central and dominant position to the extent of being politically manipulated by different parties and figures in their formulation of political propagandas and stances towards Islamists. As a result, the political game norms were altered in favour of the logic of domination on the expense of the consolidation of the institutional mechanisms and intellectual framework of the different parties and entities.

Political Islam: A Competition between the State and Islamists

In light of the state recourse to Islamisation in laying its foundations, its deficiency in formulating welfare policies and the significance of religion's symbolic role in the life of the individual, the different expressions of Political Islam found their way into politics.²⁰ Many of the Islamic forces present a challenge to state legitimacy through the extension of the religious message to the cultural public life of the citizens, the mobilisation of local resources and services provision. The co-optation of conservative Islam into politics enables the state bourgeoisie to create a political balance between radicalism and conservatism while marginalising the other political forces that are obliged to appropriate their ideologies in conformity with the occurring conflict between the state, the conservative and the radical forces. Political Islam proved its adaptability and persistence in politics.²¹ The cultural discourse of Islamists in the public sphere presented a platform for expression, public expansion and promotion of social change. The reconsideration of the strategies used in their militancy in the 1990s led to the abandoning of violence and the adoption of various tactics to oppose the government through political participation. Dissident opposition, recourse to morality, 'moral entrepreneurship' and doctrinal revision allowed Islamists to accept the legal and institutional framework of the state, find a common background into politics and move towards spaces for cooperation and social regulations by ascribing them to a religious frame. The adaptation of Islamists to the socio-political context reveals different levels of action and a cumulative identity formulation.

The domination of the Islamic reference in the Egyptian politics requires an analysis based on two types of Islamic actors: the radical/militant and the moderate/conservative ones. Both aim for the Islamisation of the society through the construction of hierarchical patterns of religious values that either reinforce or denounce the state legitimacy. The difference between them relies on the ideological foundations, the mode of action and their socio-economic background. In light of the ruling elite domination of the state authority, both groups affiliated with the opposition found an alternative in the public space through professional syndicates and charitable organisations like the Muslim Brotherhood, the Jamaa Islamiyyah and the Jihadists. The 1980s and the 1990s witnessed a fierce competition between the two Islamic trends where the conservative one restricted the expansion of radical Islam as an ideology and provided a legitimate official channel for the state to curb militants, stigmatise Islamists as extremists and limit religion to the cultural level.

Both extremist and non-violent Islamic groups are supporters of the application of the Sharia law, refuse the separation of politics and religion and recognise Islam's inclusive normative and legal foundations.²² Their position towards the state depends on the decision by the latter about the adoption of the Sharia although radical and moderate Islamists diverge on whether the application of Sharia should be the sole or the main source of legislation. The radical groups, as informed by Abdel Salam Farraj, vow for the reactivation of the *Jihad* precept on the national level against authoritarian rulers, declared apostates and subject to capital punishment, due to their inability to apply the Islamic jurisprudence and lay the institutional and normative foundations of the Islamic state under the concept of *Al Hakkimiyya*. Divisions among Islamic movements like Mubarak's sympathisers and members in the NDP, Al Azhar, the Muslim Brotherhood, Al Jamaa Al Islamiyya, the Jihadist, Al Tahrir and Al Shawquoon, on doctrinal questions, strategies of action towards the state and means of political integration weakened their maneuver vis-a-vis the state and restricted their activities to secrecy in addition to the government's suppression of their political involvement and their inability to define a clear common political vision.

The contest between the conservative and the militant Islamists since the 1970s marginalised the national struggle and shaped the identity of adherents through a world view based on cultural and moral premises claiming superiority of the Islam, its comprehensiveness, stability and the opposition to a conspiring West against the Islamic value system. For example, Al Jamaa Al Islamiyya does not consider the state elite apostate unlike the Jihadists although they take recourse to the same means to establish an Islamic state. Contrary to the Muslim Brotherhood's background, mainly dominated by the bourgeoisie and a holistic vision encompassing the national spectrum side by side with the regional question and the global pressures, the Jamaa and the Jihad are based on low social working classes and are centred on national issues related to governance and the demise of the despotic ruling elites. Most of them criticised Al Sadat's policies since in their opinion his substitution of the Nasserist socialist legacy by the Islamic rhetoric rendered him accountable to the Sharia legal norms. Mosques, religious institutions and congregations became the sole outlets to express social discontent towards the state's distortive and dominant policies that marginalised the peripheries.²³ Conservative Islamism seeking to articulate the world of politics and the power struggle in a religious lexicon was extensively a matter of competition between the state institutions and the different political parties in the opposition.

However, the political integration of the Islamists alters their ideological foundations into a more rationalised and peaceful 'de-radicalized' paradigm in the formulation of their goals related to succession to power and Sharia application.²⁴ Doctrinal revisions resulting from a political reconciliation with the state apparatus would limit underground religiously inspired activities concealing the state's absence in terms of satisfying the socio-economic needs in the peripheries of the cities and in the South. Islamists, through political integration, found democracy compatible with their slow Islamisation process where 'the nation as a source of authority' leading to their vic-

tory through the ballot boxes reflects the choice of an Islamic society. The integration of Islamic groups into politics routinises Islamism and allows the establishment of a pluralist and democratic system unless it is not supported by an institutional and legal framework that guarantees the persistence of a democratic practice.²⁵ Accordingly, Islamism is flexible in its ideological premises, political behaviour and strategies due to the conjectural challenges they are exposed to, their plasticity and diversity. Besides, it always pushes the state to adopt a more Islamised discourse to legitimise its existence and denounce its religious opposition.

The Muslim Brotherhood Succession to Power: the 25th January Revolution and the Aftermath

Since its foundation in 1928, the Muslim Brotherhood recognises the comprehensive-ness of the Islamic law that entails regulations for running all walks of life including the political level where governance, nationalism and modernisation can be adapted to its premises.²⁶ It was influenced by the sociopolitical context at the beginning of the 20th century and developed a resistance ideology based on the Islamic teachings as opposed to the Western cultural hegemony over the Muslim World.²⁷ As a wide-reaching social organisation, it focused on individuals and community education through preaching by taking recourse to organisational techniques based on hierarchy, obedience, and ideological integration. Besides, the organisation had a political goal related to the spread of Islam on the nation-state level and beyond.

The movement was under consistent ideological and behavioural change due to its repression by the state security apparatus. These changes are mainly related to its position towards minority rights, the application of the Sharia, relations with Muslim countries and the West and the human rights issue. It is important to state here that the thoughts of Sayyid Qutb about Al Hakkimiyya and the Islamic state were publicly abandoned by the Muslim Brotherhood in 1969 allowing the movement to enjoy a de facto toleration by the regime. In addition, the re-appropriation of the thoughts of Al Banna and the formulation of democracy as a theoretical concept by the Islamic thinkers were the main visible changes taking place on the ideological level among the Muslim Brotherhood members.²⁸ In 1994, its new guards introduced doctrinal changes related to the organisation's views on party pluralism and women's political rights arguing for the necessity of women's participation both as candidates and voters. Regarding the non-Muslims, they relied on the founder's narrations and the pan-confessional notion of citizenship. They refuted the existence of any contradictions between the people's sovereignty and the Sharia application that can be translated into different forms of governments, political systems and strategies suiting the society. The question of the Islamic state was resolved for them: Egypt is an Islamic state where Sharia is the primary source of legislation and where a consensus is reached on political arbitration based on the constitution and the ballot box.

The Muslim Brotherhood acted as catalyst for democratisation through their political and social activism as well as their mediation between the government and radical movements.²⁹ Throughout their history, the Muslim Brotherhood rarely opted for regime de-legitimisation but their political survival and integration through commitment to democratic transition. Like any other political party in an authoritarian regime, the Muslim Brotherhood was only allowed to spin around the vote and the regime game; the first one refers to the capture of the maximum votes and the second revolves around the de-legitimisation of the existing regime and the contribution to a democratic transition. The high organisational level, the get-out-vote skills and the maintenance of post-elections services increased the Muslim Brotherhood's visibility and tenure in different syndicates as shown in the 1984 and 1987 elections. This success compelled Mubarak's government to change its tolerant attitude towards the Muslim Brotherhood in the 1990s, after the latter's humanitarian contributions to the earthquake victims surpassing the government's efforts, by issuing two decrees regulating the collection of donations and the elections of professional associations.

The movement was even normalised into politics since the 1980s when other parties suffered from generational conflicts and dictatorial leadership like Al Wafd and Al Tagammu.³⁰ The ability to penetrate professional syndicates in the 1980s and the 1990s enabled the movement to gain social legitimacy that paved the way for turning syndicates into a political platform to discuss the different policies of the Mubarak regime. The 1995 crackdown and imprisonment of their leading figures did not deter them from taking part in the parliamentary elections and gaining one seat. The peak of the movement's shift from conservatism to moderation was expressed by the foundation of the Al Wasat party in 1996, 'The Centre Party', known from 1998 as Hizb al-Wasat al-Misri, 'The Egyptian Centre Party'. The party's creation was refused at the beginning by the Political Parties Committee as the party encompassed figures from the Muslim Brotherhood that increased the government suspicion and it was only officially recognized in February 2011. In the 2000 parliamentary elections, the movement gained 17 seats and managed to win elections for the bar association in a collective list entailing members from the National Democratic Party, Al Wafd and Copts. The success in the 2005 parliamentary elections with 88 seats out of 444 shed light on the doctrinal revision of the Muslim Brotherhood's reference that marked a clear dissidence between its old guard and the new one about political participation, the spiritual versus the political role of the movement and the cooperation with partners from different ideological backgrounds.

The eruption of the 25th January revolution in 2011 revealed the mobilisation capacity and ideological appeal of the Muslim Brotherhood as illustrated by their victory in the legislative and presidential elections. Although the results of the presidential elections presented a slight difference between the Muslim Brotherhood candidate, Mohamed Morsi, and the ex-regime civil aviation minister, Ahmed Shafiq, they underlined the movement's shift from being a catalyst for democratisation to political action along with the different political parties and the army. The confrontation between the Muslim Brotherhood and the opposition including the bureaucracy and the heads of vital sectors controlled by partisans of the old regime presented a new dynamic that reversed the political absence of the Islamist forces. On the other hand, a major traditional contention emerged between the Islamists and the army.

Being the backbone of the structural and ideological foundations of the ruling elite, the army confronted the Islamists and constituted an antagonist binary, 'the army vs. the Islamists', that crystallised an old legitimisation mechanism deployed by the state since 1954. The 30th June marches confirmed this dichotomy reducing Islamists to the main state enemy. Morsi's opponents organised marches, labelled 'Tamarod' or 'Rebel', calling for his demise in different places, notably, in front of the Presidential Palace, Itihadiyya and Al Tahrir Square. On July 3rd, the military addressed an ultimatum for the president to quit or to witness a military intervention. The latter option took place and the army overthrew Morsi and then the Minister of Defence, El Sisi, controlled the country. Morsi supporters called for 'legitimacy restitution' by organising sit-ins in Rabaa El Adaweyya and Al Nahda Square insisting on Morsi's return to resume his presidency term.³¹ The violent dispersal of both sit-ins after several official threats against protestors increased tensions and exacerbated a staunch confrontation between the state apparatus, the army and the police on one side and the Islamists on the other side, notably, the Muslim Brotherhood and their partisans.

The consideration of this elitist duality in reading and analysing the Egyptian scene validates the premises of the Religious Market Theory that it is an adequate theoretical tool for understanding the Islamists' persistence in the political game equation 'army vs. Islamists'. Since Mubarak's demise, the military dominated the political scene even under Morsi's mandate and still keeps an upper hand in the decision-making process. Turbulence marking the transition period since February 2011 till June 30th, 2012, pointed towards an implicit agreement between the army and the Muslim Brotherhood where the latter showed reluctance in confronting the army and accelerating the 'de-rooting' of the old regime guards through elimination and legal judgment. However, the rapid military support provided for the June 30th rebels,

the physical elimination and arbitrary arrest of Islamist figures and their partisans signalled the re-emergence of the old contention that has been always opposing the military ruling elite and the Islamists. The military authoritarian takeover, applauded by the existing political parties, re-establishes its legitimacy based on a religious rhetoric fashioned by Al Azhar pioneer figures against the Islamic opposition to fill in the security-oriented state ideology.³²

The persistence of the Islamists as an influential variable in the political game re-asserts the continuity of the old regime legacy in spite of Mubarak's ouster. The authoritarian mentality enrooted in the vital state institutions is inherited by the new leaders and influences in turn the actors' tactics and political manoeuvres. This was shown by the silence of the liberal and leftist parties regarding the army's decree of the state of emergency legalising authoritarian oppressive practices and the Islamists' riposte calling for resistance and the restitution of their authority. The 25th January revolution underlined a massive and consensual rejection of authoritarianism in a highly irritated socioeconomic context. Meanwhile, the lack of radical transformation in the whole political scene in terms of holding the corrupted figures accountable, laying the legal and institutional foundations of the state impedes the success of a just transition and the elimination of the authoritarian practices as encapsulated by the protestors in the following slogan 'Bread, freedom, social equality'. The Islamists' arrival to power marks a potential in their strategies and policies and highlights a historical precedent that can be permanently evoked in their pursuit of Islamic state establishment, as an ultimate ideological goal.

Towards the End of Political Islam in Egypt?

The thesis of the end of Political Islam re-emerged after Morsi's ouster and his capture in military custody on July 3rd followed by an overwhelming public campaign demonising the Muslim Brotherhood and downgrading their supporters. Accordingly, by observing the evolution of the history of political Islam, Islamists proved unable to achieve their political goal of establishing an Islamic state due to their inability to ensure their grip on power.

This observation leads us to ask an inevitable question: does the burst of public revolts against Islamist rulers call for their departure and demise in spite of their success in elections, signalling a political eclipse of Islamists? Political Islam was always proposed as both a founding component of Egyptian nationalism and an ideological alternative that has ostensibly flourished under the auspices of the military secular ruling elites. Confrontation, co-optation and containment have interchangeably marked their decades-long interactions and allowed many Islamic groups to consolidate their socio-economic basis that ensured their survival and perpetuated their Islamisation process. Doctrinal revisions, social proliferation and penetration of local and peripheral areas by Islamic movements under the sight of the state highlight a symbiotic relation where the latter benefited from the former's continuous 'de-politicised' Islamisation in consolidating their ruling. Permanent adaptation allowed the Islamists' survival and provided them with the necessary public support among the middle and poor social classes. By encountering the state oppressive apparatus that sealed the public space and rendered it impenetrable by the various political orientations, only Islamists were given a considerable right of expression within the officially inscribed boundaries to conceal the state's socio-economic deficiencies. Public debates were dominated by Islamic subjects and symbols that were mainly nuanced by the different political groups disguising their secular ideology with an Islamic lexicon. Here, the logic behind the end of the Islamic ideology as an eligible political rival seems trapped by contradicting arguments. The transposition of the conspiracy theory based on the cultural clash opposing the West and the Muslim countries to the national spectrum and the danger of the religious fascism displayed by the Islamists' ideology and practices. By emphasising the Western intervention rhetoric in the national discourses as a scapegoat for manipulating the public opinion and legitimising the securitisation of the political

arena, a symmetry is created between Islamists and the foreign interventionists who, ironically, stand on an equal footing for destroying national cohesion.

Being a staunch ally to many Western regimes and implicitly dependent on a religious legitimacy, the state charges of terrorism and domestic destabilisation against Islamists became an inefficient strategy in curbing Islamists. In reality, to counter the emerging power of Islamic conservatism and militancy in public spaces, the state has always sponsored its own version of Islam in the expression of its national strategies. The extension of the religious speech from the private sphere of the individual life to the society and the citizens' public life captured political Islam in an endless vicious circle where religion is recognised as the sole reference in defining the political process. Instead of combatting Islamism as a political ideology, it is officially reproduced by alternative socio-cultural channels to defeat Islamists by having recourse to the same weapon. Political Islam is maintained as a permanent populist rhetoric that strengthens the state authoritarian practices while preventing Islamists from penetrating the political arena or being integrated as political actors and potential competitors for power. As a result, adaptation to such restrictive modes of political organisation incites the Islamic militants to refer to a 'softer reformulation' of their policies and strategies by redirecting them towards grass-roots politics.

In response to the government's repression, informal networks and clientelistic relations started to develop in localities and the low social levels to conceal the state socio-economic deficiency in services delivery. A bottom-up process of Islamisation occurs in opposition, if not in resistance, to the state. Assigning an Islamic lexicon and coating traditional socioeconomic practices with a religious frame enable Islamists to reconsider their ideological premises, reshape their political project and readjust their tactics to the public needs, the national exigencies and the global market imperatives. The recourse to the cultural clash idioms like terrorism and religious fascism in fighting Islamists through the reinvestment of an obsolete political contention between the West and the Arab-Muslim World in the national spectrum distorts the government's credibility by contradicting the 'oneself superiority theory' advanced towards the West by their official orators. In light of the political vacuum, the social decay and the economic fragility, the thesis of the end of Political Islam seems illusive and superficial. By maintaining the survival of the authoritarian regimes through the production of a religious counter-Islamist rhetoric as observed throughout Egypt's history, the state's 'customised religious reference' preserves not only the legitimacy of its existence and security foundations but also reinforces the Islamists' power, survival tactics and socio-economic expansion.

Endnotes

- 1 Orientalist scholars like Oliver Roy, Gilles Kepel and Carol Volk underlined the inability of Islamic parties promoting the Islamic Sharia as a legal vision for governance, to cope with the nation-state institutional and normative framework for ruling their countries (for example, Saudi Arabia, Iran, Algeria and Afghanistan) in light of the democratic premises.
- 2 The Religious Market Theory is using the market logic as elaborated in the different economics theories in order to explain the sustainability mechanisms developed by the different religious groups, sects or associations independently from the state. Accordingly, it aims to understand how the different religious institutions/groups preserve and/or increase their existence by satisfying the believers' demands through their supply of divers activities and activities that meet their adherents' choice.
- 3 Interbrand refers to diversity in terms of affiliation to groups adopting different religious beliefs while intrabrand refers to the presence of different religious groups affiliated to the same religion or sect.
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- 12 Weismann, I. (2001) *Taste of Modernity: Sufism, Salafiyya, and Arabism in Late Ottoman Damascus* (Leiden: Brill) and Ayoubi, N. (1991) *Political Islam: Religion and Politics in the Arab World* (London, New York: Routledge).
- 13 From the 1920s till the 1950s, Egypt witnessed an unstable liberal period where religious groups flourished freely without restriction by the state. Such atmosphere allowed the emergence of intellectual and political debate among the Islamic intellectuals and others representing different political orientations as well as within the Islamic groups as the Muslim Brotherhood. This freedom had no longer been available for religious organizations since the 1950s.

Starting from the mid-1970s, Al Sadat instrumentalised the Islamic groups for the consolidation of state legitimacy versus the liberal and secular groups.

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Laura Gribbon

The Commodification of Egypt's Revolutionary Martyrs

Interpretive Frames, Mediated Narratives and Imagined Solidarities

In recent years, millions of Egyptians have participated in waves of popular protest, demanding social and political transformation – ‘bread, freedom and social justice.’ Collectively, they have witnessed the deposing of two presidents during moments of euphoria and tragedy, resulting in the death of over 3,530 citizens in the 34 months between January 2011 and November 2013.¹

Exact death tolls are hard to ascertain for a variety of reasons. Numbers of dead civilians and security forces have been used at different moments to render ‘proof’ of injustice, galvanise support, construct narratives about the past, and provide justification for future action.

Martyrdom, often associated with Islam, has historical roots in Europe and the Middle East, with pagan and Christian antecedents. The Arabic word *shaheed* has been commonly used to refer to martyrs since the seventh century Arab conquest. *Shahadah* literally means to witness or testify. Ezzati (1986) suggests the term also denotes a model or paradigm within Islam, and must therefore be understood within the context of *Tawhid* – the unity of Allah and submission to his will. Viewed in this light, the martyr is one who recognises and declares truth (*Haqq*), struggles and fights for it (*Jihad*), is prepared to die for it, and sets a model for others. The term *shaheed* has become ubiquitous over time. In the seventh century it was used widely in the Arabian Peninsula by both Muslims and non-Muslims. The ‘martyr crown’ never actually appeared in the Qur’an, but was a common Coptic motif that was later assimilated into Islamic iconography and the Hadith (Halverston, Ruston & Trethway, 2013). During the Ottoman period, the concept of political death for both Islam and empire infiltrated mainstream Sunni thought. However, the Shi’a history of Imam Hussayn has also influenced popular culture and is still evident in present day mawlid in Egypt.



Figure 1

Recent performances of martyrdom have referenced this history, for example several protesters wore the *kafan* (white Islamic burial shroud) in Tahrir Square in 2011 as a symbol of their willingness to die for a cause.

Egyptians from both religious and secular backgrounds, however, have used the term ‘martyr’ to refer to many political deaths over the last three years. Edward Ziter (2013, p. 125), in his work on the image of the Syrian martyr in performance and web activism, maintained that the state and political activists ‘divest the martyr of specifically religious meaning... and imbue the martyr with new forms of secular transcendence.’ Marco Di Donato (2012, p. 2) proposes martyrs are ‘the ‘fil rouge’ that unites the religion to the popular uprisings.’

Perhaps this thread is merely the link that has always been made between religion and martyrdom. However, as Di Donato (2012, p. 8) suggests, liberation from oppression often requires a new assertion of the self. Since the meaning of truth – whether religious or political – is quite subjective, the label *shaheed* has become an ideal rhetorical tool for mobilisation in the name of the state and/or god. Ultimately, it is the narrator, community and audience who decide whether or not to declare individuals ‘martyrs.’

The Encyclopedia of Death and Dying holds: ‘Nothing gives greater credence to the truth of the martyr’s message than the spectacle of dying for it.’ However, as Verdery (1999, p. 28f) suggests, dead bodies are politically useful as a result of their ‘multivocality.’ This ambiguity leaves them subject to different readings depending on the context, the memories that are selected from their living behaviour, and the identification of the audience. The advantage is that the subject becomes an object loaded with signification, as he or she can no longer narrate for himself or herself.

The names and faces of Egypt’s revolutionary martyrs have been reproduced within the public domain in a variety of formats and mediums: On walls, posters, and revolutionary paraphernalia; in newspapers, online sites and social media; on spoiled ballot papers, bank notes, and by numerous actors, including the families of the martyrs, revolutionaries of various political persuasions, politicians, political candidates, police, army and state security services, religious figures and football fans.

During the first three weeks of the revolution in 2011, martyrdom ‘was an actively performed rhetorical position’ (Armbrust, 2012). It was a call to arms, with posters of the early martyrs being hung in Tahrir and other prominent squares across Egypt. Al-Masry Al-Youm published a feature of eleven martyr faces on February 6th, 2011. This image was immediately reproduced on various revolutionary memorabilia and online. The repetition of such images created social icons, removing the martyr from his or her original context and placing them into the public domain as either a hero or victim. Allen (2006, p. 117) suggests the prevalence of such repetitive images in the public sphere means people see the same faces so many times they begin to feel personal attachment.

Iconic Martyrs

A number of particularly iconic martyrs have been commemorated as revolutionary heroes and canonised within the narrative of Egypt’s ongoing revolution. The mediation of discourse, prevalence of visual images of brutality, and tendency of the audience to identify with individual martyrs and what they represent, has all contributed to making some martyrs more iconic than others.

Through examining the depictions of six martyrs, hailed by various groups at specific moments, this paper inquires as to what makes an iconic martyr, and how are their memories co-opted and commodified for the perpetuation of ideology and strengthening of solidarities.

‘Commodification,’ as in the assigning of value to social goods, includes the co-optation of thought, expressions and concepts by the dominant culture. Within existing literature, Abu-Hashash (2006) presents the martyr as a ‘commodity,’ in his study of martyr images on political posters, with reference to Baudrillard’s (1998) work, ‘The Consumer Society: Myths and Structures.’ Allen has also developed the concept of martyrs as ‘sacrificial gifts to the nation’ and ‘exchangeable commodities,’ in her work on Palestinian martyrs (2006, p. 123).

It is difficult to give a synopsis of the martyrs selected for closer analysis without simplifying the narratives and branding them further, as each has been viewed and remembered in a number of ways. The six selected for further study in this paper are by no means representative of the thousands who have died. However, they come

from a variety of social classes and backgrounds, and their deaths span the period from January 25th, 2011 until the sit-in dispersals of August 2013. They are: Khaled Saeed – killed in June, 2010, symbolic of police brutality and ‘every Egyptian’; Sally Zahran – the first iconic female martyr of the eighteen day uprising in 2011; Mina Danial – Coptic martyr, symbolic of military brutality and the Maspero massacre in October 2011; Sheikh Emad Effat – an older, moderate Islamic cleric from Al-Azhar, killed by military police in December 2011; Omar Salah – a young street vendor, killed in February 2013, and Asmaa El-Beltagy – daughter of a prominent Muslim Brotherhood leader, killed during the Rabaa sit-in dispersal in August 2013.

In comparison to one another, and removed from the contexts of their lives, particular aspects of each have been emphasized in death. For example, ‘the Copt,’ ‘the Islamist,’ ‘the older man’ in comparison to younger revolutionaries, ‘the child,’ ‘the woman,’ ‘the working class street vendor,’ and so on. While each martyr is not characterised by these aspects alone, their representation of sections of Egyptian society, as perceived by the audience, has played a role in their elevation as icons. However, there must be more to it than this, as, for example, Mina is not the only Coptic martyr, nor Khaled the only victim of police brutality before or after his death. If only certain murdered activists or victims of oppression become iconic martyrs, what is it about them, the circumstances of their deaths, or memories of their lives that elevate them to such positions within popular imagination?

One of the ways in which this is achieved is through the perpetuation of ‘myths’ – the construction of narratives that find cultural resonance through commonly shared political and historical imaginaries. Myths are stories of events that serve to confirm the worldview of a people or explain a particular practice or belief. Therefore, martyrs are intertwined with mythical constructions for a number of reasons. Myths influence the ways in which people perceive the world, explaining, reconciling, guiding and legitimising action (Cupitt 1982, p. 29). Additionally, the eschatological dimension of the mythical is frequently used to project the possibility of another world beyond the current time and space (Coupe 2009, p. 9; Ricoeur 1991, p. 490).

Myths that are persistently retold are both reflective and formative of ideology. However, such narratives are constructed about most political martyrs, their lives and the circumstances of their deaths. It is perhaps only when these stories find resonance within society, particularly outside the immediate social class or group of the martyr, that individuals take on a more iconic role, becoming emblematic or representative of a wider cause or injustice. This is true of all of the iconic martyrs discussed in this paper to greater or lesser extents.

Khaled Saeed was brutally beaten to death by security forces in Sidi Gaber, Alexandria, on June 6th, 2010, for – according to his family – possession of video material implicating police officers in a drug deal. The authorities, supported by two forensic reports, falsely claimed Saeed had suffocated as a result of swallowing a packet of hashish. Police attempted to further exonerate themselves and implicate Saeed by claiming he was wanted for theft and possession of weapons, and had resisted arrest. Video footage and testimonies from the Internet Café where Saeed was arrested, later confirmed he was beaten and most probably died of concussion, although the autopsy did not mention this. An account of Saeed’s murder written by Amro Ali, ‘Saeeds of Revolution: De-Mythologizing Khaled Saeed,’ for the second anniversary of his death, claimed that not only was his death indicative of corruption and police brutality; his life, online escapism and desire to emigrate, were also familiar symptoms of a generation in Egypt. Hence the slogan, ‘*Kullena Khaled Said*’ (‘We are all Khaled Saeed’) that went viral following the creation of a Facebook page by Abdelrahman Mansour and Google Executive Wael Ghonim projecting his icon to the world.

It wasn’t just narratives of Saeed’s lived experiences and the story of his death that garnered such a widespread response. Images of his brutalised body, taken by his brother in the morgue, were released on the Internet, showing a fractured skull,



Figure 2a

dislocated jaw, broken nose, and other signs of trauma. Additionally, an interview with café owner Hassan Mosbah posted online (confirmed by the Egyptian Organisation for Human Rights) described his beating: ‘They dragged him to the adjacent building and banged his head against an iron door, the steps of the staircase and walls of the building... Two doctors happened to be there and tried in vain to revive him but (the police) continued beating him... They continued to beat him even when he was dead.’

Natural life and the body have been presented as the foundations for a set of international human rights based on their universality (Allen 2009; Verdery, 1999, p. 27). For example, evidence of brutality in media images can appeal to a non-native audience on the basis of the state of human nature, rather than from a particular political standpoint (Allen 2009, p. 170). Images of Saeed’s brutalised body not only confirmed accounts of his death by beating, they also presented him to a wider audience via Facebook as a victim of human rights abuses. The same could be said for images that circulated online of iconic Coptic Christian martyr Mina Danial’s body in a pool of blood, after he was shot by the army at a protest in Maspero on October 9th, 2011.

Allen (2009) argues that the language and ideology of human rights (perpetuated through NGOs and institutions), the visuality of death (through the media, aesthetics and sensory experience), and affect (feeling, experiencing and reacting), have all contributed to a mediated understanding of martyrdom. Carlson (2010) and Allen (2009, p. 169) both maintain that the inter-subjectivity of affect is used to provoke empathy in the target audience through emotive language and embedded assumptions about connection and identification.

This could be said of many of the iconic martyrs who are perceived to be representative of religious or ideological groups and affiliations. For example, Mina Danial was called ‘Egypt’s Che Guevara’ in national and international media, a title that probably would never be given to martyr Asmaa el-Beltagy, daughter of prominent Muslim Brotherhood figure Mohamed el-Beltagy.

Interviews by Al-Ahram with Mina’s family a year after his death, suggest Mina had developed an interest in Guevara, styling himself after the Marxist revolutionary hero and leaning towards socialism as the answer to Egypt’s poverty. A close friend of Mina’s, Ramez Sobhy said, ‘Mina always used to say Egypt’s poor were like a football, constantly kicked between the Islamists and liberals’ (Ahram Online, 9 Oct, 2012). Sobhy asserted that Mina, from Ezzbet El-Nakhl, a lower-middle-class neighbourhood in Cairo, wanted a collective solution to poverty for all Egyptians, not just for himself or for Coptic Christians.

Mina has been frequently pictured with Sheikh Emad Effat, a cleric from Al-Azhar, who was killed on December 15th, 2011 by military police. Images of the two commonly depict them reaching out to each other. The moderate Islamic position of the Sheikh, who – as his widow said – was in Tahrir from the beginning of the revolution, coupled with Mina’s desire for widespread social change aside from religious differences, make them ideal representatives for a united cause. In this image (Figure 3), they are depicted on a banner by the April 6 political group at a Christmas mass in downtown Cairo in 2012.

The memories of Egypt’s martyrs have also been utilised by politicians. For example, both Morsi and Shafiq used Mina Danial as a ‘mascot’ during their opposing election campaigns, and Morsi invited the families of the martyrs to the presidential palace shortly after his election, in an effort to position himself as a revolutionary president. In the transitional period post-Mubarak, the Supreme Council of the Armed Forces (SCAF) established a victims fund for families of the martyrs and the injured, which many say has been used to bribe families into quiet acceptance of the deaths of their loved ones.



Figure 2b



Figure 3

In November 2013, two years after the violent Mohamed Mahmoud clashes, Egypt's interim authorities built a monument in Tahrir to commemorate the dead. Within twelve hours it had been defaced and destroyed, with graffiti reading 'The Army & the Brotherhood are both traitors and murderers.'

The martyrs have even been used for commercial purposes, as can be seen in this Coca Cola advert in Suez.



Figure 4

Ideological Reliquaries

The notion of seeing or witnessing is essential to the concept of martyrdom. However, Halverson, Ruston and Trethewey (2013) suggest mass audiences can witness, share and transmit such testimonies without being eyewitnesses to them personally, as long as they have a 'reliquary' (commonly used to refer to the vessel housing a saint or relic belonging to a martyr) or symbolic focal point of encounter.

Such points of identification can be physical or ideological. Asef Bayat (2005) maintains personal stories that attest to wider injustice provide interpretive frames and imagined solidarities. So it is with the memory of twelve-year-old sweet potato vendor Omar Salah, who was murdered by an army soldier in Tahrir Square for daring to inform the conscript he would serve him only after going to the toilet. Without the work of several human rights workers – quite by mistake, as they found his body in the morgue next to that of a prominent activist – Omar would have remained one of Egypt's unknown, silenced martyrs, due to the deliberate efforts of the state to cover up the tragic story of his death. Omar's father, being a poor street vendor, was bribed to accept a death certificate stating 'accidental death,' and ambulance staff took his body directly to the morgue, listing him as an 'unknown corpse' (Ali, 2013).

Once the circumstances of Omar's death were revealed, other details surfaced of his life, such as a video of the illiterate vendor telling Life Makers charity in an interview that he wanted to learn to read and write (Ali, 2013). Although his story is not as well-known as those of Khaled or Mina, Omar's living memory has been mediated to the point that details of his life, family background and daily routine have become better known in death than in life (ibid, 2013). Omar's lived experiences represent the poverty of many Egyptians and the loss of childhood of Cairo's street vendors, and his death highlights the deceit and corruption of the authorities. As Ali (2013) notes, Omar's story emphasises class aspects of a revolution in which many who died on the front lines were from poor, working class families, most of whom we will never know about. Around 109 corpses remained in Cairo's Zeinohom Morgue in November 2013, out of a total of 122 unidentified since June 30th (Spokesman of Egypt's Forensic Medicine Authority, Hesham Abd El-Hamid, November 10th, 2013). A study by Egyptian journalist Mostafa Basyouni revealed eighty percent of those killed in protests from January 25th, 2011 until Morsi's election belonged to the working classes, and many of those slain were unemployed or worked in casual jobs.

One of the first female martyrs was twenty-three year-old Sally Zahran, who (according to early reports by Al-Masry Al-Youm on February 6th, 2011) died from a brain haemorrhage after being beaten by thugs on her way to Tahrir Square on January 28th. Zahran's youthful face and story garnered international attention. However, local narratives of her death have been heavily contested and co-opted. Her family gave an interview on February 24th, 2011, suggesting she was trying to leave the house to join



Figure 5

protests against her mother's will, and had either jumped or fallen from the family's ninth floor balcony (Armbrust, 2012).

It has been debated whether or not Zahran was veiled. Her brother and friends have claimed she wasn't, but rumours her family were unhappy about the use of her unveiled image prompted the production of a number of posters with her face scribbled out, as well as digitally altered versions of her with added *hijab*. Some believe the public contradiction of her death account was extorted from the family by blackmail.

The final martyr this paper discusses is seventeen-year-old Asmaa el-Beltagy. Her death received more coverage internationally than it did popularly within Egypt, due to public opinion towards the Muslim Brotherhood, within which her father was a prominent leader. Beltagy was among over six hundred to die during the violent dispersal of two pro-Mohamed Morsi sit-ins by security forces in August 2013. The death certificate said she was shot in the chest, with the Telegraph adding that her skull was crushed and left leg broken. One of her brothers, Anas el-Beltagy, said Asmaa was on her way to help at the sit-in field hospital when she was killed. Her older brother, Ammar el-Beltagy, added that they were carrying her dead body when they were fired on and had to drop her in the street for half an hour before finally getting to a hospital that would accept the body. He added that the Egyptian media had contradicted these reports of her death.

Asmaa's father wrote a letter to his daughter post mortem that circulated online, in which he claims she appeared to him two nights before in a wedding dress, from which he knew God had accepted her soul as a martyr. He lamented her early death but said it had strengthened his belief that the Brotherhood was on the right path and pursuing the truth.

An ongoing crackdown by security forces on Islamists and their allies following Morsi's deposition resulted in the arrests and death of thousands of Brotherhood members (according to HRW, December 2013), the blood of whom has entrenched political and ideological positions further. There have been a number of selective international messages of support for Asmaa's family: Turkish PM and Brotherhood ally Erdogan said he cried when he read her father's letter, and an Indian academic wrote, 'To Asmaa Beltagy from India with tears,' and, 'Asmaa Beltagy is not Malala' (Dr. Javed Jamil, 2013), asserting that Asmaa does not fit hegemonic conceptions of what a subaltern 'activist' should look like.

Antoun (2012) asks whether speaking in the name of the martyrs is, 'a real possibility, or a kind of violence?' Stories, or myths certainly have greater mass appeal when transmitted through culturally understood archetypes, especially those that highlight selective memories of a martyr's lived experiences to fit the expectations of the audience. For example, Mina's activism, Sally's veil and adherence to her parents' wishes, Sheikh Emad's moderate Islamic views, Asmaa's devotion to her faith, Omar's desire for education.

The appropriation of the memories of the martyrs by the state, political groups and campaigns or commercial interests, posits them as objects of history rather than subjects. The agency they had in life to choose a particular path or affiliate themselves with a cause or ideology is taken from them. Not only are the circumstances of their deaths mediated and mythologised, but their lived experiences are also altered to suit the present moment. Olick (1999) highlights the difference between recounting historical events and forming collective memory in the emphasis memory places on the relevance of the past to the present. Walter Benjamin (1999, p. 462) suggests martyr performance is the talisman that brings the past into the present, providing a dialectical relationship between what has been and the now; not merely the past shedding light on the present and vice-versa, but the bringing together of the past and now in constellation through martyr images and narratives.

Conclusion

As this paper has demonstrated, Egypt's political martyrs have become valuable 'commodities' in the nation's ongoing revolutionary struggle. Certain dead heroes have become icons through the identification of the audience with particular aspects of their deaths and lived experiences. Many of these memories have been mediated to appeal to a broader base, such that martyrs have become representative of wider struggles against injustice or human rights abuses. The appropriation of their memories to serve the interests of the present is not a new phenomenon, but it does make them vulnerable to misrepresentation and co-optation.

Iconic martyrs such as Khaled Said and Mina Danial occupy a canonical space within the narrative of the revolution, such that those to follow are perhaps reinterpreted within the light of these former heroes. Notions of victimhood and innocence have played a major role in their iconography, particularly internationally, and yet such rhetoric renders them as objects of revolution and not political subjects with agency or choice.

The tragedy of the ongoing revolution in Egypt is that the number of the dead continues to rise amid a lack of justice for the families of the martyrs.

Acknowledgements

In memory of all those who have died in the ongoing fight for bread, freedom and social justice, including the many 'unknown martyrs.'

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Endnotes

¹ Death toll accounts vary widely, depending on the source, and there is no official number of those who lost their lives. Between January 25, 2011 and November 2013 over 3530 died: Egypt's fact-finding commission – 'About 25 Jan Revolution' – listed 846 deaths under Mubarak in the three week popular uprising in 2011; the Arabic Network for Human Rights (ANHRI) recorded 215 deaths under the Supreme Council for the Armed Forces' (SCAF) period of interim-rule post Mubarak (including Maspero, Mohamed Mahmoud and Port Said), and 154 deaths during Morsi's year in office (ending July 3rd, 2013).

Post-Morsi (under the interim-government and Army Commander Abdel Fatah el-Sisi), Associated Press reported 638 died during the forced dispersal of two pro-Morsi camps in Cairo on August 14th, 2013; Middle East Online and News 24 estimated over 1000 deaths post-Morsi (including the sit-in dispersals, the killing of hundreds of 'Islamist militants' in the Sinai Peninsula and 51 on the October 6th war anniversary), and during a press conference in January 2014 (elwadynews.com) a number of Egyptian rights groups maintained 2237 have been killed in political confrontations from the time Sisi & Mansour took power until end October 2013 (including 11 journalists and 62 detainees).

According to the same report, November 2013 saw 78 more deaths (including 9 students, 6 children and 4 deaths in detention).

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Figure Captions

Figure 1: 'If I die oh Mother do not weep; I will die so my country may live'
(Huda Lutfi, 2011)

Figure 2a: Eleven early martyrs
(Al-Masry Al-Youm, 6 February 2011)

Figure 2b: Reproduction of martyr images in public space
(Samia Mehrez and Laura Gribbon, 2011)

Figure 3: April 6 banner, Kasr el-Doubara church downtown Cairo, Christmas Mass
(Mai Shaheen, 2012)

Figure 4: Cola Martyrs
(Facebook anonymous, Suez 2012)

Figure 5: Veiled or unveiled? – Sally Zahran
(Al-Masry Al-Youm, 2011; Walter Armbrust, 23 April 2013)

Ebaidalla Mahjoub Ebaidalla

Youth Unemployment in the Arab World

An Analysis of Causes and Possible Ways Forward

1. Introduction

In the Arab World, the youth accounts for just over 40% of the total population. Although, young population could be a potential demographic asset for the region, youth employment is a critical challenge which all the countries in the Arab World face (World Bank, 2013)¹. Indeed, among the major regions of the World, Arab countries hold the highest rate of youth unemployment. According to International Labor Organization's (ILO) statistics of 2011, the youth unemployment rate in the Arab region was about 24%, which is approximately twice the global average.²

Youth unemployment may have multiple unfavourable economic, social and political effects. From the economic perspective, unemployment among youth means unutilised potential labour force, and then has a negative impact on production, economic growth and development. On the social front, failure of young persons to get a job and enjoy employment benefits may lead to frustration and social exclusion. From the political perspective, youth unemployment stimulates protests and demonstrations and, in turn, undermines the political stability. As such, it is believed that youth unemployment is one of the major causes of the uprisings in a number of Arab countries over the last few years.³ Therefore, tackling the problem of youth unemployment needs an in-depth analysis of its causes. This would reveal the effect of some factors that may be subject to the control of policy makers.

This paper aims to analyse the causes of youth unemployment in the Arab World, during the last two decades. Specifically, the paper addresses the following questions: Why is youth unemployment so high? What is the role of economic, demographic factors and institutional quality in explaining youth unemployment? How can Arab countries overcome the problem as a crucial condition for development, particularly in the post-revolutionary era?

As for the importance and relevance of the study, this paper contributes to existing literature on youth unemployment in the Arab countries, as there is a dearth of studies on this issue. In addition, the paper is timely and relevant since youth unemployment is the main driver of the ongoing transformations in Arab region. Finally, unlike previous studies, this paper considers the impact of institutional quality variables such as corruption and bureaucracy quality on the youth labour market and unemployment.

The paper is organised in five sections as follows: The next section outlines some stylised facts about youth unemployment and labour markets in the Arab countries. Section three reviews the empirical literature on the determinants of youth unemployment. Section four presents the empirical results regarding determinants of youth unemployment in Arab countries. Section five ends with the conclusion and policy implications.

2. Youth Unemployment in the Arab World: Some Stylised Facts

Before analysing the problem of youth unemployment in Arab countries, it is useful to highlight the structure of population and unemployment. In fact, during the last four decades, Arab countries have undergone remarkable demographic transformations, in terms of population growth, fertility rate, migration as well as the age structure of population. All these have had significant impact on labour markets and employment.

Recent statistics show that Arab countries suffer from high and persistent unemployment rates (United Nations, World Population Prospects, 2010). Official estimates point out that about 17 million workers, or around 14 percent of the Arab World workforce, were unemployed in 2010 (World Bank, 2013). The adult unemployment rate in the Arab World was estimated at 15% percent in 2011, making it one of the highest in the world (World Bank, 2013). Youth unemployment also is very high, estimated at 19% in 2010 (World Bank, 2013). This chronic problem of unemployment may be responsible for the unfavourable economic performance and low development outcomes as well as political instability in the Arab countries.

According to an ILO report (2013), the Arab region hosts the fastest-growing and most youthful population in the world. Recent statistics show that more than 20 percent of the Arab World's population are between the ages of 15 and 24 and over 40 percent under 15 (World Bank, 2013). Thus, the size of the youth population represents a potential human resource for the present and future development of the region. The high youth rate makes the situation of unemployment in general even more critical and difficult as such a population structure has prompted the need to restructure the labour market in order to create more jobs and is expected to pose more pressure in the future, as demand for jobs in the Arab countries will continue to rise. Figure 1 below presents data on the population under 15 in the developing regions.

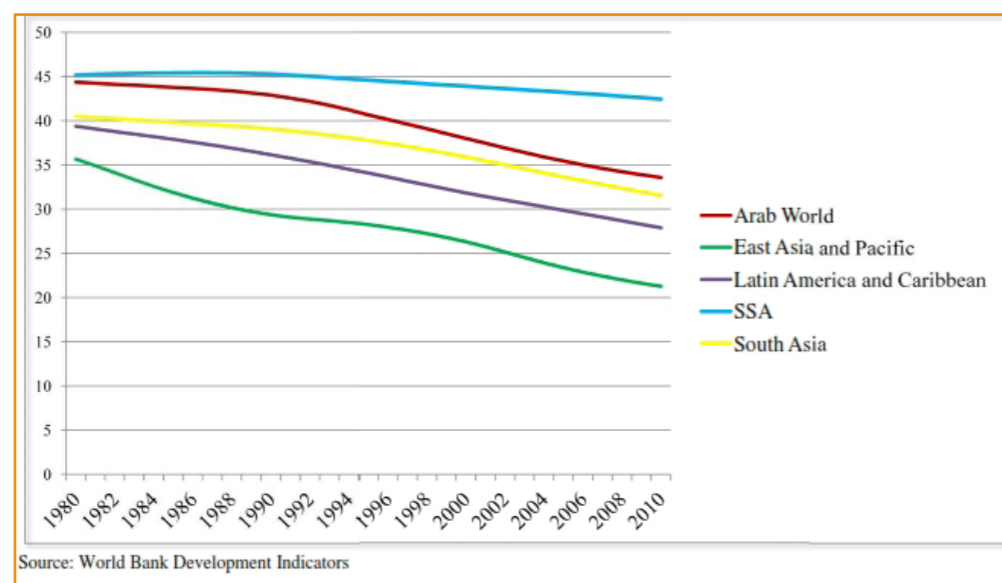


Figure 1

Figure 1 shows that the Arab World has the second highest rate of youth under 15, after Sub Saharan Africa (SSA). Like in other developing regions of the World, the youth population in the Arab World has declined slightly between 1980 and 2010. For all regions, youth population has decreased from about 40% in the early 1980s to less than 30% in 2010 (Figure 1). In 1980 the ratio of youth to total population in Arab countries was similar to that of SSA, albeit Arab countries show a declining trend in subsequent decades. Many factors have contributed to such a declining trend, including decreasing fertility and infant mortality rate. However, the high youth population ratio implies a high share of youth in the total labour force, which causes Arab countries to face one of the highest youth unemployment rates in the world.

Figure 2 shows the situation of youth unemployment in most developing regions of the world. As indicated, Middle East and North Africa (which contains all the Arab countries) have the highest rates of youth unemployment, among other regions, estimated at about 28 and 24 percent, respectively, making Arab countries exhibit the highest youth unemployment in the world. In other developing regions like South

Asia (SA), East Asia and the Pacific (EAP), Sub-Saharan Africa (SSA), and Latin America and the Caribbean youth unemployment rates do not exceed 15%.

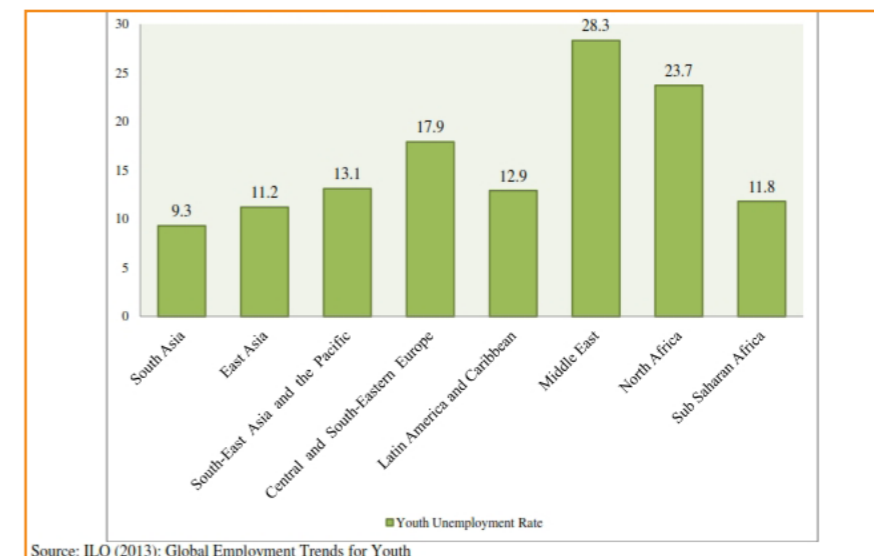


Figure 2

Regarding the distribution of youth unemployment in the Arab region, the statistics show that there is a variation in the level of youth unemployment from one country to another. As in Figure 3, youth unemployment rates vary from 7% in Qatar to about 38% in Palestine. The rate of youth unemployment in the Arab region is much higher than the adult unemployment rate, in most of the Arab countries double, in some countries like Qatar and Saudi Arabia even more than triple. This situation is attributed to the low absorption power of labour markets, besides low experience of young workers and skills mismatch (Belcasim, 2013). Indeed, in most of Arab countries the ratio of youth to adult unemployment is considered among the highest in the world. This situation has attributed to many factors including the high unemployment ratio in the youth cohort compared to the total population besides the weak absorptive capacity of the Arab economies.

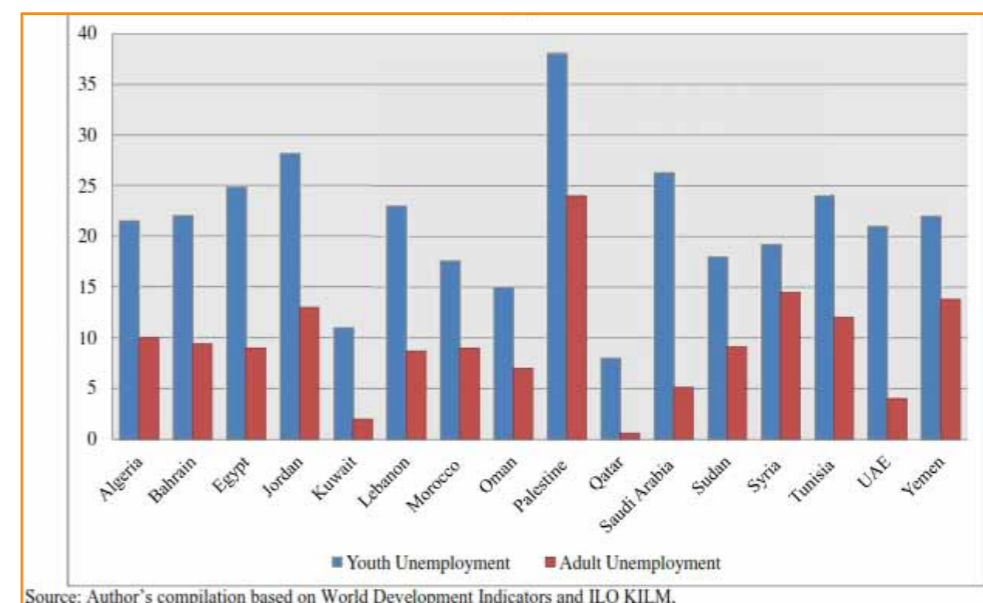


Figure 3

Regarding the distribution of youth unemployment by gender, Figure 4 presents the youth unemployment rate according to sex in the Arab region. As in other developing regions, females suffer over-proportionally as reflected by the 2:3 ratio of male to female youth unemployment. The figure also shows that more than 40% of the female labour force aged 15-24 is unemployed in Egypt, Jordan and Palestine. Also about a third of the youth female labour forces are without jobs in Bahrain, Saudi Arabia and the Syrian Arab Republic. The high rate of female youth unemployment in the Arab countries is attributed to low skills and experience of women. In addition, Arab countries are dominated by some traditions and legislations which prevent women from work, besides early marriage and low education attainment.

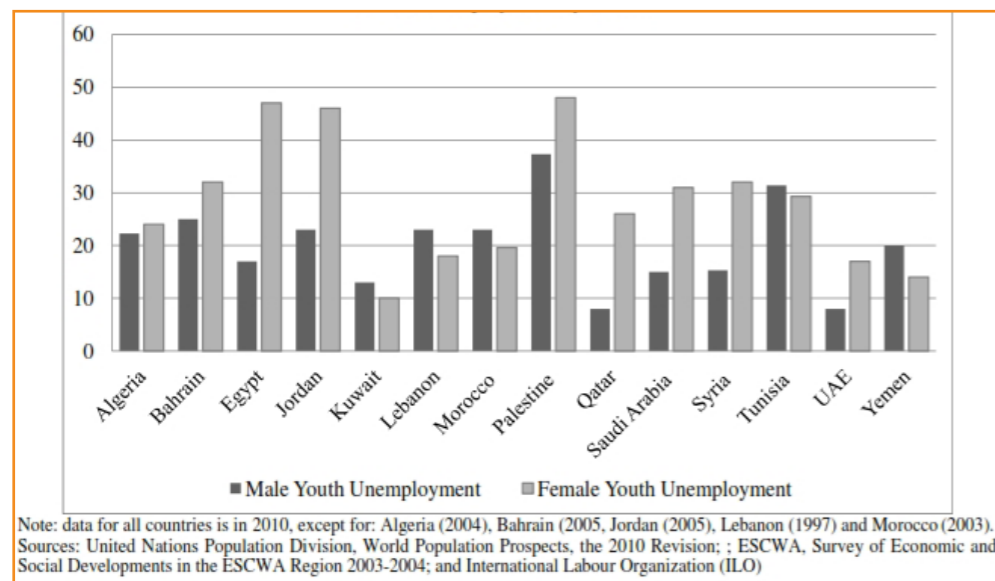


Figure 4

3. Causes of Youth Unemployment: A Literature Review

As a result of negative impacts of unemployment on economic and political stability, the issue of youth unemployment has received considerable attention from both researchers and policy makers. A huge body of empirical studies on the determinants of youth unemployment has grown in the last decades. In the literature many variables have been assumed as main factors explaining youth unemployment including aggregate demand, demographic change, education, wages labour market policies and individual characteristics. Here we briefly review the most important causes cited in the literature.

1. *Aggregate Demand*: Reduction in aggregate demand due to economic downturn and crisis will result in increasing youth unemployment rates. That is, in the time of recession firms tend to reduce the number of workers particularly the young; hence, youth are more likely to suffer from unemployment than adults. This also means that economic growth significantly affects youth unemployment, as slow growth reduces demand for labour and in turn, increases youth unemployment. For example, during the recent global crisis 2008-2010 the number of unemployed youth has increased from 73.5 million in 2007 to 77.7 million in 2010 (ILO, 2011). During this period youth unemployment rose to 4.5 point in European countries. While recession brings excessive supply of labour, the employers prefer adult workers rather than non-skilled youth (Borowski, 1986).

2. *Demographic Changes*: It is well acknowledged that demographic transitions such as changes in the age structure of the population, fertility and child mortality affect

the situation of youth labour markets (Gomez-Salvador and Leiner-Killinger, 2008)). First, an increase in the share of youth in the total population has an adverse impact on the youth unemployment rate. This is because young workers may complement adult workers in terms of endowments and qualifications. Thus, an increase in the size of the proportion of young workers would then tend to raise unemployment, and in turn put downward pressure on wages for young workers. Korenman and Neumark (2000) pointed out that for a number of countries an increase in the rate of youth relative to prime age persons negatively affects employment and wages among the youth cohort. Second, the change in fertility and child mortality has also a significant influence on youth unemployment. For example, the high rate of youth unemployment in some developing regions like South Asia and SSA is attributed mainly to the high rate of fertility. Assaad and Roudi-Fahimi (2007) studied youth unemployment in MENA countries and argued that the significant decline in child mortality led first to an increase in the proportion of children under 15, and then to an increase in the proportion of youth aged 15-24. This increase then resulted in the major rapid growth in the number of youth in the region's history as well as youth unemployment.

3. *Wages*: Youth unemployment also responds to the changes in minimum wages paid by employers. An increase in minimum wages reduces youth employment, as wage increases raise the cost of production and make firms hire high skilled workers rather than youth. This can be explained by the assumption of a competitive labour market which hypothesises that demand for labour decreases as the cost of real wage increases. If a minimum wage level increases, the demand for lower skilled labour will go down through two routes. First, employers will tend to substitute lower skilled labour by higher skilled workers. Secondly, the scale of production may be reduced due to increased costs of production, which will result in the reduction of the demand for labour including lower-skilled labour (Ghellab, 1998). However, the empirical studies on the relationship between minimum wages and youth unemployment have revealed ambiguous results. For example, Blazquez et al. (2009) found no significant relationship between minimum wages and youth unemployment in Spain. However, Neumark and Wascher (1999) found the effect of minimum wages on youth employment to be significant. In the same vein, Pereira (2003) examined the relationship between minimum wages and youth employment in Portugal in 1987 and found that an increase in minimum wages, inter alia, had a negative impact on youth employment compared with that of older workers and made firms substitute youth workers by older ones.

4. *Education*: Many empirical studies argue that education significantly reduces youth unemployment. In fact, educated workers have better opportunities than illiterate people in seeking new jobs and gaining higher wages; hence, there is a lower risk of unemployment at higher educational levels (Kabaklarli, et al., 2011). However, another group of empirical studies found that education may increase unemployment particularly of young people (e.g. Galal, 2002). This is attributed to a mismatch between the supply of education and demand for labour. In some cases the number of skilled jobs has not responded as quickly as the supply of educated workers, and thus high-skilled workers either had to accept jobs for which they were over-qualified or face unemployment (Venatus and Agnes, 2010). Therefore, investments in training institutions of vocational and technical education, which have a functional link with the labour market, are crucial and must be increased (Venatus and Agnes, 2010).

5. *Individuals Characteristics*: It has been argued that the youth unemployment rate varies in response to individual features of the youth, including gender, age, race and region. For example, young women and girls have historically been more likely to be unemployed, but due to the recent recessions this trend seems to have changed (Higgins, 1997). Ethnic minorities and the poor also suffer from the risk of youth unemployment. Geographical location in terms of rural vs. urban residence has a significant negative impact on employment opportunities. In addition, gender discrimination in rural areas is likely to exclude girls from the education as well as labour markets.

6. Labour market institutions and policies: Labour market policies such as employment protection and regulation may lead to significant changes in youth unemployment. Multiple empirical studies found that employment protection regulations have a negative impact on employment in general and youth employment in particular (e.g., Venatus and Agnes, 2010). For example, a high level of protection against dismissal of workers tends to discourage firms from taking more workers during production booms, as it would be too costly to fire them when the economic situation is downturned. Hence, high levels of protection regulations make firms use only high-skilled workers as dismissals are costly. As a result young workers have little opportunity to find jobs. In addition, if dismissing workers is unavoidable in time of recession, firms tend to dismiss young workers in higher numbers than old age workers as redundancy payments increase with job tenure (Gomez-Salvador and Leiner-Killinger, 2008).

4. Determinants of Youth Unemployment in Arab Countries: Empirical Analysis

As discussed in the previous section, the literature regarding determinants of youth unemployment identifies several contributing factors. To investigate these in Arab countries, the study uses two approaches of qualitative and quantitative methods. As qualitative method the paper employs descriptive analysis with a view of focusing on the main factors affecting youth unemployment. The quantitative method uses econometric techniques employing panel data models based on annual data for a sample of thirteen Arab countries (see Appendix II).

4.1. Youth Unemployment in the Arab Countries:

What is the Role of Demographic, Education and Economic Factors?

As outlined above, youth unemployment is influenced by social and economic factors which constitute both demand and supply sides of the youth labour market. Here, we focus on three key indicators including demographic change, the education situation and economic environment.

First, regarding demographic effects, in the last three decades Arab countries have witnessed remarkable demographic change in terms of fertility and population growth. Table 1 presents the fertility rate and youth population for selected Arab countries with available data.

Table 1 shows that the fertility rate (births per woman) in Arab countries has undergone considerable decline during last three decades. For most of the Arab countries, fertility rates have declined by more than 50% during the period 1980-2010. The largest decline was in Algeria, Oman and UAE, where fertility rates declined more than 60%. This situation is attributed to the improvement of the health situation and adoption of family planning programs during the last two decades. According to the World Bank statistics (2011), between 1980 and 2010, the Arab region experienced a large decline in fertility rates, decreasing by 2.13 percent per year compared to 1.3 percent worldwide. Also, over the last three decades the region witnessed a considerable decline in infant mortality, by 2.1% annually during 1980-2010, compared to 1.7% worldwide over the same period (World Bank, 2011). Despite of decreasing rate of fertility, youth unemployment in Arab countries has increased during last decade, implying that demographic policies that have been adopted in Arab countries that did not significantly contribute to the reduction of youth unemployment in the Arab World.

As for the proportion of youth (ages capable of work, i.e. 15-24) of the total population, Table 1 indicates that the number of youth in the Arab countries has increased slightly during the last three decades. Interestingly, in some Gulf Cooperation Countries (GCC) like Bahrain, Kuwait and Qatar the proportion of youth has decreased considerably by a rate of more than 10%

Country	Fertility Rate			Youth (15-24) in % of Total Population		
	1980	2010	change %	1980	2010	change %
Algeria	6.90	2.26	-67.25	19	21	9.52
Bahrain	4.91	2.54	-48.27	22	15	-46.66
Egypt	5.36	2.73	-49.07	20	20	0
Iraq	6.56	4.70	-28.35	18	20	10
Jordan	7.23	3.80	-47.44	20	22	9.09
Kuwait	5.54	2.30	-58.48	18	16	-12.5
Lebanon	4.11	1.80	-56.20	21	20	-5
Libya	7.38	2.56	-65.31	18	18	0
Morocco	5.64	2.28	-59.57	21	20	-5
Oman	8.29	2.31	-72.14	18	22	18.18
Palestine	6.53	4.45	-31.85	19	21	9.52
Qatar	5.80	2.27	-60.86	20	15	-33.33
Saudi Arabia	7.20	2.81	-60.97	18	18	0
Sudan	6.44	4.40	-31.68	16	20	20
Syria	7.09	2.93	-58.67	20	20	0
Tunisia	5.32	2.13	-59.96	21	19	-10.52
UAE	5.42	1.75	-67.71	18	16	-12.5
Yemen	8.99	5.20	-42.16	19	22	13.63

Table 1: Demographic Trends in Arab Countries – Selected Indicators
Source: World Bank Development Indicators

Regarding the situation of education in Arab countries, Table 2 below presents the school gross rate of primary and secondary enrolment for both sexes, male and female. Table 2 shows that most of the countries in the sample have exhibited positive and high rates of change in both primary and secondary enrolment between 1990 and 2010. The primary school enrolment has increased by the rate of 25 percent on average over the period 1990-2010. While the secondary school enrolment has witnessed a large increase, reaching on average about 40%. For some countries like Oman and Tunisia

Country	Gross Primary School Enrolment (%)			Gross Secondary School Enrolment (%)		
	1990	2010	change %	1990	2010	change %
Algeria	94.66	110.17	16.38	61.88	95.3	54.00
Bahrain	111.4	108	-3.05	87.87	-	-
Egypt	87.27	106.07	21.54	68.32	72.48	6.08
Jordan	101.48	91.99	-9.35	76.09	86.93	14.24
Kuwait	91.23	109.3	19.80	76.28	100.7	32.01
Lebanon	96.5	104.59	8.38	60.8	81.43	33.93
Morocco	68.27	111.36	63.11	37.39	63.73	70.44
Oman	78.92	102.62	30.03	40.32	101.3	151.24
Qatar	99.74	102.94	3.20	81.12	93.69	15.49
Sudan	46.6	75.67	62.38	20.40	40.2	97.05
Syria	107.41	117.82	9.69	51.27	72.39	41.19
Tunisia	112.43	110.15	-2.02	44.18	90.43	104.68
UAE	107.86	108	0.12	61.61	97.89	58.88
Yemen	66.78	87.28	30.69	25.60	44.08	72.18

Table 2: School enrolment in Arab Countries
Sources: World Bank Development Indicators and United Nations, World Population Prospects: The 2010 Revision.

the increase in secondary school enrolment is more than 100%, reflecting the efforts that have been exerted to improve education attainment in both countries. Despite the remarkable improvement in education during recent decades, youth unemployment has recorded high rates in the Arab countries, as outlined above. However, the unemployment crisis is explained by a mismatch between educational output (supply) and labour market requirements (demand). Indeed, skills mismatch in the labour market besides a rapidly growing number of youth have created a situation in which it is very difficult for young people to find jobs.

Finally, from a demand perspective for youth labour the link between youth unemployment and economic environment is very significant, as good economic conditions stimulate the demand for labour. Figure 5 presents information about some basic economic indicators, such as GDP growth, inflation and domestic investment as well as youth employment. Figure 5 show that the Arab World has experienced unstable economic performance during last two decades as shown by volatile real GDP growth, investment and inflation rates. The economic growth exhibited volatile and low rates, particularly before 2000. The inflation rate also fluctuated but on a generally low level. Moreover, the volatility and low rate of investment as ratio of GDP indicates that Arab countries represent an unfavourable investment environment. Finally, the youth employment rate as percentage of the total population is high, indicating a large proportion of youth are unemployed which confirms the chronic problem of youth unemployment. Figure 5 also indicates a positive association between youth unemployment and economic environment.

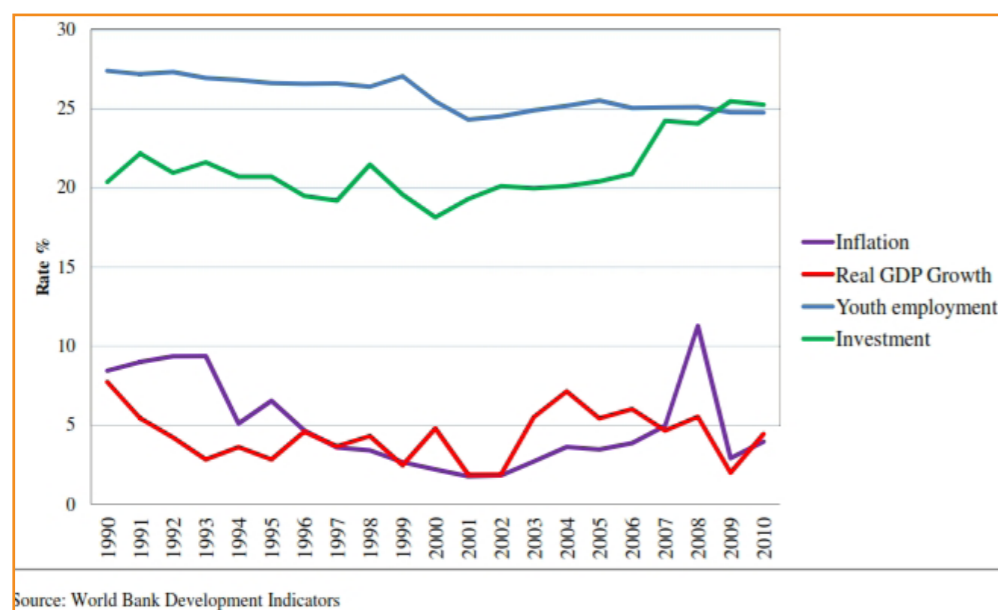


Figure 5

4.2. Econometric Analysis

For further analysis of the determinants of youth unemployment in Arab countries, the paper uses an econometric approach. Following the empirical studies on unemployment (e.g. Feldmann, 2009), the model used in analysis could be specified as follows,

$$YUN_{it} = \beta_0 + \beta_1 EC_{it} + \beta_2 D_{it} + \beta_3 INS_{it} + \beta_4 DUM + \mu_{it} \quad (1)$$

$$\mu_{it} = \eta_i + \lambda_t + \varepsilon_{it} \quad (2)$$

where the subscripts i and t represent the country and time period, respectively. The variable YUN_{it} is the youth unemployment rate, while EC_{it} , D_{it} and INS_{it} are the sets of

the explanatory variables. DUM is the dummy variable to capture the effect of Arab spring countries⁴. Finally, μ_{it} is the general disturbance term which includes η_i as an unobserved country-specific effect, λ_t is a time-specific effect, and ε_{it} is the error term.

The explanatory variables in our specification are classified into three groups: (i) economic environment (EC); (ii) demographic and education characteristics (D); and (iii) institutional quality (INS). First, the economic environment indicators include economic growth, general unemployment rate and domestic investment. The growth of GDP and investment are expected to have a negative impact on youth unemployment, while general unemployment would have a positive effect. Second, the demographic and education characteristics include the rate of youth population to total population and the secondary school enrolment rate. The youth population is expected to have a positive impact on the youth unemployment rate, as increases of the youth cohort result in high levels of youth unemployment. The education variable has a mixed effect as some empirical studies found that education reduces youth unemployment, while others argued that education increases youth unemployment due to skills mismatch. Finally, the institutional quality includes corruption and bureaucracy quality, which are assumed to have a negative impact on youth unemployment. Unlike the previous studies on youth unemployment, our model considers the impact of institutional quality variables, because we believe that institutional variables such as corruption and bureaucracy quality are very significant in influencing the youth employment in Arab countries. In addition, many empirical studies (e.g. Acemoglu et al., 2004) argue that good institutions encourage employment of factors of production like labour, hence, positively affect the economic growth.

Variable	Definition	Source
Youth unemployment	Measured as residual of employment to population ratio, ages 15-24 total (%)**.	World Bank's World Development Indicators
Real GDP growth		World Bank's World Development Indicators
General unemployment	People unemployed as % of labour force.	World Bank's World Development Indicators
Domestic Investment	Domestic investment, measured by fixed capital formation as share of GDP %.	World Bank's World Development Indicators
Youth Population	people ages 15-24 as % of total population	United Nations, World Population Prospects and World Bank's World Development Indicators.
Education	Measured by ratio of total secondary enrolment to the population	World Bank's World Development Indicators
Corruption	Corruption measures whether 'illegal payments are generally expected in government services', in the form of 'bribes connected with import and export licenses, exchange controls, tax assessments, police protection, or loans' (scale from zero to six).	International Country Risk Guide (ICRG), (2010)
Bureaucracy Quality	Bureaucracy quality measures autonomy from political pressure and strength and expertise to govern without drastic changes in policy or interruption in government services. (scale from zero to six)	International Country Risk Guide (ICRG), (2010)
AS dummy	Dummy variable for Arab Spring	

Table 3: Determinants of Youth Unemployment in Arab Countries
 Note: *, **, *** indicate significance at 10, 5 and 1 per cent respectively
 -t-statistics in parentheses

To determine the factors influencing youth unemployment in Arab countries, equation (1) is estimated using the Fixed Effects Method (FE)⁵ (see Appendix I for definition of the data and data sources). For more robustness the model is estimated in four specifications. The results of the estimation of equation (1) using fixed effects are presented in Table 3 below.

Table 3 shows that all models have a high explanatory power indicated by R-squared. The results reveal that all coefficients in the models carry the expected signs, in line with most of the previous studies. The economic environment measured by GDP growth, unemployment rate and investment has a negative impact on youth unemployment, as suggested by previous empirical studies. The GDP growth has a negative effect on youth unemployment, implying that an improving economic situation increases youth employment. The coefficient of general unemployment is positive in all models, indicating that general unemployment encourages youth unemployment in Arab countries. The domestic investment is found to have a negative impact on youth unemployment as expected. Therefore, economic environment plays a significant role in explaining youth unemployment in Arab countries, suggesting that the deterioration of the economic situation increases youth unemployment. This also means that the demand side of the youth labour market plays an important role in influencing youth unemployment in the Arab World.

As expected, the coefficient of the youth population is positive and highly significant in all four specifications, indicating that there is a positive relationship between the proportion of youth in the total population and the youth unemployment rate. This result indicates that an Arab country with large number of youth tends to suffer from a high rate of youth unemployment. The results also show that education has a positive impact on youth unemployment, confirming the existence of the problem of skills mismatch in Arab region. This finding also supports the study of Galal (2002) who found a mismatch between education and labour demand in Egypt.

Regarding the institutional impact, the results reveal that institutional factors have a negative and significant effect on youth unemployment⁶. The negative coefficient of corruption implies that more corrupt countries (i.e. with low scores) tend to suffer from high youth unemployment rates, while the least corrupt ones (i.e. with high scores) face low youth unemployment rates. Likewise, the bureaucracy quality variable has a negative impact as expected, indicating that inefficient bureaucracy discourages youth employment.

Finally, the coefficient of the Arab Spring dummy is found to be positive indicating that a country which experienced uprisings in recent years is likely to suffer from youth unemployment. This also supports the situation in all Arab Spring countries which suffer from high youth unemployment rates.

5. Conclusion and the Way Forward

Following the Arab Spring, the region is confronted with many development challenges, particularly youth unemployment which has been believed to be one of the reasons behind the unrests during the past few years. Thus, this paper aimed to investigate the factors that influence youth unemployment in Arab countries. The study used both descriptive and econometric analysis.

The empirical results show that real GDP growth and domestic investment exert a negative impact on youth unemployment, indicating that improving economic environment discourages youth unemployment in Arab countries. The results also show that demographic changes measured by the number of youth in the total population have a positive effect; education is found to have a positive impact, confirming the problem of skills mismatch in Arab region; and institutional quality measured by corruption and bureaucracy quality has a negative impact, which implies that countries with a high level of corruption and inefficient bureaucracy are more likely to suffer from youth unemployment. Finally, the dummy variable of Arab Spring countries is found to be positive, supporting the claim that Arab Spring countries are vulnerable to high youth unemployment.

Based on the above findings, many policy implications can be formulated aimed to draw a roadmap for tackling the problem of youth unemployment in Arab countries. First and foremost, sound economic policies should be adopted to improve the economic environment in the Arab World. Thus, policies targeting low inflation and high GDP growth needs to be adopted. Fiscal policies to attract foreign direct investment and local savings would be appropriate to create more jobs, particularly in countries with abundant natural resources. In addition, public investment should be expanded in projects that provide opportunities for young workers. Moreover, attractive incentives should be offered to foreign capital aimed at an increase in the production base in SSA countries.

Demographic policies like health and family planning programmes should be at the top of the development agenda. Besides, Arab countries need to pay great attention to educational policies. Therefore, serious efforts should be made to improve vocational and technical education with a view of developing skills and experience of youth so as to help them enter the labour markets. Moreover, policies to strengthen labour legislation for young people should be given further attention. Finally, given the significant impact of institutional quality on youth unemployment, combating corruption and enhancing the quality of institutions are quite necessary for creating more jobs for youth.

The Dependent Variable is Youth Unemployment Rate				
Variable	Model (1)	Model(2)	Model(3)	Model(4)
Constant	3.01*** (15.20)	1.977*** (12.09)	3.052*** (15.57)	2.718*** (24.34)
Real GDP growth	-0.0007 (-1.30)	-0.0015 (-1.51)	-0.0008 (-1.54)	0.0002 (0.38)
General unemployment	0.0038 (1.13)	0.047*** (7.97)	0.0046 (1.37)	0.0362*** (7.46)
Domestic Investment	-0.0088 (-0.684)	-0.0049 (-0.27)	-0.0118 (-0.93)	-0.0106 (-0.88)
Youth Population	0.278*** (6.01)	0.3934*** (12.66)	0.255*** (5.49)	0.2466*** (10.09)
Education	0.075*** (3.15)	0.219*** (15.48)	0.0879*** (3.67)	0.1636*** (13.40)
Corruption	-0.020 (-1.53)	-0.105*** (-9.55)		
Bureaucracy Quality			-0.0324*** (-2.80)	-0.0325*** (-2.45)
AS dummy		0.0130 (1.30)		-0.0163*** (2.46)
No. of Observation	260	260	260	260
R-squared	0.92	0.66	92	64
Estimation Method	FE	GLS	FE	GLS

Appendix I: Description and Sources of Variables used in the Regression Analysis

Endnotes

- 1 The youth unemployment rate is the proportion of youths (persons aged 15-24) who are unemployed.
- 2 In fact, the existent statistics on unemployment do not reflect the actual situation, since Arab countries lack systematic labour market surveys. Therefore, data on unemployment underestimates the problem of youth unemployment in the region.
- 3 The uprisings that began in Tunisia in late 2010 were due to the high rate of unemployment among youths.
- 4 Arab Spring countries include Tunisia, Egypt, Libya, Yemen and Syria. However, Libya has been excluded from the analysis due to lack of data.
- 5 Panel data models include pooled, fixed effects and random effects methods. Since our sample consists of the unbalanced panel of 13 countries pooled over 1991-2010, the analysis uses the Fixed Effects Method, since random effect is not appropriate in such a case.
- 6 According to IRDC' statistics, corruption and bureaucracy quality indices are scaled from zero to six. Higher scores indicate less corruption and more bureaucracy quality, while low scores indicate high corruption and inefficient bureaucracy.

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Figure Captions

Figure 1: Young People (under 15 years) as % of Total Population (1980-2010)

Figure 2: Youth Unemployment by Region (2012)

Figure 3: Youth and Adult Unemployment in the Arab Region

Figure 4: Youth Unemployment in the Arab Region by Gender

Figure 5: Some Macroeconomic Indicators (1990-2010)

Florian Kohstall

Groundhog Day

Electoral Processes from Mubarak to Morsi¹

Introduction

Revolution or coup d'état, this was one of the major questions when Egypt's President Hosni Mubarak had to quit power on February 11th, 2011 after thirty years of reign. The 18 days uprising that started on January 25th revealed internal regime frictions and the weakness of the security apparatus; but the presence of the armed forces on Tahrir Square left a bitter taste to the success of the popular uprising. What was the role of the army in these events that finally forced the president to step down? The question until today remains the Scylla and the Charybdis in explaining the Egyptian transformation process.

This article traces Egypt's transformation process after the 18 days of the uprising by looking at electoral processes. Starting with a referendum on constitutional amendments in March 2011 and ending so far with the constitutional referendum in December 2014, elections have been a central feature of the Egyptian transformation process. In three years, Egyptians have been called to the ballot boxes six times: three times to vote on their constitution, two times to elect the two chambers of parliament, and one time to elect their president. By doing so, the governing Supreme Council of the Armed Forces (SCAF) certainly met popular demands. A relatively high turnout indicated high interest in going to the polls. However, there was also strong disagreement between political forces on the timing of elections and how they should be organised.

While Egypt looks back on a long tradition of holding elections, the meaning of this system has mainly been understood as a tool in the hand of autocratic rulers. Elections have been considered beneficial for the ruling elite, as they have served as window-dressing measures to accommodate international demands (Albrecht and Schlumberger, 2004). Authors have also pointed to the fact that elections are a tool to solve intra-party struggle (Blaydes, 2010) or to mobilise different sectors of society (Kohstall and Vairel, 2011). While different studies have highlighted the competitive nature of elections under authoritarian rule (Levitsky & Lucan, 2002), others concentrated on the 'menu of manipulation' in hands of regime incumbents (Schedler, 2002). In Egypt's parliamentary elections before 2011, the ruling National Democratic Party (NDP) always tried to secure its two third majority in both chambers. Hereby it kept control over changes to the constitution and the nomination of senior officials, including the president. Presidential elections have only been introduced in 2005, arguably as an attempt to prepare the system for dynastic succession (Hassabo, 2006). This step and the massively manipulated parliamentary elections in November 2010 led, among other factors, to the uprising and the completely new political situation that sprung out of it.

After a regime breakdown, elections are often perceived as a major vehicle of change by academics and 'democracy-makers' (Guilhot, 2005). Unlike previous elections, which served the interests of the ruling elite and its spear-carriers from the legalised opposition, elections in transition processes are often regarded as 'founding elections'. Transitologists would argue that the organisation of free and fair election constitutes the founding moment of a new regime. In order to contribute to a successful transition such elections are expected to fulfil different conditions: among them are strong state-capacity, the rejection of the past and a relatively clear victory of the former opposition (Fortin-Rittberger, 2012). Another aspect, often ignored in studies on founding elections, seems to be equally important: In order to be successful, elections need to be accepted as meaningful tools for change. Their success heavily depends

on the trust of candidates and voters in the rules of the electoral game. Elections rely on the acceptance of the rule of the majority they produce. But what happens when the trust in institutions and authority is completely shattered? In countries that have for a long time practiced elections to the benefit of the rulers, the trust in elections seems difficult to re-establish.

The Egyptian transformation process of the last two years illustrates that there is a very widespread distrust and neglect of authority (Camau, 2011).² This distrust also affects the electoral process. From the beginning, electoral practices have been met with suspicion. This suspicion culminated in a rampant dismissal of election results, when President Morsi was ousted by the military in July 2013. While the president and his supporters insisted on the legitimacy of the ballot boxes, the millions that took to the street on June 30th, 2013 argued that the president abused his mandate and rejected what they labelled 'ballot-o-crazy'.³ Apart from discussing Morsi's autocratic rule and his failure to 'deliver', the events raised again the question how Morsi was elected and how this election was understood. More generally it is worth questioning how elections have been organised from Mubarak to Morsi in order to better understand the ups and downs of Egypt's transformation process.

Unlike other countries such as Tunisia and Libya, the military rulers in Egypt did not opt for elections of a Constituent Assembly or a General National Congress. They rather preferred to leave the existing institutional setting intact and restore their authority through elections. Already the Eastern European transformation experience has shown that electoral frameworks from the past may determine the framework of the so-called 'founding elections'. This seems especially crucial in the Egyptian case, where the transformation period has so far been monitored by the military, an institution that always has been an important power broker. My thesis is in fact that the generals could not have guided this process without holding elections, but while doing so, they re-established their role as sole 'arbiter'. Paradoxically they found support not only from different professional sectors, but also from their major challengers.

In my analysis I concentrate on three out of the five electoral processes that were held under the current military rule: the referendum of the constitutional amendments in March 2011, the elections of the lower house of parliament, which took place from November 2011 to January 2012, and the 2012 presidential elections. I focus on the electoral framework and the struggle that surrounded these elections. I am also interested in the way the electorate has perceived these elections. After describing the three electoral experiences I will try to identify some of the central characteristics of the election process.

My analysis is based on a *sur place* observation throughout the last two years. I have observed the different electoral rendezvous in and outside polling stations. In June 2012 I have served as a short-term witness for the Carter Center Witnessing Mission. This first-hand experience will be enriched by comments and *ad hoc* analysis of other direct observers. Certainly current events are still to be analysed in depth. Once the dust has settled, we will be better positioned to understand the ups and downs of Egypt's transformation process. But the more we see these events from a distance, the more we might fall into the trap of *ex post* explanations that judge things only by their outcome. Therefore this article builds closely on observations written down directly after the presidential elections (Kohstall, 2012).

Setting the Stage: the March 2011 Referendum

The constitutional referendum conducted by the Supreme Council of the Armed Forces (SCAF) set the stage for the transformation process and for the following electoral processes. Once Mubarak stepped down, the generals suspended the constitution and asked protesters to leave the square. The junta established an eight-member committee that should suggest changes to the constitution. The scope of the committee's task and

the referendum that followed was however limited. After only ten days of deliberation, the committee announced the proposed changes to the suspended constitution. Only nine articles were submitted to a popular referendum. Three weeks later, on March 19th, 2011, voters were called to the polls. On March 30th, the military promulgated a much further reaching 'Constitutional Declaration' concerning not only the powers of the presidency, but also its own prerogatives.

One observer asked, if a 'tactic of Egypt's dictators' can 'become a tool for democracy' (Zaki Osman, 2011). His remarks echoed the controversy surrounding the referendum. Since 1956 Egypt's rulers used referenda to gather popular support for their amendments to the constitution, giving often fictional numbers of voter turnout and approval. This time, the turnout was relatively high with 41.2%. But the hasty preparation of the vote and the limited scope of the changes still left many voters indifferent. Despite limited time for campaigning a very vivid debate took place over the amendments. The spirit of a newly opened political arena could be felt. The debate did not mainly focus on the changes themselves, but on the very meaning of the referendum and its consequences for the transformation process. Defenders of the 'yes' vote argued mainly in favour of stability and a quick passage towards parliamentary elections, before redrafting a new constitution. This camp included basically remnants of the old regime and the Muslim Brotherhood. Additionally, Salafist preachers pressed to adopt the changes, because the amendments left Article 2 untouched, which stipulates the principles of Sharia as the main source of legislation. The nine amendments concentrated in fact only on the limitation of the president's term, his nomination procedure, his obligation to name a vice-president, the judicial supervision of the elections, the cancellation of the anti-terror law and how a future Constituent Assembly would be nominated.

These changes certainly reflected some of the demands of the protesters, but they were also an early illustration of the generals' policies to restore the regime established under Mubarak's predecessors, namely Gamal Abdel Nasser and Anwar El Sadat. Relatively quickly, the army adopted the discourse of the revolution, promoting it under the slogan that the people and the army would be 'one hand'. From the beginning of the transformation process, it presented the uprising as a consequence of a degeneration of authoritarian rule in the last decade of Hosni Mubarak, when he tried to impose his son as a successor (Kohstall, 2012). Consequently, their changes to the constitution concerned mainly those articles, which Mubarak had amended in 2007 in an attempt to preserve the hegemony of the NDP and to perpetuate his rule.⁴

For the Muslim Brotherhood, outlawed prior to the uprising, the referendum was an opportunity to demonstrate its loyalty to the military, by mobilising their ranks for the approval of the amendments. It also pushed for quick gains in parliamentary elections. The organisation was the only major opposition force that was represented in the eight-member committee by the advocate and former Member of Parliament Sobhy Saleh. Its participation might have been part of a deal sealed between the top ranks of the Brotherhood and the military shortly before Mubarak had to step down (Eskandar, 2013).

While the Muslim Brothers and Salafists supported the army's amendments, opposition came mainly from the Coalition of the Youth of the Revolution, secular opposition parties, the Coptic Church and prominent public figures like Amr Moussa and Mohamed El Baradei. Political figures and parties argued in favour of drafting a new constitution before elections would be held. They also rejected the referendum because the proposed amendments would be too limited and vague in scope. Especially newly created parties counted on later parliamentary elections in order to consolidate their social basis before being sent to the polls. For some advocacy organisations of the youth coalition the referendum was not acceptable at all, as it was initiated and organised by the military. But both, 'no' and 'yes' advocates, made use of the argument that the military should be quickly pushed back to barracks. While the first argued for a civilian transitional government, the second were in favour of replacing them through quick elections.

The amendments were finally adopted with 77% (or 14 million) voters approving the changes, while 23% (or 4 million) rejected them. The support was equally high in the Delta and Upper Egypt, while the cities of Alexandria and Cairo and the coastal areas of the Red Sea saw the highest percentage of opposition (more than 30%).⁵ Defenders and opponents both seemed to celebrate their victory, referring either to the overwhelming 77% or the remarkable 23%, the youth coalition and its allies could already gather, only one month after the uprising. The hidden winner of the referendum seemed however the army. By organising the first post-Mubarak election in a relatively free and fair contest it presented itself as 'neutral power broker'. Criticism of fraud was rather directed against the Islamist forces and their religious propaganda than against the strong presence of officers in front of the polling stations.

After the referendum, the SCAF sat comfortably with the 77% approval and could govern more deliberately than it would have done previously. One of the first signs that could be interpreted as a mini-coup, was the Constitutional Declaration promulgated on March 30th, 2011. The declaration contained sixty-three articles instead of the nine adopted through the referendum. While the army searched for a *carte blanche* through the ballot boxes, it interfered very far into civilian affairs through this declaration. With the referendum it followed the script laid down by Mubarak, when in a last bet to conserve his presidency, he offered an amendment of the constitution, namely limiting the presidency to two consecutive terms (Brown, 2011). The declaration laid down the principles for the future transformation process, however with a lot of inconsistencies, leaving on the one hand room for further negotiation with political forces, but also for measures of adjustment (Teti and Gervasio, 2011).

Still, it was during this referendum that the mood of founding elections was clearly felt in the first two years after the 18 days of the uprising. Observers witnessed long queues of voters in front of the polling stations and many said they were excited about casting their vote for the first time ever. Subsequent electoral processes lacked this enthusiasm. Since the Maspero clashes, violence was back on the streets. In October 2011, a mainly Coptic demonstration march was attacked by army vehicles, which resulted in 28 casualties. The following parliamentary elections were not only organised under military rule, but within a security vacuum, that should constitute a major challenge for the acceptance of the electoral process.

New Rules for Behemoth: the Parliamentary Elections

On the first day of elections a precarious calm reigned on Tahrir Square. Small groups were protesting against the elections and asking voters to abstain. Others called for participation. The parliamentary elections started only a day after deadly clashes between demonstrators and the police in Mohamed Mahmoud Street in downtown Cairo. While several candidates had suspended their electoral campaign due to the clashes and judges threatened to boycott the elections because of the tight security situation in the whole country, the SCAF insisted to hold the elections on schedule. Due to protests against the electoral law, they had been already postponed from June to November.

While the parliamentary elections certainly marked the beginning of a relatively open voting procedure, their preparation resembled the organisation of elections from the past. The date of the elections was announced relatively late in September, leaving the parties little time for campaigning. The first electoral law presented by the SCAF in May introduced minor changes to the existing procedure. Its most important innovation was the introduction of a parallel voting system. One third of the deputies should be elected through a party-list proportional system and two-thirds through a block voting in two-seats constituencies. This proposal triggered widespread protest by most political parties, including the Brotherhood. The parties feared that such a system in favour of individual candidates would allow notables of the Mubarak regime to re-enter parliament. In September, the SCAF finally decided that two thirds

of the deputies would be elected by the list and only one third would be reserved for individual candidates. After secular parties again protested and threatened to boycott the elections, the SCAF authorised party candidates to also run for the seats reserved for independents, all the while leaving the parallel system in place. To increase their chances, many prominent members of smaller parties now decided to run for an independent seat. The closer the election date approached, many parties could not keep up to their own promises and engaged in strategies conditioned by the rules defined by the SCAF. However, while the SCAF introduced the parallel voting system, it refused to revoke the rule that half of the seats should be reserved for workers and farmers, thus further complicating the distribution of seats. Another feature of elections under Mubarak that was kept in place was that elections would be stretched over three rounds in different constituencies, followed by run-offs if necessary. This meant that the elections for the lower and the upper house of parliament lasted from November to February. Results were announced for each round, which – at least in the past – opened the door to fraud and manipulation (Farag, 2011).

Overall the SCAF showed limited readiness to reform Mubarak's election system. While it engaged the country in a long-lasting election marathon, it left the necessary changes to the electoral system to a future parliament. The question what the newly elected lower house would stand for, remained unresolved. The Constitutional Declaration, issued by the military in March 2011, stated that the lower house would assume legislative authority (Art. 33). But this provision was in contradiction with Article 56 of the same declaration that attributed legislative authority to the SCAF. The main task of the newly elected chamber consisted of forming a Constituent Assembly together with the newly elected upper house.

The SCAF's policy of pushing for elections without providing a clearly defined framework was certainly one of the major shortcomings of the electoral process. Rainer Herrmann named it very aptly 'the militarily organised uncertainty' (Herrmann, 2013). The parliamentary elections not only took place in a climate of insecurity, they were also blurred by uncertainty over the rules of the game. Voters had to face the challenges of a very complex parallel election system and had to struggle with limited information over the candidates and parties they voted for. Political parties that entered the race for the first time had limited experience with a highly competitive polling process. However, the most imminent uncertainty reigned over the electoral framework itself, because it was not clear if the new electoral law would be in conformity with the Constitution. This uncertainty was most likely even intended, because an inconsistent election law gave the rulers the opportunity to challenge the election process later in the courts, if the results were not desirable. In this rush to elections the Muslim Brotherhood and the Salafist parties sided with the military because they preferred 'an electoral framework with inconsistencies to a further postponement of the elections'.

Despite all these shortcomings, the elections witnessed with 54% the highest turn-out of all five electoral processes in the first two and a half years after the uprising. The Freedom and Justice Party (FJP) of the Muslim Brotherhood could garner 47.6% of the seats, followed by a very strong performance of the newly created Salafist Nour Party with 24.3%. On the other side of the political spectrum the traditional New-Wafd Party reached 8.2% of the seats and the liberal Egyptian Bloc 6.8% while the Revolution Party founded by members of the youth movement gained only 1.8% of the seats. In this, the performance of the Brotherhood's FJP was even higher by gaining seats through the individual candidates, where most other parties failed, showing that individual candidates held a high attraction with its electorate (Köhler, 2013).

Despite all the uncertainty, there was hope that the parliament could establish itself as a new power centre and as a civilian counterweight to the military and its government. At the beginning of its mandate, the People's Assembly enjoyed a high degree of interest. Parliamentary debates, transmitted live on television, became nearly as popular as Ramadan soap operas. But this euphoria did not last long. Most of the deputies had been elected for the first time to parliament. Consequently the live transmission

also revealed the political dilettantism of the newcomers. On Facebook a picture was circulated of Salafist deputies sleeping during the parliamentary session. Another famous document included a deputy calling for prayer in the middle of an assembly.

Under these circumstances the short-lived parliament that was already to be dissolved in June 2012, meant to many Egyptians and its commentators only an add-on to the confusion and insecurity of the transformation process. By all means the parliament was not up to the expectations of many Egyptians. It was rather perceived as the chaos-spreading monster that Thomas Hobbes has described in his *Behemoth or the Long Parliament*. The Egyptian lower house was busy to decide on the formation of a Constituent Assembly that failed once it was created because many of the liberal forces left the assembly in a protest against the dominance of Islamists. The parliament also extensively discussed how it could withdraw confidence of the military-appointed government and promulgated a law that should prevent figures of the old regime from re-entering politics. All of these attempts finally failed. When a shortage in diesel and petrol struck the country in spring, provoking long queues in front of petrol stations, many held the Muslim Brotherhood responsible for the crisis. At this time the group only controlled the toothless tiger of the parliament, while the country was still ruled by an army-appointed government. Instead of establishing itself as a new power block, the parliament was quickly drawn into a sea of troubling waters, from the Port Said catastrophe in February 2012 – when many football supporters died in an attack by other supporters – to continuing clashes between demonstrators and the police. Therefore it prepared the ground for the revival of an old and widespread hope: That only a strong man and a strong presidency could resolve the problems of the country.

Back to Leviathan: the Presidential Elections and their Aftermath

Long before the presidential election campaign officially had started, huge publicity boards on Cairo's city highways displayed the word 'the President' on a blue background. The posters triggered rumours who of the potential candidates might be behind the campaign, or if it was just a form of mobilising citizens for the upcoming elections. In any case it was a strong symbol for the high stake of the presidential elections and the restoration of a regime, where the president should again be the most powerful figure.

The organisation of presidential elections scheduled for May and June 2012 started as early as March with the registration of potential candidates. The registration procedure followed the script laid down in Articles 75 and 76 of the amended constitution: Candidates had to be born in Egypt to Egyptian parents, may not have hold dual nationality and may not have been married to a foreigner. To be nominated, they required the support of thirty members of parliament or 30,000 voters from fifteen different governorates. De facto, the process was under full control of the military. The SCAF appointed a presidential election commission (PEC), presided by Farouk Sultan. Sultan was appointed head of Egypt's Constitutional Court by Mubarak in 2009. He had a prominent record of bringing the judiciary back closer to the regime after the protest of the judges in 2006 (Kouddous, 2012). However, through the now achieved dominance in parliament, the Muslim Brotherhood could also reach important concessions during the preparation of the presidential elections. They, for example, successfully lobbied that the election result would be published separately, polling station by polling station, and that each candidate would receive a signed letter with the results from the supervising judge.

Compared to the parliamentary elections, the procedural framework for the presidential elections was relatively clear. If none of the competitors reached an absolute majority, run-off elections would become necessary. Still, uncertainty ruled over crucial issues of the electoral competition, namely over the nomination process. In the beginning, the SCAF tried to look for a consensual candidate, but failed because the candidates retreated or could not gain the support of the Brotherhood (El-Ghobashy,

2012). The often-presumed pact with the SCAF seemed to be over, once the Muslim Brotherhood decided to nominate its own candidate, the businessman and strong figure Khayrat El Shater. Until then the Brotherhood had for a long time insisted that they would not participate directly in the race for the presidency, continuing their long policy of self-restraint. But finally they opted for the fast-forward strategy, either because they felt that their opportunity had come or because they realised that a president out of their own ranks would be the only chance to gain influence. After the success of the Salafist parties in the parliamentary elections, a new political force that also relied on a religious platform challenged the Brotherhood. From another side, the Brothers were not able to gain real political ground through their dominance of the parliament. As described above, most of their initiatives in parliament to weaken the military appointed government failed. Additionally, an administrative court ruling already stated in March 2012 that the parliament could be unconstitutional due to flaws in the electoral law.

Consequently the Brotherhood decided not only to nominate the influential businessman Khairat El Shater as a candidate, but also Mohamed Morsi as a back-up candidate in case El Shater would be disqualified. This happened when the PEC decided on April 14th, 2012 to disqualify 10 out of 23 candidates, including the most prominent and popular candidates: Khayrat El Shater, the Salafist Preacher Hazem Abou Ismail, and Mubarak's chief of the Secret Services Omar Soliman. Against all of these candidates, the electoral commission had legal measures in hand: Abou Ismail's mother holds an American Passport, Khayrat El Shater had not been formally rehabilitated for his jail sentence and Omar Soliman had not collected sufficient signatures in the different governorates. Through this decision the PEC purged in practice the candidate spectrum of its extreme wings. All its decisions occurred on legal grounds, but they had far reaching implications for a presidential race of such stake. Provisions such as the one demanding that parents should be Egyptians were heavily contested. When Hazem Abou Ismail was disqualified, his unofficial election campaign was already at its peak. The preacher had reached the popularity of a pop star and demonstrations started the day of his disqualification. These demonstrations culminated in the Abbassiyya clashes, which left 20 persons dead.

The PEC's policy to avoid polarisation through the disqualification of candidates blended well into the overall promotion of the presidential elections. Polling agencies and the media, both promoted candidates from the 'centre'. Most opinion polls, some of them conducted for the first time, predicted 'moderate candidates' such as Amr Moussa, as the winner of the elections. The only televised debate was organised between Amr Moussa, the former General Secretary of the Arab League and Minister of Foreign Affairs under Mubarak, and Abdel Monem Aboul Fotouh. The later was a former member of the Muslim Brotherhood, who had quit the organisation shortly after the uprising in 2011, when he decided to run for president against the will of his organisation. Both, Moussa and Aboul Fotouh, fit the image well that the country now needed a president who would be able to reconcile different political factions. This image was at least promoted by Cairo's middle class that still dominated the media's and think tanks' political discourse in the capital.

Voters finally decided differently in the polls and voted either for a strong organisation or a strong man. Mohamed Morsi (24.78%) and Ahmed Shafik (23.66%), Mubarak's last Prime Minister and former Minister for Civil Aviation, passed the first round. Three so-called 'liberal' candidates with Hamedeen Sabahi in the lead (20.72%), followed by Aboul Fotouh (17.47%) and Amr Moussa (11.13%) had to pull out of the race. The charismatic Nasserist Hamedeen Sabahi managed to gather a very significant amount of votes, not only in urban centres like Alexandria and Cairo, but also in many cities of the Delta. But finally none of these three candidates had the same organisational backing as Morsi through the Brotherhood and Ahmed Shafik through a network of powerful businessmen and NDP notables (Kohstall, 2012). Many voters described the run-off as a choice between 'pest and cholera', but no legal measures were taken to avoid the polarisation in the run-offs. On the contrary, on June 14th, two days before

the start of the run-offs, the Constitutional Court took two ground-breaking decisions. First, the court declared the political exclusion law of former regime figures, adopted by the FJP dominated parliament, unconstitutional. Thus Ahmed Shafik could stand in the run-offs. In a separate decision, the court overruled the parliamentary election law and declared that the election of one third of deputies in the Assembly's lower house was void. This decision, only two days after the start of the run-offs, resulted in the dissolution of the lower house and produced a high degree of uncertainty for the electoral process.

The turnout of the presidential elections already indicated an important decrease in voter's confidence in the electoral process. Participation in the first round was only 46%, significantly lower than in the elections for the lower house, despite the much higher stake due to the overwhelming power of the presidency. In the run-offs, participation again increased to 52%. This increase might be explained by the strong mobilisation of the two remaining candidates. But many voters also decided to go to the polls either to avoid Shafik or to avoid Morsi. The number of void ballots in some urban districts reached a significant 5%. People either marked the name of Hamedeen Sabahi or Mohamed El Baradei or wrote on the ballot 'Constitution first' to express their discontent with the elections.⁶

The decreasing participation between parliamentary elections and the first round of presidential elections was certainly due to an increasing scepticism in the transformation process and the electoral process. Some observers argued, that Egypt's presidential elections signalled the end of the transformation period (Schielke, 2012), other's described the 'sadness of the presidential elections' (El Amrani, 2012): The spirit of 'founding elections' was long lost. None of the voters would proudly hold up their inked fingers, many rather looked as if they just had sold their consciousness when they slipped the ballot into the box.⁷ The presidential elections were perceived as a choice of fate.

On the one hand, the new presidency signalled the only hope to end the disorder of the transformation process. On the other hand, it became clear that popular participation would now become more difficult. The election of the president would also mean that the regime was now restored, even with a different figure as head of state. Compared to the presidential elections, the elections of the lower house were rather perceived as an experiment, where errors would not have the same severe consequences. Everything indicated that a new Leviathan was in the making. The run-offs were held between the country's two major power blocs, candidates of the liberal opposition had been crushed and the parliament was dissolved. The writing of a new constitution and further elections depended now on the president. But when the vote count started on the evening of the second election day, the SCAF decided an addendum to its Constitutional Declaration to limit the powers of the future presidency. The SCAF was to assume complete oversight of the armed forces, assume the powers of the parliament until it is re-elected, preserve its rights to interfere in the work of the Constituent Assembly and retroactively legalise the arrest of citizens by the military.

It was almost as if they wanted to say: the result of the elections might be a catastrophe, but we will preserve you from the disaster. After the Constitutional Declaration and the promotion of the electoral law that would later lead to the dissolution of the parliament, the declaration of June 17th, 2013 was the third coup of the military against the voter's choice.

The challenger of the Muslim Brotherhood, Mohamed Morsi won the race with 51.7% of the vote. The Brotherhood announced these results already after one night of counting. The PEC, however, waited one week to confirm Morsi's victory. In the meantime, the future president was supported by a newly created NGO, the 'Judges for Egypt', which announced on Wednesday, June 20th, 2012, that following the count of all polling stations, Morsi had gained the majority of votes.

Still a Game of Uncertainty

It would go beyond the scope of this paper to address the period after Morsi was sworn in as president on June 30th, 2012 until his ousting one year later. The autocratic way he exercised power was certainly a major cause for the millions that took to the streets to demonstrate against him: In August 2012 Morsi reversed the addendum of the Constitutional Declaration and regained his full presidential prerogatives from the army. In November of the same year he issued a series of decrees that would immunise his decisions and the Constituent Assembly against judicial control. In December he submitted the newly drafted constitution for a referendum. His attempt to call for a new election marathon for the dissolved lower house, however, ended in a juridical battle.⁸ The paper's goal is rather to identify some of the central features of the electoral process in the transformation period before he assumed power. Among these features counts the continuing uncertainty over the rules of the game. Elections from Mubarak to Morsi differed significantly from previous electoral experiences in Egypt: Not only were these elections held in a fluid political environment that opened up for new venues of participation. Elections also generated hope for change. But they were also met with scepticism and never really could be a substitute for the mobilisation on the streets.

The analysis of the March 2011 referendum and the subsequent parliamentary and presidential elections shows that Egypt's electoral process from Mubarak to Morsi lacked some of the fundamental preconditions of founding elections. To start with, no serious effort was undertaken by the SCAF to reunite different political forces to discuss the outline of a transitional roadmap and to set up an electoral framework that would be accepted by the major players. The SCAF and the SCAF-appointed caretaker government unilaterally decided on the changes to the electoral framework. The generals occasionally met with senior members of the Muslim Brotherhood and other political parties or representatives of the youth movement, but these meetings took place without any degree of institutionalisation and without a clearly set agenda.

As a result, the modification of the electoral framework remained rather limited for all three elections courses discussed above. Of course, one of the major hurdles for voter participation was cancelled: people were allowed to vote using their ID instead of applying for voting cards. Elections were put under judicial oversight to increase transparency. Many new political parties could register without facing the rigid decisions of the former political party committee. All these measures contributed to a relatively open election process, where many people felt their vote was taken into account for the first time. But the rush for elections and a relatively vague electoral framework also added to the uncertainty that reigned over the elections. The SCAF showed no will for a comprehensive reform of the election law. It introduced a parallel voting system to appease both, political parties and its own clients. This decision opened the doors to a judicial battle that would lead to the annulation of elections results.

Uncertainty was not only created through the SCAF's poorly prepared 'transformation roadmap', but also through the Muslim Brotherhood's strategy to achieve power through elections as fast as possible. Until they named its own candidate for the presidency, the Muslim Brotherhood often defended the decisions of the SCAF and condemned demonstrations by other political parties. After the dissolution of the NDP, elections had become their turf. In this, they did not bargain for another important player, who was equally essential in defining the rules of the games: the judges. Depending on their different affiliations and their position, Egypt's judges played a complex role in the electoral process. On the one hand they contributed to the transparency of the elections through their role as supervisors. This highly increased the voters' confidence in the process. On the other hand judges were also responsible for decisions that would constitute a major blow to the electoral process and to the Brotherhood's strategy. The Constitutional Court's decision to invalidate the People's Assembly on the ground of a flaw in the electoral law was a very problematic step. Revealing the errors of an electoral law was their duty, but declaring the

first elected parliament after a popular uprising to be dissolved strongly harmed not only the Brotherhood, but also the voters' confidence. The judges proved to be again the pointer on a pair of scales. While the country's highest court dissolved the parliament, ordinary judges pushed the PEC to recognise Morsi's victory. These decisions were part of the emotional rollercoaster the electorate went through during the first two years of Egypt's transformation process.

Epic Moments and Times of Depression

The three elections oscillated between epic moments and times of depression. Elections carry high hopes for change and provoke fear and deception. The epic moments of the elections have been widely transmitted and mediated: the long queues of voters in front of the polling stations; those who explained that they went to vote for the first time in their life; others showing proudly their inked fingers and the images of soldiers guiding old and disabled voters to the polling stations. Quickly such pictures became instrumental for the media, either to illustrate how 'ready for democracy' Egyptians were or to prove that 'the military knew how to organise free and fair elections'. Epic moments comprise also the first televised debate between two presidential competitors and the debates in the newly elected parliament. The televised debate between Amr Moussa and Monem Aboul Fotouh might have rather transmitted their weaknesses, but it was another step to show the public that after the disposal of Mubarak, their president was not 'off the limits' (Amin 2012). The broadcasting of parliamentary debates during the short mandate of the People's Assembly was equally important in increasing the transparency of Egyptian politics and exposing political institutions to a close evaluation by the public.

However, these epic moments contrasted with times of depression. From the bloody clashes in Mohamed Mahmoud Street to Abbassiyya, from Maspero to Port Said, Egypt's electoral processes were blazed with violence. Unlike in 2005 and 2010, this time it was not the violence inside and outside the polling stations; the electoral process was heavily secured by the military. But insecurity in the street might have contributed to the fact that people tended to finally vote for a strong man or a candidate with a robust organisational backing. The dissolution of the lower house in turn contributed to a stronger tendency towards Morsi. Many who feared a concentration of power of the Brotherhood, now rather felt that it was necessary to counterbalance the military and avoid Shafik. In any case, the ups and downs of Egypt's transformation process contributed to the uncertainty of the election process and, by consequence, voting behaviour was highly volatile.

Elections are moments when emotions surface: some people cried when they cast their vote, others left the polling station saying: 'May it be for the benefit of the country'.⁹ Doubts and hopes are part of the elections. But these emotions are barely taken into account. Once the count begins, elections quickly burn down to numbers. Winners build their victories on the narrative of the rational voter. Under the eyes of neutral judges even the voting act is considered as a highly formalised procedure. The fact that decisions have been taken under exceptional circumstances is not accounted for in the count.¹⁰ This seems in fact the paradox of elections. They are presented as epic moments, but the emotions they evoke are evacuated. Formality seems another condition to present them as 'free and fair'.

Elite Politics and Continuing Protest

Organisers and observers of elections mostly analyse elections by concentrating on the results. They view elections as forms of popular expression, often paying little attention to the context and the legislative framework under which they are held. Of course, care is also taken on formal voting procedures and fraud to judge whether elections are 'free and fair', but the wider context is often ignored. At least in the case

of the Egyptian transformation process, it seems to be necessary to also put elections in context with other forms of popular participation such as continuing protests. This may show that elections are not only a tool for change, but also a tool to return to the status quo.

The electoral process concerted by the SCAF and supported by the Muslim Brotherhood never succeeded to silence the protest movements. On the contrary, apart from continuing demonstrations, new forms of popular mobilisation emerged and have at times proven very spectacular, if not successful. The core of the protest movement such as the 6 April movement often refused to take part in institutional politics. It rather claimed to serve as a watchdog for the transformation process. Off-springs of this movement created together with former members of the *Kifaya* movement (formed in 2004 already) very popular campaigns such as *Kazeboon* (liars) to oppose military rule or later the *Tamarod* (rebel) campaign to collect signatures against Morsi's rule. This type of protest has at time been exploited by the Brotherhood or the military. But the continuing protest points also to another phenomenon: the concurring legitimacy of the street and the ballot boxes. The mass protests of June 30th, 2013 would probably not have taken place, if street politics had not been continuously used after the January 2011 uprising, as a means to either refute or challenge electoral practices.

For Philip Risk the preparation of the parliamentary elections 2011/2012 already illustrated a growing rift between the protest movement and the political elite:

'The type of limited, hollow "democracy" that the SCAF and its allies want for the country is largely aimed at undermining Egypt's protest movement after it has proven its potential to make meaningful strides toward the demands that drove millions of Egyptians out to the streets on 25 January: bread, freedom, and social justice.'

(Risk, 2012)

Early elections as they have been presented by the SCAF with the referendum have been used as a means to channel discontent and mass mobilisation through the ballot boxes. Compared to the 'extra-ordinary practices' of citizens during the uprising (El Chazli & Cooper, 2012), the electoral process is in fact rather a return to the 'normal practices'. The referendum came out to be a great victory for the SCAF and the Brotherhood that mobilised its supporters for a 'yes', while the protest movements and their allies could garner only 23%. The orderly organised voting process of the parliamentary and the presidential elections contrasted with the on-going protests in the street. If protest was a way to challenge authority, elections were also a step to restore it. In this regard, Egypt's electoral processes in the past two years illustrate as much the renewal of the regime, as the ambivalent use of elections as a mechanism for transition.

Conclusion

More than three years after the popular uprising in January 2011, Egypt's transformation process still moves on uncertain grounds. While some argue that the disposal of President Morsi on July 3rd, 2013 marks just another challenge for a still on-going revolution, others would argue it is the return to the security state and the end of the transformation period. The event is also a caesura for the evolution of the electoral process in Egypt. Due to the massive mobilisation against President Morsi, the legitimacy of the ballot box is once again questioned by the legitimacy of street protests. The belief in elections as a tool for transformation has been shattered.

Within three years Egyptians have been called to the ballot boxes six times. All of these six elections have been presented to Egyptians as 'founding elections', as a way to accomplish the goals of the revolution, but in praxis, the electoral experience resembled

much more the main protagonist's destiny in the film 'Groundhog Day': A weather forecast announcer is caught in a time warp. Over and over again he has to re-live the same day, before he turns into a better man and is able to escape the loop. From the March 2011 referendum to the presidential elections in May and June 2012, Egyptian voters turned out in large numbers, not only to elect the representatives, but also in the hope of giving the transformation process a direction. Each time, however, the results have been partly or entirely reversed, through the Constitutional Declaration of the junta, through a court ruling and the dissolution of the lower house of parliament, or finally through a military coup following massive popular mobilisation. So far the Egyptian voter could not escape the time warp.

Apart from the analytical conclusion we have outlined above, there are two important practical lessons to be learnt from Egypt's electoral experience: first, Egypt's transitional rulers have avoided any attempt to set up a clear timetable for transformation and guarantee the integrity of the elections. By integrity I mean less the voting procedure itself, but rather refer here to the fact that the SCAF set up the electoral framework without serious negotiation with other political forces. By lack of integrity I also mean that the scope was limited and that electoral laws were not free of flaws in a way that a whole parliament could be invalidated.

The other lesson is that all those engaged in the supervision of elections should not only look at their results, but rather at the way they are prepared. It may in fact be counterproductive to press for elections where major disputes between political forces on the very meaning of elections are not yet settled. International observers too often prefer the fast forward strategy. While for example the Carter Witnessing Mission heavily criticised Egypt's presidential elections (The Carter Center, 2012), it still preferred to recognise them in order not to put the whole transformation process on hold. This points to a major dilemma: election observers are themselves part of the process. They engage in the traction over the rules of the game, but have only a limited margin of manoeuvre in order not to lose their accreditation. By participating in the process, they also validate it.

The discussion of the flaws of Egypt's electoral process is by no means to be understood as a justification of a coup, it might rather explain why this coup could happen. Very quickly after his election, those people who voted for Morsi in order to avoid Shafik, turned against him and asked for his restitution. They felt betrayed by his policy of serving only his core constituency instead of building up an alliance with other opposition forces. The quick mistrust in Morsi also echoes the mistrust in election procedures itself. Not per se, but in the sense that the election system rather contributed to fragmentation than to forming alliances.

The people who went on the street on June 30th asserted that this was not a coup, but a second revolution. They also keep insisting that they would overthrow another autocratic leader. If this will ever happen, it seems more likely to occur again through mass protest, rather than the ballot box, as long as rulers do not accept the possibility of change in government through elections with a clearly set framework. Elections might in fact rather exacerbate conflict instead of resolving it, as long as they are held without a clearly set framework, which different political forces have previously agreed upon.

Endnotes

- 1 A first version of this paper has been published in: Michel Camau and Frédéric Vairel (ed.) (2014) *Soulèvements populaires et recompositions politiques dans le Monde Arabe* (Montréal: Les Presses de l'Université de Montréal), with the title 'Un jour sans fin: les processus électoraux égyptiens de Moubarak à Morsi'. In addition, I would like to thank Amal Hamada, Annette Jünemann, Moritz Mihatsch, Sarah Wessel and the editors and reviewers of this volume for their valuable comments on previous versions of this paper.
- 2 On the effect of the uprising on authority and leadership see: Camau, 2011.
- 3 On this point see: El Khawaga, 2013.
- 4 In the constitutional amendments of 2007, the judicial supervision of elections was abolished and a so-called anti-terror law introduced.
- 5 For an overview of the results refer to: referendum2011.elections.eg.
- 6 Observations of the author: Mansoura, June 2012.
- 7 Observations of the author: Mansoura, June 2012.
- 8 For a critical account of his presidency see also: El Rashidi, 2013.
- 9 Observations of the author: Mansoura, June 2012.
- 10 Observations of the author: Mansoura, June 2012.

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Ali A. Alraouf

From the Sacred to the Profane

Shifts in the Mental and Visual Image of Midan Al Tahrir

Background

Midan Al Tahrir, which in Arabic means ‘liberation square’, was a prime research topic after the 25th January Revolution. It is considered one of the most important public spaces in the urban fabric of Cairo (Raymond, 1994; Sherif, 2002; Rodenbeck, 1998); an urban space that literally has witnessed the main events in the history of modern Egypt. From rejecting the British occupation to the protest against the Gulf War and every cycle in-between has had its share on the space’s ground. Yet, the role that the space played in the 25th January Revolution was unprecedented and provided a new meaning and value to the most crucial urban node in Egypt.


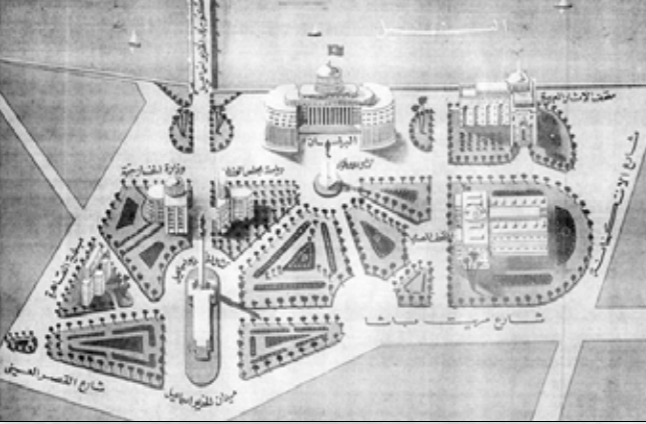


A good number of researchers (Al Sayyad, 2011; Elshahed, 2011) have published different arguments examining the status of such an important space in the urban history of Cairo. Yet, the common thread between this entire published work is its limitation to the post-revolution era or the historical narrative of the space’s formation and development. This paper is different in the sense that it does not focus on the very short timeframe following the revolution, but rather traces the transformations of the space’s image as it was idealistically constructed in most of the previously published research.






Methodologically, my analysis of Midan Al Tahrir is primarily based on personal encounters and experiences, interviews, analysis of local media coverage and field observations. Hence, the approach of the paper transcends the typical scientific resources that were extensively used in other papers which basically narrated the history of Midan Al Tahrir. As mentioned earlier, writing about Midan Al Tahrir was almost fashionable in the first six months after 25th January Revolution, yet no effort was extended to capture the evolution of both the revolution and Midan Al Tahrir afterwards. The paper continues the process of analysis which starts from the day after 11th February 2011, reaching the contemporary status of Al Midan while Egyptians are concluding the celebration of the revolution’s third anniversary in January 2014 and getting ready for Field Marshal Sisi as the new presidency candidate.

The Historical Narrative

Instead of extendedly recounting the historical Midan Al Tahrir, I have resorted to a more illustrative way to provide a full understanding of the space’s evolution from inception to the revolution 2011 and beyond. The extended historical narrative can be further explored in other publications. Having lived in Paris as it rebuilt itself into a city of broad boulevards and roundabouts, Khedive Ismail, the Egyptian ruler, embarked on a similar project of modernising Cairo during the 1860s (Mitchell, 1989; Sherif, 2002). Both a district and the square that eventually became Tahrir were initially named Ismailia in his honour.

The following table illustrates the milestones in Midan Al Tahrir’s historical narrative.

Time Frame	Phase
<p>19th century</p> <p>The birth of Midan Al Tahrir. The obvious resemblance between Paris planning and Tahrir Square with radial boulevards connecting the new Cairo.</p>	
<p>1940s</p> <p>Institutionalisation of Tahrir. The square vision to accommodate the Parliament, Ministers' Cabinet and Ministry of Foreign Affairs.</p>	
<p>1960s</p> <p>Midan Al Tahrir as a representation of national and regional identity. <i>Al Qawmia Al Arabia</i>.</p>	
<p>1970s</p> <p>Midan Al Tahrir as a public park achieving urban connectivity with the Nile front.</p>	

<p>1980s</p> <p>Midan Al Tahrir as a traffic hub. Elevate people from Al Midan by surrounding the square with a pedestrian walkway.</p>	
<p>1990s</p> <p>The beautification of Midan Al Tahrir. The square as a garden to not look like a social space.</p>	
<p>2010</p> <p>Gamal's Vision: Dubaization of Cairo. Evacuating Al Midan – Cairo 2050. Moving American University, Ministry of Foreign Affairs, and the Museum. The impact of the neoliberal urban practices like privatisation of public spaces, spatial fragmentation and segregation was so evident in the new plans for developing Cairo publicly known as 'Cairo 2050'.</p>	
<p>Midan Al-Tahrir during the 25th January Revolution 2011 turned into a symbol for the Egyptians' struggle for freedom. The main outcome was the ouster of Hosni Mubarak, the Egyptian Dictator who had governed the country with an iron fist for more than thirty years.</p>	
<p>The current Tahrir</p> <p>The most segregated space in Egypt.</p>	

The Revolutionary, the Rebellious and the Wool Blanket

Cairo's central Midan Al Tahrir was the focal point for anti-Mubarak protesters during 18 days of demonstrations. Before articulating the main hypothesis of the paper, I would like to elaborate on the definitions of terms to be used in the context of the paper. I need to stress the paradox of using two contradicting terms to describe the same urban space: How the space of Midan Al Tahrir was labelled and described as a utopian place representing the best qualities in Egypt and Egyptians, on the one hand; and then, on the other hand, how the same space within a very short time frame was described, and sometimes by the same people as I will demonstrate, as the most polluted space in Cairo.

The paper deals with a fundamental hypothesis suggesting that the shift in the mental, visual and emotional images of Midan Al Tahrir, from a sacred to a profane space, is a deliberate and premeditated process. Such a process was reflected in the collective perception and also the actual use of Al Midan during the three years following the ousting of Mubarak. The core purpose of this process is to waste, distract from and drain the revolutionary energy which was crystallised in an unprecedented manner during the 25th January Revolution. The fluctuation of the space's image is also a reflection of Mubarak's regime powers and clear evidence of their persistence in the current political system. Mubarak's regime proved deeply rooted in every aspect of the Egyptian state.

To instigate the critical narrative of the paper, let me begin with personal reflections on an influential image taken from the heart of the revolution. I have been profoundly astonished by the highly contradictory interpretations of one of the most exhibited and published images during the revolution. The image portrays a group of young men and women sitting together on the pavement of the square, with their backs to the walls of one of the square's main buildings. The smiles of joy and the happiness of the victorious outcome of their historical struggle overcame their stressed bodies and drained energies. All of them were sitting shoulder to shoulder covered with a wool blanket stretched over their exhausted legs.

This image was massively marketed during the revolution's early days, as a substantiation of Al Midan's idealistic and utopian status. Later, after Mubarak was ousted, the image was used as evidence of Egyptian civilization, tolerance, and acceptance and promoted their humanitarian ideal behaviour even in times of crisis. The image was also interpreted as proof of gender

equality and respect in such a revolutionary moment defying all prior conceptions about harassment and abuse. Finally, Egyptian men and women are united together in a sacred space and have regained the freedom they had lost for decades. These were literally historical moments in which all the famous debate about harassment and sexual obsession and the classical trilogy of man and woman and the devil disappeared and vanished.

In the following weeks and in the scope of celebrations of the removal of Hosni Mubarak, writers, media stars and journalists competed in praising the young men



Figure 1



Figure 2

and women for their idealism and civilized behaviour during the revolution. That was basically to further confirm the utopian aspect of Midan Al Tahrir, with other stories depicting the excellent daily behaviour of protestors. Apart from the wool cover (blanket), the revealing and telling part was only the happy faces and fatigued shoulders. Such an image has no chance to be accepted or tolerated in any context other than the context of Midan Al Tahrir during the 25th January Revolution. Ironically, this same image was used later to illustrate the deviation of the revolutionaries and to portray them as a group of thugs, drug dealers and sex traders. This contradiction made me so concerned about the mechanisms of mind-set transformation of how the sacred Midan or the space of the revolution was gradually transformed into a tainted space and alleged thugs' heaven. Upon close examination of these transformations, significant references emerged:

Perceptual Shift 1: Al Tahrir: the Epicentre of Sin

Midan Al Tahrir is a public space where hundreds of thousands of Egyptians gathered revolting and expressing their anger after decades of oppression and humiliation. On January 25th, 2011 and throughout a total of 18 days which followed, the Midan had witnessed the physical implication of the revolution which started its initial spark through the pages of Facebook. This day became a historical day in the modern history of Egypt. For this reason, it simply transformed into a symbol of the birth of the revolution. Such a revolution lit up the darkness of Egyptian reality which has been suffering from marginalisation and humiliation and political despotism and social injustice for three decades during the Mubarak regime.

'Midan Al Tahrir was safer than the streets. We did not hear about any incident of theft or harassment. Youth and families were staying overnight in the Midan and nothing happened at all. We were truly one united group.'



Figure 3

Fatima, a young revolutionary

Before further elaborating the change of Midan Al Tahrir's image, it is worthy to discuss the status of the Egyptian army during Mubarak time. The efforts of the Supreme Council of the Armed Forces (SCAF) to seize the opportunity to regain the power after the ousting of Mubarak were so evident during the post-revolution era



Figures 4 & 5



Figure 6



Figure 7

and also during the time of the first elected civilian president Mohamed Morsi. For a full understanding of this, one needs to be reminded that the revolution in Egypt and the elimination of Hosni Mubarak's leadership required the intervention of the armed forces, a key pillar of the former regime.

However, while the Egyptian military had once dominated all facets of government, its role in politics and governance had diminished in recent decades. The military enjoyed distinct privileges, but the Egypt of the Mubarak era could no longer be described as an outright military regime and witnessed the emergence of competing centres of authority, such as the Ministry of the Interior and the crony-capitalist elite associated with the president's son, Gamal Mubarak. Further, the armed forces were insulated from the practice of day-to-day repression. This allowed the Egyptian military to untether its own future from the fate of the president and his inner circle of civilian advisors.

The post-11th February spectacle of the Egyptian reality was fragmented between the revolutionaries' disintegration and the hesitant position of the political and intellectual elites, and the naivety of the Egyptian public who thought that the falling Mubarak was the climax of the revolution. The Egyptian army took advantage of the obvious absence of a revolutionary leader and jumped into a full power and control position. Additionally, it tightened its steel grip on the neck of the country in general and on the square in particular.

With deliberate and determined effort, Egypt was suddenly fully controlled by the SCAF. Knowing the emotional nature of Egyptians, the SCAF used the official and private media to activate a campaign with a slogan 'the army and the people are united'. A slogan which proved to be a fallacy with the accelerated number of Egyptians whom were killed by the same army in a number of locations around Cairo and other Egyptian cities bringing the total death toll at the hands of the SCAF to the excess of 220 Egyptians, mainly young men and university students.

Scenes of SCAF's Steel Grip on Midan Al Tahrir

First Scene: Break People's Will to Use the Space

At the first Eid prayer which took place in Al Midan after the SCAF took power in February 2011, one could spot the first signs of the intent to break the people's will to use the space. The SCAF was so determined to deliver such a message of control and discipline during the sacred and spiritual act of prayer. The majestic scene began with the dawn lights when the army took full control of the middle central area and prevented worshippers from praying in this specific area only. Just this limited space where most of the 25th January Revolution protests used to set up their tents. The message did not catch the attention of both intellectuals and regular Egyptians at that time. On the contrary, some observers praised the SCAF and its military forces for protecting the prayers. But it was quite clear that the military junta was saying it was only them who determine how to use Midan Al Tahrir. Whatever the legitimacy and the power the square had gained during the revolution, this would soon come to a full stop under the pressure of the SCAF's iron grip. It was dramatic to watch soldiers packed shoulder-to-shoulder around the centre of Midan Al Tahrir, preventing prayers from approaching the space. It was the SCAF's way to announce its intention to break the will of the Egyptian people.



Figure 8

Scene Two: Punishing the Living and Inanimate too

After using public and private media channels for creating a negative public opinion of revolutionaries, the SCAF proceeded to its second step. The heroes of the 25th January revolution and the protesters in Tahrir were in a very aggressive media campaign suddenly labelled as a group of drug addicts, sex traders, and thugs. This campaign reinvented the spatial image of Midan Al Tahrir and transformed it into a polluted heaven for outlaws. More significantly, the Egyptian army used the outcome of this intentional degradation of the space and its revolutionary occupiers and severely attacked the Midan. The revolutionaries, rebels and protesters were beaten and killed. At that sad day, the incident of the Egyptian lady in a black cloak took place. The bodies of dead protesters were grabbed with their hair and humiliatingly stored next to garbage cans. Soldiers punished the rebels and burned tents and then swooped down on any physical entity in the field including trees, benches and gazebo tea and even scooters. There is a section of the documentary video that records a moment where a group of soldiers circling around a motorcycle beat it with sticks and rifle butts. And then this surreal scene arrived to its climax when soldiers sat fire on the bike. On the faces of the soldiers one can see bizarre smiles with a mixture of confusion, joy and silent madness.

Ominously, the SCAF's tenure has produced its own set of abuses as political repression has increasingly come to characterise the transitional period. The broad public has partly been shielded from such abuse due to continuing state propaganda efforts and outsized confidence in the armed forces (Hanna, 2011). With the shocking and brazen attacks on largely Coptic Christian protesters on October 9, 2011 which resulted in at least twenty-seven deaths at the hands of military, police, and vigilante forces, public discussion at an elite level shifted and demands for accountability have now begun to encompass the transitional period at least among a small segment of society. As of today, the situation lacks clarity as to the intent, progress, or scope of current investigations.



Figure 9



Figure 10



Figure 11



Figure 12



Figure 13

Scene Three: the Beginnings of the Spatial Desecration of Al Midan

Occasionally, it seemed the Tahrir protesters were continuing the struggle for the right which they already had won. Hypothetically, after the revolution it has become everyone's right to assemble and debate, along with the right to sit on the ground of Midan Al Tahrir forever.

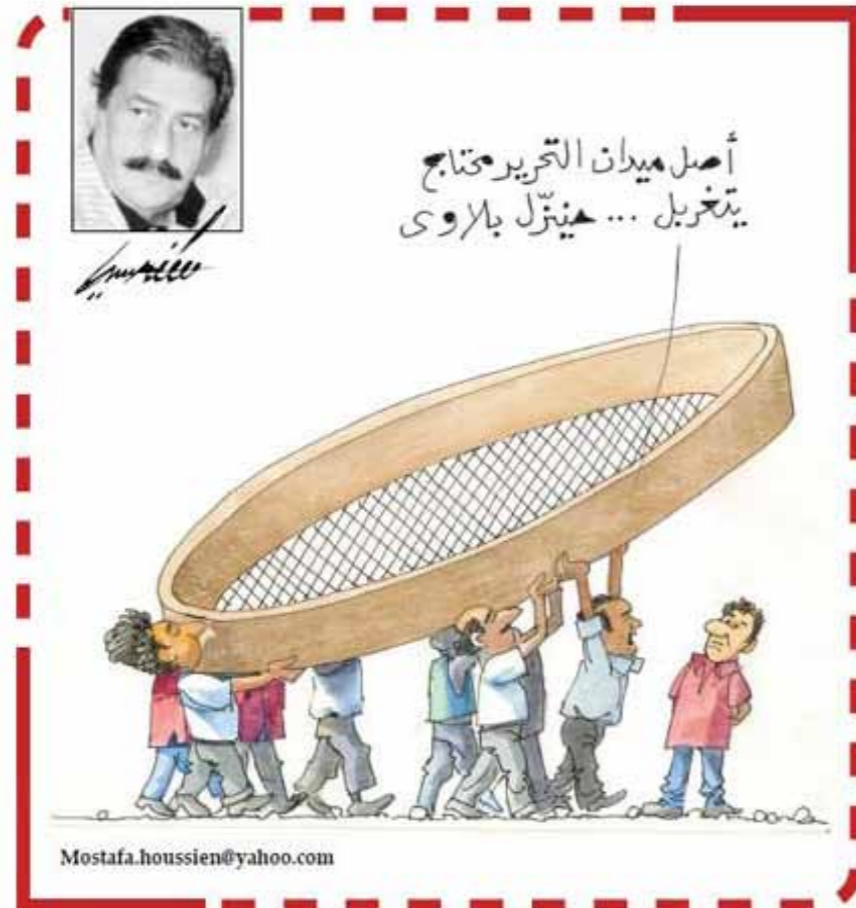


Figure 14

All the calls for preserving Midan Al Tahrir as the space of the revolution were ignored. The urban and architecture competition for redeveloping the square to honour the historical events of the revolution was never completed. On the contrary, a new spatial identity for Midan Al Tahrir was articulated using the most influential power in the Egyptian scene: the media and satellite TV channels. In a coordinated and collective rhythm worth admiration, government and people alike distanced themselves from the supposed invasion of the Midan by displaced persons, bandits, thieves, pimps, drug dealers and thugs. All these unknown soldiers were cleverly used by the SCAF and its manipulated media, to draw a new mental picture of the Midan Al Tahrir. The SCAF, the media and those loyal to Mubarak's regime conspired to instil the new image in the consciousness of Egyptians, a new Midan: the profane Midan.

'Midan Al Tahrir became a big toilet'. Samir Gharib.

The Egyptian writer and critic Samir Gharib, Council of Cultural Harmony Head of the Ministry of Culture harshly criticized Al Tahrir for becoming a polluted, dirty place. In the aftermath of the 2011 revolution, Mr. Gharib formed a committee com-

prised of professors of architecture and urbanism to prepare a competition for the architectural and urban redevelopment of Al Tahrir. The intent of the competition was to maintain the identity of Al Midan as the space of and for the revolution and assert its prime belonging to all Egyptians. Later, the writer and critic radically shifted his position from advocating Midan Al Tahrir as the heart of the revolution which deserved care to a standpoint of labelling the place as negative and polluted. He directed public criticism to the status of Midan Al Tahrir in a very harsh and ruthless manner. On the first page of Al Masry Al Youm, Samir Gharib was reported giving the bluntest, yet real description of the status of Al Midan at that time: 'The Governor



Figure 15



Figure 16

of Cairo was informed that the Square turned into a big toilet¹. Considerably harsh words and images, especially regarding public toilets which in Egypt are associated with extreme filth, pollution and often considered nonhuman places. Here one should deeply reflect on the cruel pronunciation of such a writer and art critic who felt that he is definitely experiencing a different Midan.

Scene Four: Al Midan between Factual Emptiness and Illusion of Fullness

Midan Al Tahrir has become the destination for the seekers of the meaning of freedom and democracy. And therefore, the challenge was how to maintain the symbol of the revolution preserved and prevent it from slipping into something hollow without meaning and to be transformed into an arena for cheap commercial exploitation of space. Kalyani² warned against transforming Midan Al Tahrir into just a slogan on a T-Shirt.

'A sit-in in the square has become purely a new habit, soon to be overdone and loses ground.'

Shitra Kaliani³

All the different powers, directly or indirectly, but deliberately committed themselves to the termination of the revolutionary energy of Tahrir Square. The Midan became so empty even in the darkest crises and confrontations. The new mental image was successful in distracting Egyptians from their sacred commitment to the new claimed public and revolutionary space. More significantly, the elites have also succeeded in the fragmentation of efforts and channelled the objection energies to the new spaces where they could not continue their revolutionary flows. Some protesters rushed to Al Itihadia Palace, the official residence of the Egyptian President, where the boundaries, walls and even the main gate were attacked and the walls were transformed into

boards to write curses against the elected president. The influx of people was also manipulated to demonstrate in front of security directorates. The most interesting one was a call by some intellectual to move from Tahrir and ascend to the Mokatum mountains where the Muslim Brotherhood's headquarters are located. As a result, Midan Al Tahrir was totally abandoned while satellite TV channels promoted the illusion of fullness. Therefore, political confrontations moved back to the virtual space and especially Facebook rather than the real physical space. As the media left Egyptians

drugged with the illusion of the crowded Midan, continued sit-ins, a growing number of tents and the flow of rebels, many intellectuals and elites were aware of it. One of the most crucial lessons that both revolutionists and intellectuals learned was the fact that victory on Facebook is but virtual. Victory on Al Midan is real and it is the real revolution which would bring the needed change. Yes, Facebook ignited the spark and united the efforts and facilitated communication between revolutionaries, but the revolution resided in the mere intense physical presence of the heroic Egyptians on Tahrir Square. Everyone forgets that this presence of the extraordinary struggle for eighteen full days is what sent the message of ousting to Mubarak and his regime. This oppressive and autocrat regime staggered altogether before the unprecedented phenomenon of Egypt in the modern era: the unification, the harmony of purpose and the peaceful struggle to achieve freedom and use the place or the vacuum to reflect this unique phenomenon.



Figure 17

boards to write curses against the elected president. The influx of people was also manipulated to demonstrate in front of security directorates. The most interesting one was a call by some intellectual to move from Tahrir and ascend to the Mokatum mountains where the Muslim Brotherhood's headquarters are located. As a result, Midan Al Tahrir was totally abandoned while satellite TV channels promoted the illusion of fullness. Therefore, political confrontations moved back to the virtual space and especially Facebook rather than the real physical space. As the media left Egyptians

The Final Scene: The Value of the Revolution and the Value of Al Midan

The radical change in Al Midan's image was no longer limited to the army fighting against the people, but more radically reflected how the seeds of the distinctions and differences were planted by the army among the people. A culture of polarization was cleverly nurtured and well-orchestrated to promote a split and social rupture. But some other real reasons that led to the split between those within and outside Midan Al Tahrir included: The impact of closing Al Midan which transformed the streets of downtown Cairo into a sequence of bottlenecks causing daily suffering for the city dwellers and visitors. More critically, the notion of Al Midan ethical code was also severely challenged with the constant presence of thugs within the boundaries of the square. Egyptians stood behind their wives and teenage daughters to protect them from sexual harassment, a phenomenon which had been all but diminished during the days of 25th January Revolution. Despite some expectations that after the revolution everyone would behave in an almost ideal manner and not harass a woman in any demonstration, people started to leave valuables at home before going to Al Tahrir, including items which were natural items to carry before the revolution like cell phones and personal wallets. I have personally witnessed in a good number of incident how people were screaming suddenly after a group of thieves who surrounded them pretending they are joining a debate or following a discussion and then ran with people's wallets or cell phones. That was so repetitive because the place turned into a vast arena for pick-pocketing. Police was totally neutralised from the scene and even during Morsi's presidency, different statements came from the Ministry of Interior suggesting that authorities can't intervene in the space as it is totally controlled

by the revolutionaries. Yet, another successful tactic that was used to construct the myth of Midan Al Tahrir as a profane place although fully controlled by supporters of the 25th January Revolution. The reality was the complete opposite as the square was totally controlled by thieves and thugs very well known to the police authorities and security forces.

The scene portrayed by Egyptian writers and intellectuals was rather questionable and in some cases provocative and controversial. The Egyptian writer and intellectual Syed Yassin, for instance, insisted in a number of articles published during the rule of the military junta, on analysing the futility of continued protest and sit-ins in the square. His argument was based on the claim that the military leadership was now running the country. Hence, in his view, the revolutionary youth should return to their homes, schools and universities because the revolution was in good hands.⁴ Prof. Saad Eddin Ibrahim who shared the same vision wrote an article in Al Masry Al Youm, where he called for the immediate evacuation of the Midan. Late in 2013 Syed Yasin returned to write about Al Midan and regarding the state of the contemporary liberation square described it as chaotic, packed with thugs and outlaws. Similarly, Farouk Juweidah, an Egyptian poet known warned Egyptians in an article in Al Ahram of the status of the new Midan as he personally realised too late that the occupiers of the place were not revolutionaries but street children and thugs who were terrorising the region with Molotov Cocktails.

Post Morsi Tahrir: the Most Controlled Open Space in Egypt.

Midan Al Tahrir, a place for Liberation or Segregation

The first ceremonial event after the Military coup on July 3rd 2013, was celebrating the anniversary of the 6th October victory. The Military Coup authorities decided to use



Figure 18

Midan Al Tahrir as an arena for the victory memorial. An aggressive and swift media campaign was initiated to create yet a new illusion about the Muslim Brotherhood's plans to spoil the Egyptians' joy on such a historical day. Supported by such well broadcasted hate campaign, the coup forces transformed the boundaries of Midan Al Tahrir into heavily secured borders excelling even the security measures applied on the actual borders of Egypt. Security gates were installed around the main entrances

and full body search was allowed including checking the dress layers to be sure that no flags or slogans of the opposition was leaked on to the place. More significantly, while supporters of the coup were allowed to Al Midan and handed flags, balloons, and sweets by the military forces, protesters against the coup were prevented from even approaching the bridges crossing the Nile to reach the space. A total of 53 young Egyptians were killed in less than half an hour trying to cross the Galaa Bridge. The irony was manifested in the paradox of Egyptian pleading for their lives on the urban gates to Midan Al Tahrir, while others were singing and dancing in the middle of the space while being heavily guarded by the Egyptian military.

Final Thoughts



Figures 19 & 20

What the revolutionary forces, the intellectual elites, the writers need to acknowledge and fully comprehend is that Midan Al Tahrir is the official, popular, national and peaceful space of the revolution. It is the space from where all messages of rejection and change should be disseminated. I think all political and popular movements were all thwarting the revolution for which Egypt had paid a really high price of its youth to achieve. Midan Al Tahrir, the Midan of the revolution was void of all true revolutionaries and left to thugs and criminals⁶ during the last year. The latter enjoyed the new label given to them by the Egyptian media stars: the true Egyptian Revolutionaries.

If there is a genuine desire to continue the revolution and maintain the permanent pressure on the government to pay attention to people and their demands, Midan Al Tahrir is the space. If there is a genuine desire to show the will of the people in a collective manner, there is no alternative to full belonging to Al Midan. Return to Midan Al Tahrir square and cleansing it of the profane and the sacred essence recovery is the real challenge for the current generation and future generations of Egyptian national rebels.



Figure 21

Endnotes

- 1 Al Masry Alyoum. Monday 11th February, 2013. Issue No. 3165, p.1.
- 2 Shitra Kalyani is an independent journalist who can be followed through the daily news in Egyptian newspapers and through her blog: <http://chitrakalyani.wordpress.com>
- 3 Kalyani, Shitra: Inspired by the mess of Al Tahrir. <http://www.midanmasr.com/article.aspx?ArticleID=21>
- 4 One of his controversial essays was published in Al Ahram titled 'From Revolution Utopia to Chaos Planet', Published on 7th March, 2013.
- 5 In my daily trips to Midan Al Tahrir, I have noticed some stalls selling knives, which seemed strange given the volatile political situation.

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Figure Captions

- Figure 1: Young Egyptian men and women together confronting the brutality of armed forces during the revolution.
- Figure 2: The utopian structure of Midan Al Tahrir during the 25th January Revolution as documented by BBC correspondent Yolande Knell; source: <http://www.bbc.co.uk/news/world-12434787>.
- Figure 3: Midan Al Tahrir only five days apart: From 8th Feb. to 13th Feb. 2011, after being cleared and 'cleaned' by the SCAF.
- Figures 4 & 5: Different uses of space tolerated including the presence of thugs, gangsters in addition to street vendors.
- Figures 6 & 7: The army and the people joined, visual and mental marketing of the Egyptian army as protector of the revolution and as being a cohesive entity with the people.
- Figure 8: Egyptian army forces during days of SCAF junta, imposing its rule on the space and preventing prayer on the centre-square.
- Figures 9-12: The horrific scenes in which the media, elites and the army leaders blamed the girl victim and thanked the army for its speed in covering the girl undressing.
- Figure 13: Midan Al Tahrir after SCAF forces attacked the protesters and forced them to clear the space, 9th April, 2011.
- Figure 14: 'Midan Al Tahrir needs to be sifted.' Mustafa Hussien, the Top Egyptian Cartoonist.
- Figures 15 & 16: Thugs occupying Kasr El Nil Bridge to steal electricity for their sidewalk coffee corners along the bridge leading to Midan Al Tahir.
- Figure 17: Protesters blocking traffic in Tahrir Square after security forces re-opened it, and removed barbed wires and iron barrier, Cairo, 27 March 2013.
- Figure 18: Post Morsi Tahrir turns into the most protected, isolated and vacuumed space in Cairo. Protesters of the military coup were prevented from approaching the roads leading to the space. Some paid with their lives trying to regain their space.
- Figures 19 & 20: A dramatic shift: Abdel Fatah Sisi needs Al Midan on June 30th, 2013 but only selected Egyptians are allowed. English posters were distributed to give a message to the Western world that this is a representation of people's will.
- Figure 21: The square space was and will always be the solution to the continued sacred and peaceful revolution.

Heba Talla Atef Sayed Emam

Impact of the Arab Spring on Balance of Payments

An Egyptian and Tunisian Case Study

1. Introduction

Egypt and Tunisia were the first two countries that were able to get rid of their former regime and pave the way for political transition among the Arab World. Despite the fact that the political transition followed different courses among Egypt and Tunisia, the economic cost for them was somehow similar. The uprisings came at significant economic cost, which materialised in the form of direct and indirect losses to the economy, trimming the potential benefits of the transition to democracy. These costs stem from an increased political instability and social unrest in the short run that softened growth and hindered main sources of foreign currency from flowing into the two countries.

The external sector deteriorated sharply as well in the aftermath of the revolution. Tourism receipts went down, the trade deficit widened and capital reversals were witnessed. Such deterioration was triggered by the gloomy outlook, sovereign ratings downgrade and the prevalence of the 'wait and see' stance by foreign investors. Moreover, the slowing down of the global economy and world trade along with the worsening of the sovereign debt crisis in the Euro area, which is a major trading partner for both Egypt and Tunisia, added to the severity of the situation. Thus, the balance of payments recorded huge deficits. Apart from the financial assistance provided by international donors and foreign countries for Egypt and Tunisia, international reserves depleted and domestic currency depreciated.

In light of that, this research paper studies the repercussions of the Arab revolutions upon the balance of payments of both Egypt and Tunisia. In addition to the introduction and conclusion, the paper is divided into four main parts. The first part summarises the existing literature on the impact of political instability upon macroeconomic performance. Second, it presents the recent study done by Khandelwal and Roitman (2013) analysing economies in political transitions in order to provide implications for the Arab spring countries. Then, the Egyptian and Tunisian cases are presented in detail.

2. Political Instability and Macroeconomic Performance: Literature Review

Since the time of Adam Smith, there has been a growing consensus about the vital role that a political structure has upon a nation's economic performance. It was even argued that differentials across nations' economic success were mainly due to political and institutional factors rather than economic ones (Tosun et al., 2008).

Fundamentally, the influence of a political structure on macroeconomic performance was analysed on the basis of political risks. The definition of political risk is based on the assumption that government actions or interventions may cause undesirable consequences.¹ In a broader sense, political risk is referred to as the probability of disruption of operations of multinational corporations by political forces or events, whether they occur in host countries, the home country, or result from changes in the international environment (Tosun et al., 2008; Multilateral Investment Guarantee Agency, 2009).²

Basically, political risk and instability disrupts market activities and investment decisions by increasing economic uncertainty and risk. As escalating social discontent

and political uncertainty are expected to harm growth and investment and discourage foreign capital inflows (Demir, 2007).

Since the 1960s and with the enlargement and augmentation of political risks due to confiscation, expropriation and nationalisation acts along with the widespread phenomenon of political instability in several countries and its negative economic impacts, initial attempts took place to quantify and clarify the concept of political instability as a main factor affecting macroeconomic environment. Accordingly, economists produced ample literature documenting the negative effects of political instability on a wide range of macroeconomic variables including, Gross Domestic Product (GDP) growth, private investment, balance of payments and inflation (Ali et al., 2008; Aisen and Veiga, 2012).

Thus, various empirical studies were undertaken to tackle the relation between selected macroeconomic variables and political instability. Among those studies was that of Aisen and Veiga (2012) that investigated the impact of political instability on economic growth. Using econometric models on a sample of 169 countries, the study concluded that higher degrees of political instability were associated with lower growth rates of GDP per capita. This was traced to the reduction in productivity growth and physical and human capital accumulation caused by political instability. The study suggested that countries need to address political instability, deal with its root causes and attempt to mitigate its effects on the quality and sustainability of economic policies engendering economic growth (Aisen and Veiga, 2012).

Capital flows as well were among the macroeconomic variables that are highly affected by the political climate and instability. It was argued that there exist a bidirectional relation between capital flows and political instability, as political risk discourages foreign capital inflows and increases capital flight, reduces private investments, and hence slows down economic growth. On the other hand, volatility of capital flows hurts investment and economic growth, leading to higher unemployment, contraction of real wages, and increasing income inequality and poverty. These effects would trigger socio-political unrest in the form of regime instability, higher crime rates, threats to private property and rising pressure on the existing political system for redistributive purposes (Demir, 2007).

More to the point, underperformance of the balance of payments and deteriorating external position are chief outcomes for political instability. There exists a close relationship between political stability and the theoretical determinants of the balance of payments. Exports, foreign transfers, tourism earnings, international aid, foreign direct investments (FDI) are closely associated with political stability, as mobilisation of international financial resources can only be undertaken effectively by a stable government (Ali et al., 2008).

The close relation between political stability and balance of payments is even more crucial for developing countries, as developing countries do not have enough capital to invest in human development, research, economic and social infrastructure development, which are key determinants of economic growth. Given the fact that the returns from investments in these sectors are realised in the long term only and the weak financial capacity of the governments, foreign capital through private funds and international aid is considered the sole means of financing these investments. 'A stable government with visionary leadership' is more likely to secure long term foreign funding through gaining foreign investors' confidence and attracting foreign capital flows (Ali et al., 2008).

Countries' experiences with balance of payments crises confirm the vital role played by political stability upon balance of payments. Apart from the fact that some countries in Africa and Asia provided attractive economic incentive packages for foreign investors, they could not receive considerable FDI or financial assistance due to political instability. India, Sri Lanka, the Philippines and Pakistan presented good examples

for countries that political instability with multiparty political systems has destroyed their macroeconomic stability, especially, the stability of balance of payments and external value of currency. On the other hand, China and Malaysia with limited incentives and less economic freedom are attracting more foreign financial resources due to the stable political system in place (Ali et al., 2008).

On the empirical front, Ali et al. (2008) investigated the impact of political stability on the balance of payments as well as the relative importance of political stability and economic freedom upon balance of payments and exchange rate stability. Using econometric models and data from selected 10 Asian countries of various income levels, the study concluded that political stability is even more important in the determination of a healthy balance of payments than economic freedom. Finally, the study recommended that policy makers should pay more attention to political factors to attain macro stability (Ali et al., 2008).

3. Political Instability and the Arab Spring: An Empirical Study

Since December 2010, the Arab Spring began to invade the Arab region causing irrevocable changes to the region and the political landscape.

'The first spark of the Arab spring started in Tunisia with the death of Mohamed Bouazizi that fueled major protests in the rest of region, toppling age-long regimes via a domino effect whilst stirring civil wars in other neighbouring countries'

(Governance and Social Development Resource Centre, 2011;
Credit Libanais Economic Research Unit, 2013).

Currently, the Arab Spring is being viewed as an ongoing wave of demonstrations and protests in the Arab World. Despite the fact that the primary impact of such protests was political, the economic costs and repercussions of the protests are undeniable. The costs stem from the growing political instability in the short run, lack of stable political regime with visionary leadership and the blurry outlook that shaped the Arab region.

'The economic cost of the Arab spring varied from one country to another; depending mainly on the intensity of the uprisings, the duration of the turmoil and the prevailing economic and political situation prior and post the uprisings'.

Namely, Egypt has been facing serious economic challenges along with considerable erosion in investor's confidence due to the mounting social and political tensions. Tunisia, on the other hand, experienced social disruptions which in turn affected economic activity despite the country's political advancements (Credit Libanais Economic Research Unit, 2013).

With the persistent social unrest and economic downturn in the Arab countries even after more than two years from the eruption of the Arab Spring, many studies tried to examine the economic repercussions of the uprisings. Namely, Khandelwal and Roitman (2013) examined comparable historical episodes of political instability in an attempt to derive implications for the near and medium term economic outlook in the Arab countries in transition (Khandelwal and Roitman, 2013).

The main problem which Khandelwal and Roitman (2013) faced in their study was the selection of the comparable historical cases to that of the Arab countries. Even though Eastern European economies underwent large political and economic transitions in the 1990s, they are not relevant to the Arab countries. As those economies were initially 'centrally-planned communist regimes' and moved to democratic market economies

post the transition, yet, Arab economies are market economies that need structural reforms to overcome the crucial economic problems. Moreover, comparisons with countries that faced regime changes without significant social unrest are not appropriate as Arab countries are facing social disorder on a large scale (Khandelwal and Roitman, 2013).

The study selected 11 economies that are to some extent comparable to the Arab countries, Albania, Argentina, Cote D'Ivoire, Honduras, Korea, Madagascar, Myanmar, Paraguay, the Philippines, South Africa and Togo.³ Those countries witnessed political crises with large scale social disruption (Khandelwal and Roitman, 2013).

The study analysed the trends of selected macroeconomic variables⁴ in the underlying sample and compared such trends with most of the Arab Spring countries. The study concluded that countries experiencing political instability undergo sizeable output losses. The recovery is always sluggish and output gaps persist for about 5 years, leading to higher unemployment. In addition, investments shrink due to the growing macroeconomic uncertainty. Fiscal positions deteriorate and debt levels augment. International reserves decline during the political crises, yet, they improve slowly afterwards. In most of the cases, current account balances improve over the medium term. Domestic currency witnesses severe depreciation, especially in the presence of high external vulnerability, which in turn leads to higher inflation (Khandelwal and Roitman, 2013).⁵

By comparing such findings with Arab Spring economies, the study claims that economic recovery in the Arab economies may be delayed even more than the underlying sample suggests. For recovery is complicated by weak external demand and need for sizeable fiscal consolidation due to the initial weak fiscal position in the Arab Spring countries. Although several measures could be taken by policy makers to mitigate some of the adverse repercussions and speed up recovery, weak transitional governments are unlikely to implement such measures due to political and social objections (Khandelwal and Roitman, 2013).

The coming sections shed more light on both the Egyptian and Tunisian experience and the repercussions of the recent political transition upon their economies.

4. The Egyptian Economy

Overview of the Situation

The year 2011 has witnessed major changes in Egypt. The year was marked by continuous political upheaval, as a confluence of rising domestic bickering, escalating sectarian conflicts, series of violent attacks and severe social unrest. Such disorder along with the deteriorating external environment had its toll upon the Egyptian economy and its growth prospects.

On the one hand, the economic distress in Europe adversely affected trade balance and FDI inflows in Egypt as Europe is a major trading partner for Egypt. On the other hand, the series of political instability that invaded the Arab World post the Arab Spring produced a negative sentiment among foreign investors and encouraged outflows of foreign capital from the Egyptian economy and reduced foreign capital inflows. In addition, most rating agencies revised Egypt's sovereign ratings down leading to more capital flight (Emam, 2012).

In fact, the revolution and the widespread theme of political instability revealed the chronic weaknesses that the Egyptian economy was suffering from, like high unemployment, chronic current account deficit, structural budget deficit, etc. Yet, these problems were veiled by waves of unstable sources of foreign currencies like portfolio investments and tourism receipts.

During the 2010/2011 fiscal year, the Egyptian economy suffered from sluggish growth along with increasing unemployment.⁶ Such reduction was the outcome of the decelerating domestic and external demand as well as the lingering disruption in production activity caused by the deteriorating security conditions. Moreover, the escalating social unrest and desire to satisfy public demand led to an expansion in government expenditures and hence widening budget deficit (CBE Annual Report, 2010/2011).

On the external front, the economy witnessed a considerable reduction in its main sources of foreign currency like tourism and investment flows. Due to the political, security and social unrest, the economy was deprived of its lucrative touristic season and tourism receipts plunged. On international capital inflows side, the economy suffered from a dramatic reduction in foreign capital inflows owing to the widespread theme of uncertainty and the 'wait and see' approach by foreign investors. Namely, portfolio investments reversed their inflow trend to register severe outflow and FDI inflows fell considerably. Such deterioration was translated into a balance of payments deficit of USD 9.8 billion in the 2010/2011 fiscal year compared to a surplus of USD 3.4 billion in the previous fiscal year (2009/2010) (CBE Annual Report, 2010/2011; Emam, 2012).

With the continuation of the aforementioned domestic and international negative events, the first half of the 2011/2012 fiscal year was faced with worsening of macroeconomic performance and external position. Yet, the second half of the year witnessed early signs of political stability with the successful carrying out of both the first parliamentary and presidential elections post the revolution. The impact of these positive advancements outweighs that of negative events like the Port Said stadium massacre. Accordingly, the second half of the year witnessed a slight rebound in growth prospects. Generally speaking, the year recorded mixed results on the economic front with some variables witnessing slight improvement while others deteriorated further.

On the economic front, real GDP rebounded slightly and recorded a growth rate of 2.2 percent while unemployment skyrocketed to 12.6 percent in the 2011/2012 fiscal year. With the escalating social demand to increase government spending in the aftermath of the revolution along with the considerable reduction in public revenues due to lower investments amid security concerns, budget deficit widened even more (CBE Annual Report, 2011/2012).

Externally, the balance of payments deteriorated further to register a deficit of around USD 11.3 billion in the same fiscal year. Such deterioration was mainly caused by both the widening trade deficit and the decline in the services surplus. Stagnating exports and growing imports demand due to the depreciation of the currency and the inflexible subsidy system for food and fuel led to widening trade deficit. On the other hand, the services surplus dropped because of the persistent slump in tourism receipts and the repatriation of profits by foreign companies. Despite the shrinkage of FDI inflows and portfolio outflows, capital and financial account rebounded slightly due to sale of domestic banks' foreign assets in the underlying year (CBE Annual Report, 2011/2012).

The subsequent fiscal year (2012/2013) was marked by the formulation of the political landscape in Egypt and the end of the transitional period after the successful carrying out of the presidential elections. Despite the fact that the first half of 2013 was marked by political disorder and social unrest that led to the June 2013 uprisings, the fiscal year witnessed an overall economic improvement.

Real GDP continued its rebound trend and was almost stable during the fiscal year with slight reduction. Nevertheless, the budget deficit widened greatly to reach 13.7 percent (CBE Statistical Bulletin, December 2013; MOF Financial Monthly, December 2013).

The external sector improved considerably. For the first time since the revolution, Egypt's transactions with the rest of the world unfolded a balance of payments surplus of USD 0.24 billion in the 2012/2013 fiscal year. The surplus was prompted by the

relative retreat of the current account deficit and the considerable surplus of financial and capital account. The narrowing current account deficit was mainly triggered by the decline in imports along with the slight rebound in tourism and reduction in repatriation of investment income by foreign companies.⁷ Moreover, the surplus in the capital and financial account was triggered by the rebound in portfolio inflows (CBE Balance of Payments Press Release, 2012/2013; CBE Statistical Bulletin, December 2013).

Measures taken to Overcome the Situation

The Central Bank of Egypt (CBE) resorted to several measures to compensate for the considerable dwindling of foreign receipts. During 2011 and 2012, the CBE relied on its existing buffer of Net International Reserves (NIR) as cushion against the balance of payments deficit and to settle all foreign obligations and safeguard the domestic currency. Thus, all foreign investors were allowed to exit the country and foreign obligations were paid on a timely manner. In addition, domestic currency depreciated slightly during the course of 2011 and 2012 despite the huge capital flight and the increasing wave of Dollarisation (CBE Annual Report, 2011/2012; CBE Annual report 2012/2013).

Moreover, the CBE resorted to other unconventional means of foreign currency to avoid the depletion of NIR and ensure the stability of the domestic currency. Such measures comprised the launch of land auctions to Egyptian expatriates, the issuance of Diaspora Bonds, which are certificates of deposits to national citizens living abroad, sale of foreign currency denominated bills and bonds, direct intervention in the foreign exchange market to combat Dollarisation acts and safeguard the domestic currency (Emam, 2012).

Furthermore, the Egyptian government approached many international donors and foreign countries for financial assistance like the European Union, the World Bank, Qatar, the Kingdom of Saudi Arabia, and Turkey. Among those donors was the International Monetary Fund (IMF) whom the Egyptian government approached for a financial support package. The package was expected to boost global confidence in the Egyptian economy and trigger the disbursement of aid from other agencies. It was claimed that the IMF package serves as a stamp of approval that could unlock FDI and sanction inflows of foreign capital from international donors. Yet, the deal was not materialised till the end of the fiscal year 2012/2013.⁸ Social and political oppositions were the main reasons for the failure of the IMF negotiations due to the unpopular austerity measures that are requested by the IMF as conditionality for receiving the support package (Emam, 2012; Mossallem, 2013).

All these efforts and measures did not yield enough revenues and hence the CBE kept on draining from its NIR leading to a sharp depletion. Particularly, the NIR reached a level of USD 15 billion by December 2012, which was perceived as a critical level by the CBE. Consequently, the CBE declared its inability to keep its policy of safeguarding the currency and hence announced the launch of the foreign exchange auction mechanism to sell foreign currency to domestic banks to substitute for the significant fall in foreign receipts and rationalise the use of international reserves. In fact, the supply of foreign currency in the auction did not clear the market and hence severe depreciation was witnessed. Later on, more currency controls were introduced in 2013 to restrict imports. Namely, the CBE asked domestic banks to prioritise imports. Despite the fact that these measures reduced pressure on NIR, the domestic market faced severe shortage in foreign currency leading to the re-emergence of a parallel market and sharp depreciation of the domestic currency (CBE Annual Report, 2011/2012; CBE Annual report, 2012/2013; Mossallem, 2013; Ghanem and Shaikh, 2013).

To sum up, the Egyptian economy was a victim of the unstable environment that emerged in post-revolution Egypt. The political instability, social unrest and a deteriorating security situation deterred foreign inflows in the form of portfolio invest-

ments, FDI and tourism and hence worsened the external position and produced many challenges for the Egyptian authorities. Even more, suggested reform policies and austerity measures were deemed socially unpopular due to their high social cost, a dilemma quite obvious during the negotiations with the IMF for a loan agreement to support Egypt. The Egyptian government failed to implement the IMF conditionalities due to the rising unrest. Consequently, Egypt was not able to secure the loan despite its positive economic implications and role in boosting foreign investors' sentiment.

Thus, Egypt relied on its NIR and net borrowings from foreign countries like Turkey, Saudi Arabia, Qatar and Libya for provision of foreign currency. Despite the fact that the situation is relatively improving and the external position advanced in 2013, still, many challenges are in place and need to be tackled by the responsible authorities to avoid another wave of social uprisings.

Table 3 along with Figures 1 to 3 in the Annex display the developments and trends of main macroeconomic variables in Egypt and its external position prior and post the 2011 revolution.

5. The Tunisian Economy

Overview of the Situation

With the outbreak of the Tunisian revolution in 2011, the political landscape in Tunisia was significantly altered. Various changes took place on the political ground and issues such as the drafting of a new constitution and the carrying out of a delicate political transition were on the top of the political agenda.

Not only did the revolution cause significant changes to the political and social ground but also the economic front. The main repercussion of the revolution was the revealing of the structural weakness within the economy. Basically, the Tunisian economy was suffering from the presence of a fragile banking sector due to a high portion of non-performing loans and inadequate risk management, widespread regional disparities, a high unemployment rate and a widening fiscal and external deficit (African Economic Outlook, 2012).

In 2011, following the revolution, Tunisia faced severe economic difficulties traced to both series of external shocks and domestic political instability and social unrest. On the international level, the deteriorating situation in Europe due to the worsening sovereign debt crisis along with the war in Libya resulted in a weaker external demand for Tunisian exports and inward investments as well as lower remittances from Tunisians working abroad.⁹ Moreover, the widespread turmoil in the Middle East and North Africa (MENA) region following the Arab Spring and the prevalent theme of uncertainty worsened foreign investors' sentiment towards the MENA region and led to severe waves of capital flight in Tunisia. Besides, the growing domestic political uncertainty caused most rating agencies to downgrade Tunisia's sovereign credit ratings. Such steps spurred capital flight and hindered Tunisia from receiving some form of foreign assistance (Central Bank of Tunisia Annual Report, 2011; African Economic Outlook, 2012).

Consequently, economic growth fell down to -1.9 percent in 2011 in real terms compared to an average annual growth rate of 5 percent prior to the revolution. Such deterioration was even subdued by the strong performance of the agriculture sector. Moreover, the unemployment rate surged to around 19 percent and the budget deficit widened to 3.7 percent of GDP in the same year (Central Bank of Tunisia Annual Report, 2011; African Economic Outlook, 2012).

On the external front, the balance of payments incurred a loss of 2.4 billion Dinars in 2011, triggered by the considerable drop in tourism receipts especially from Europe¹⁰.

Moreover, factor income and current transfers deteriorated on account of the fall in workers' remittances and the repatriation of revenues by foreign companies working in the energy sector. On another note, the capital and financial account recorded a slight deterioration due to higher level of drawings on medium and long term loans by the Tunisian government to boost economic recovery and limit the depletion of international reserves²¹ (Central Bank of Tunisia Annual Report, 2011).

Conversely, the Tunisian economy witnessed a slight improvement in 2012 despite the deteriorating security conditions and prevailed political uncertainty. The economic rebound was stimulated by the bounce back in the sectors that were severely hit by the revolution, namely, tourism and transport as well as the increasing domestic demand that was fuelled by the ongoing budgetary and monetary policy adopted by the government. Nevertheless, the gradual recovery of the economy was conveyed by intensified pressure on macroeconomic balances. Hence, both the current account and the budget balance posted a wider deficit (Central Bank of Tunisia Annual Report, 2012).

Overall, the balance of payments recorded a significant surplus of more than 2.1 billion Dinars in 2012, which can be traced to inflows of foreign capital and external financial assistance into the economy²². On another note, the trade balance worsened sharply during the same period, attributed to both the stagnation of exports on the back of the surge in international prices along with the depreciation of the Tunisian Dinar and progress in imports with the boost in domestic demand following the monetary and fiscal expansion policy. Yet, workers' remittances and in-kind transfers improved significantly (Central Bank of Tunisia Annual Report, 2012; African Economic Outlook 2012).

Nonetheless, the year 2013 recorded mixed behaviour for major macroeconomic variables. Principally, the economy continued its growth pace and the unemployment rate pursued its downward trend and reached 15.9 percent in the second quarter of 2013 (Central Bank of Tunisia Economic Situation Periodical, July 2013).

On the external front, the balance of payments witnessed a higher deficit in the first half of 2013. This was attributable to a drop in FDI inflows and debt capital as well as a soaring trade deficit and a drop in factor income and current transfers. The strong recovery in imports was the main driver for the widening trade deficit, while the slump of factor income and current transfers was due to repatriation of income by foreign companies operating in Tunisia and slower pace of growth of workers' remittances (Central Bank of Tunisia Economic Situation Periodical, July 2013).

Measures taken to Overcome the Situation

With defending the currency being a primary objective for the Central Bank and the sizeable reduction in foreign currency receipts, the Central Bank of Tunisia relied mainly on foreign assistance and the existing stock of foreign currency to finance foreign utilisations. Akin to the Egyptian case, such policy led to the deterioration of the level of international reserves in the year following the revolution (Boughrara et al., 2008; Central Bank of Tunisia Annual Report, 2011).

However, being able to secure considerable support packages from international donors, the Central Bank of Tunisia was able to preserve its level of international reserves in 2012 and 2013. Namely, Tunisia received financial support from the African Development Bank and the World Bank. In 2011, Tunisia received USD 500 million from the African Development Bank in the framework of a program to support governance and inclusive development. The World Bank also granted Tunisia USD 250 million and EUR 168 million to develop governance and opportunities respectively. Also, in 2012, the African Development Bank and the World Bank provided loans to Tunisia in the framework of the fiscal stimulus package and the program to support

economic recovery and inclusive growth (Central Bank of Tunisia Annual Report, 2011; Central Bank of Tunisia Annual Report, 2012; African Economic Outlook, 2012).

Unlike Egypt, Tunisia was able to secure a 24-month stand-by agreement from the IMF amounting to USD 1.74 billion in June 2013. The fund was directed to support the economic reform program during the years 2013-2015 in order to strengthen fiscal and external buffers and foster higher inclusive growth. The program combines a package of strong policy measures and structural reform, coupled with external financing support. It is notable that the first portion of the package was USD 150 million and was received in June 2013 (Central Bank of Tunisia Economic Situation Periodical, July 2013).

Furthermore, the European Union provided Tunisia with EUR 117 million in 2012 to finance the government's fiscal stimulus program. Libya and Turkey granted Tunisia USD 100 million and USD 50 million respectively in 2012. In addition, Tunisia received exceptional financing from Qatar. It is notable that these attempts to mobilise foreign resources through drawing on external loans have resulted in higher external indebtedness (Central Bank of Tunisia Annual Report, 2012; African Economic Outlook, 2012; Ghanem and Shaikh, 2013).

As for the domestic currency, the Central Bank of Tunisia kept its policy of preserving its value. With the existing buffer of international reserves, the Tunisian Dinar deteriorated slightly against both the Dollar and the Euro. It is notable that the Central Bank of Tunisia intervened in the interbank market in 2013 after the sharp deterioration in the value of the Dinar in May 2013. Thus, the Dinar rebounded in June 2013 (Boughrara et al., 2008; Central Bank of Tunisia Annual Report, 2011; Central Bank of Tunisia Economic Situation Periodical, July 2013).

To conclude, the Tunisian economy was negatively affected by the domestic unrest and the adverse external environment especially in Europe. The balance of payments witnessed a volatile trend since the 2011 revolution; it was greatly affected by changes in tourism receipts and foreign investors' appetite in the form of foreign investments. Moreover, measures taken by the government to boost domestic demand have negatively impacted on the trade balance due to surge in imports. Akin to other emerging markets, the Central Bank of Tunisia focused on safeguarding its domestic currency against international currencies leading to depletion of its stock of international reserves and deterioration of external indebtedness due to engaging in foreign debt.

Table 4 along with Figures 4 to 7 in the Annex depict the developments of main macroeconomic variables in Tunisia and its external position since 2010.

6. Way Out and Conclusion

The presented paper highlighted the main challenges that faced both the Egyptian and Tunisian post-revolution economies. The main objective of identifying these challenges was to diagnose the current situation and try to propose some solutions for the problems at hand. Concurrently, it is unclear whether the Arab Spring will prove beneficial to the two countries in the long run or not, as the negative economic consequences of the Arab Spring deprived the two countries from reaping the benefits of the transition to democracy. After almost 3 years of the revolution, the external position remains under severe pressure. Positive consequences will depend mainly on the countries' ability to overcome political instability arising from the uprisings and to promote political and economic freedom. With the increasing social cost of any potential reform policies, transitional governments, especially in Egypt, refrained from taking any socially unpopular decisions to solve the structural chronic problems. Thus, all measures aim to provide short term relief rather than facing the roots of the problems.

In response, the presented paper proposes some potential solutions that might assist in overcoming the current situation and solve some of the chronic issues. Given the low capacity of the existing governments, governments should be selective and focus on the most urgent priorities within the reform measures proposed. Thus, the proposed strategy distinguishes between short term solutions and medium and long term recommendations; short term solutions act as stabilisation measures, whereas, medium and long term solutions tackle chronic problems within the economy.

Before presenting the proposed strategy, it is important to shed light on the differences between the Egyptian and Tunisian economies. Being exposed to similar challenges in the form of a balance of payments gap, dwindling foreign reserves and deteriorating credit ratings, does not mask the fact that there are various variations between the two economies in terms of size, structure and paths followed post the revolution. Economically, the Tunisian economy seems to be less vulnerable than the Egyptian economy. Thus, the proposed strategy provides general common solutions for the two economies, yet, the implementation of the strategy might vary among the two economies due to the embedded distinction between the two economies (Ghanem and Shaikh, 2013).

The proposed reform strategy comprises

A. Short Term Measures

- Allowing the domestic currency to devalue further in an orderly fashion to preserve the existing level of reserves.
- Rationalising the use of the existing level of reserves through restricting luxury and non-strategic imports of goods and services.
- Approaching international donors for both technical and financial assistance.
- Looking for new sources of foreign currency like issuing bills and bonds in foreign currency and encouraging expatriates to invest in their home country.
- Ensuring the availability of sufficient foreign exchange to import necessities especially those goods that are sold domestically at reasonable prices for social considerations.
- Carrying out the necessary policy actions that would restore confidence in the Egyptian economy and its ability to withstand the current turmoil.

B. Medium and Long Term Measures

- Reducing the balance of payments deficit and tackling its chronic problems through rationalisation of imports and supporting domestic production.
- Setting wide-ranging reform policies for sectors that impose high burden over the balance of payments (like the energy sector in Egypt).
- Designing a comprehensive program to support domestic industries and enhance domestic competition. In this context, the government needs to give incentives for both small and medium enterprises and the informal sector to be formalised, as they can both act as substitutes for imports.

- Facilitating the 'doing business' procedures in Egypt and providing incentives for foreign investors so as to encourage foreign direct investments and multinational corporations to invest in the country.
- Rebuilding international reserves to act as a buffer against any potential foreign currency shortage.

In fact, the proposed policies are deemed socially unpopular and could lead to another wave of social unrest. Thus, there is an urgent need to reach a consensus over the reform measures that need to be implemented. This requires integrating all stakeholders' understanding of the economic requirements for the transitional period. In addition, the implementation of those measures should be accompanied by other actions that could help to make the overall economic reform package more palatable. Job creation, participation of the youth in the reform program and fighting corruption could have a significant role in this regard. It is noteworthy that the proposed strategy is more crucial to the Egyptian economy, as Tunisia will have to implement macroeconomic stability within the framework of the IMF loan granted to Tunisia.

Moreover, the proposed reform program cannot be implemented by the governments alone. International donors play a vital issue in this respect. Thus, more coordination and communication among all development partners is required. This would assist in organising the efforts of various development partners, match their experiences to the needs of the two economies and build synergies between their participation.

To sum up, the deteriorating situation and expected delay in the recovery urge the need for both economic and political reforms for both Tunisia and Egypt to spur growth and offset the immediate costs of a change in the political regime. Thus, the new governments in both countries need to pursue a delicate balance between having socially desirable policies while resolving the structural economic problems.

Endnotes

1 The concept of political risk (instability) is classified into three broad categories, namely, social unrest, myopia and polarisation, and weak government. Empirical studies have shown that three categories of political instability harm economic growth of the underlying nation (Tosun et al., 2008).

2 In host countries, political risk is largely determined by uncertainty over the actions of governments, political institutions and minority groups. In home countries, political risk may stem from political actions directly aimed at investment destinations, such as sanctions, or from policies that restrict outward investment.

3 Table 1 in the Annex shows the 11 countries along with the dates of political crises.

4 The selected macroeconomic variables studied were Real GDP growth, output gap, unemployment rate, gross fixed public capital formulation, gross fixed private capital formulation, overall fiscal balance, current account balance, FDI, official development assistance, exchange rate and inflation rate.

5 Table 2 in the Annex summarises the main findings of the study.

6 The fiscal year in Egypt starts in July and ends in June.

7 It is notable that such reduction in profit repatriation and imports cut were mainly driven by CBE's foreign currency controls in 2013 with the aim of rationalising the use of foreign currency and avoid depletion of NIR.

8 Initially, Egypt approached the IMF for a USD 4.8 billion loan to support the macroeconomic performance. However, negotiations for the loan were postponed several times due to the reluctance of the government to implement the IMF reform measures like tax increases, restructure of the subsidy system, etc. Thus, Egypt did not receive the loan and relied on external assistance along with international reserves to finance the balance of payments gap.

9 Europe is the main trading partner to Tunisia, with huge part of Tunisia's tourism receipts, exports revenues and foreign investments proceeds coming from Europe. Similarly, Libya is a strategic partner for Tunisia, with the balance of payments between the two countries recording a high surplus in the years preceding the revolution due to flows of exports of goods and services.

10 It is notable that the tourism sector is considered a strategic sector for Tunisia and hence its slump has adversely affected exports of other sectors in the economy like the transport sector.

11 These loans were mainly received from the African Development Bank and the World Bank. More details are presented in the subsequent paragraphs.

12 More details on the financial support packages received in 2012 are presented in the following paragraphs.

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Annex

Country	Date of Political Crisis	Post-Crisis Government Change
Albania	1997-1998	Yes
Argentina	2001-2003	Yes
Cote D'Ivoire	2000-2001	No
Honduras	2009-2010	Yes
Korea	1980-1981	Yes
Madagascar	2002	Yes
Myanmar	1988-1990	No
Paraguay	1999-2003	Yes
Philippines	1983-1987	Yes
South Africa	1990-1994	Yes
Togo	1991-1993	No

Table 1: Political Instability Crises in 11 Selected Countries;
Source: Khandelwal and Roitman (2013)

Macroeconomic Variable	In the year of the event	Post the year of the event
Real GDP Growth	Declines significantly.	Remains below potential for 4 years, recovers after 5 years.
Output Gap	Turns negative.	Remains negative for almost 5 years.
Unemployment Rate	Increases by 1-1.5 %.	Takes 4-5 years to recover.
Public Investment	Declines significantly (10-40 %).	Takes at least 5 years to recover.
Private Investment	Declines significantly (10-40 %).	Takes 5 years to recover.
Overall Fiscal Position	Deteriorates by 1 % of GDP.	Recovers after 4 years.
Current Account Balance	Deteriorates sharply.	Usually, improves after 5 years.
International Reserves	Declines Sharply.	Improves slowly and recovers in 4 years.
Exchange Rate and Inflation:		
Countries with manageable external vulnerability	Little or no increase in exchange rate and inflation.	Little or no increase in exchange rate and inflation.
Countries with high external vulnerability	Domestic currency depreciates by 12 – 18 % and inflation increases by 7-17 %.	Only the year following the event, domestic currency depreciates by 12 – 18 % and inflation increases by 7-17 %.

Table 2: Main Findings of Khandelwal and Roitman Study (2013),
Source: Khandelwal and Roitman (2013)

Variable	2009/10	2010/11	2011/12	2012/13
Real GDP Growth Rate	5.1	1.8	2.2	2.1
Inflation Rate	10.1	11.8	7.3	9.8
Overall Budget Deficit (% of GDP)	8.2	9.8	10.7	13.7
External Position (in Billion USD)				
Overall Balance of Payments Balance	3.36	-9.75	-11.28	0.24
Current Account	-4.32	-6.09	-7.93	-5.58
Trade Balance	-25.12	-27.10	-31.70	-31.54
Services Balance	10.34	7.88	5.36	6.69
Transfers	10.46	13.14	18.41	19.27
Capital and Financial Account	8.98	-4.20	-1.40	9.69
Capital Account	-0.04	-0.03	-0.1	-0.09
FDI	6.76	2.19	2.08	3.00
Portfolio Investments	7.88	-2.55	-5.03	1.48
External Debt (% of GDP)	15.9	15.2	13.5	17.3
Net International Reserves (in billions USD)	35.22	26.56	15.53	14.92

Table 3: Main Macroeconomic Indicators in the Egyptian Economy;
Source: Central Bank of Egypt

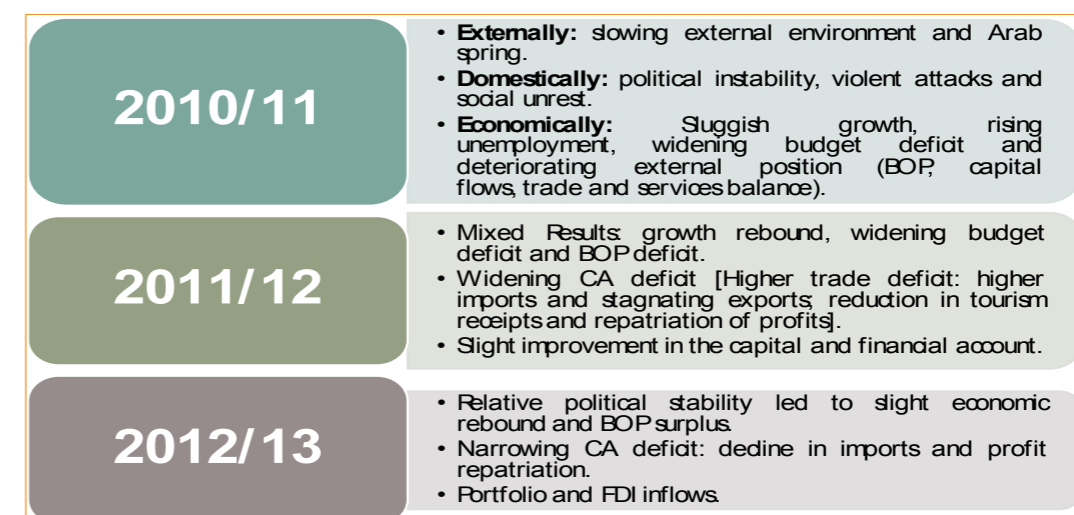


Figure 1: Overview of the Egyptian Post-Revolution Economy

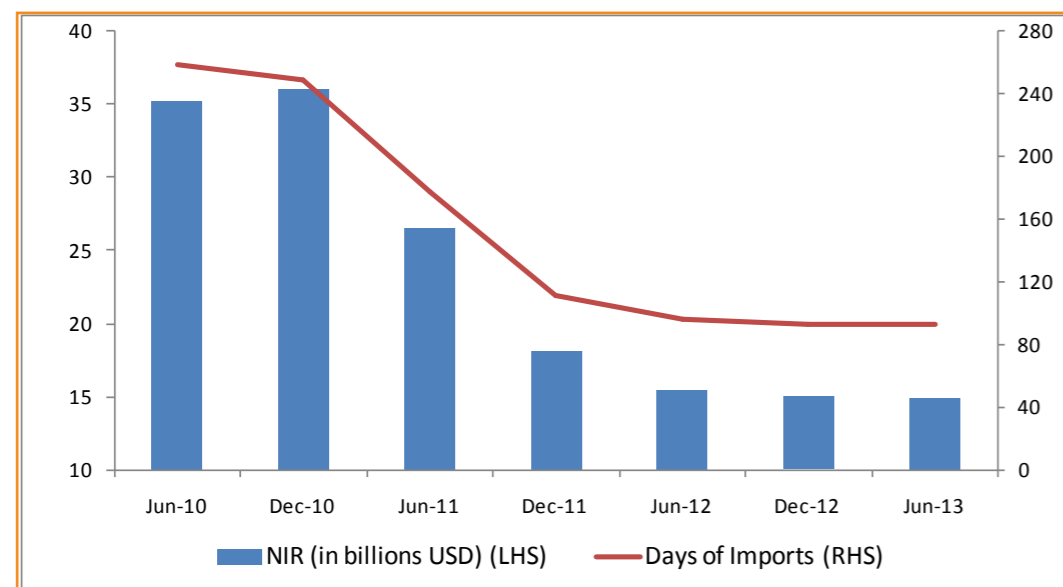


Figure 2: Net International Reserves in Egypt (in Billion USD and Days of Import); Source: Central Bank of Egypt

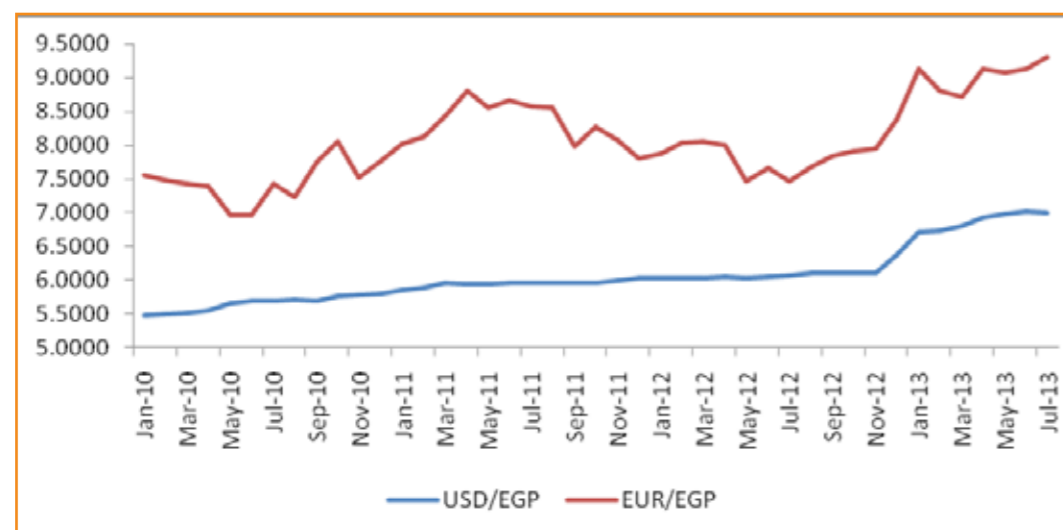


Figure 3: Egyptian Pound vs. the USD and Euro (Jan 2010 – July 2013); Source: Reuters Database.

Variable	2010	2011	2012	June 2013
Real GDP Growth Rate	3.1%	-1.9%	3.6%	3.2%
Unemployment Rate	13.0%	18.9%	16.7%	15.9%
Inflation Rate	4.4%	3.1%	5.6%	6.3%
Budget Deficit (% of GDP)	1.1%	3.5%	5.1%	---
External Position (in Billion Dinar)				
Overall Balance of Payments Balance	-0.27	-2.39	2.14	-1.28
Current Account				
Merchandise Balance	-3.01	-4.77	-5.81	-3.30
Services Balance	-6.55	-6.76	-9.54	-4.46
Factor Income and Transfers	3.52	2.10	3.05	1.25
Capital and Financial Account				
Capital Account	2.63	2.28	7.83	2.02
Foreign Investments (FDI and Portfolio)	0.12	0.26	0.70	0.04
Other Investments	1.87	0.55	2.40	0.85
External Indebtedness (% of GDP)				
Gross International Reserves (in Billion Dinar)	0.64	1.47	4.73	1.13
External Indebtedness (% of GDP)				
Gross International Reserves (in Billion Dinar)	34.4	36.5	37.8	---
Gross International Reserves (in Billion Dinar)	13.67	11.28	13.42	12.14

Table 4: Main Macroeconomic Indicators in the Tunisian Economy; Source: Central Bank of Tunisia



Figure 4: Overview of the Tunisian Post-Revolution Economy

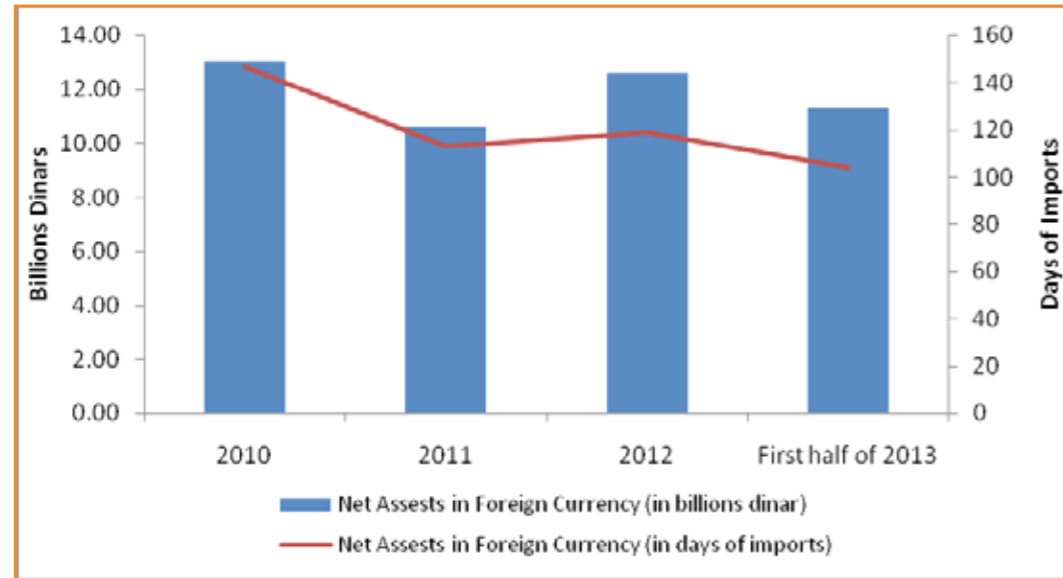


Figure 5: Net Assets in Foreign Currencies (in Billion Dinars and Days of Import); Source: Central Bank of Tunisia.

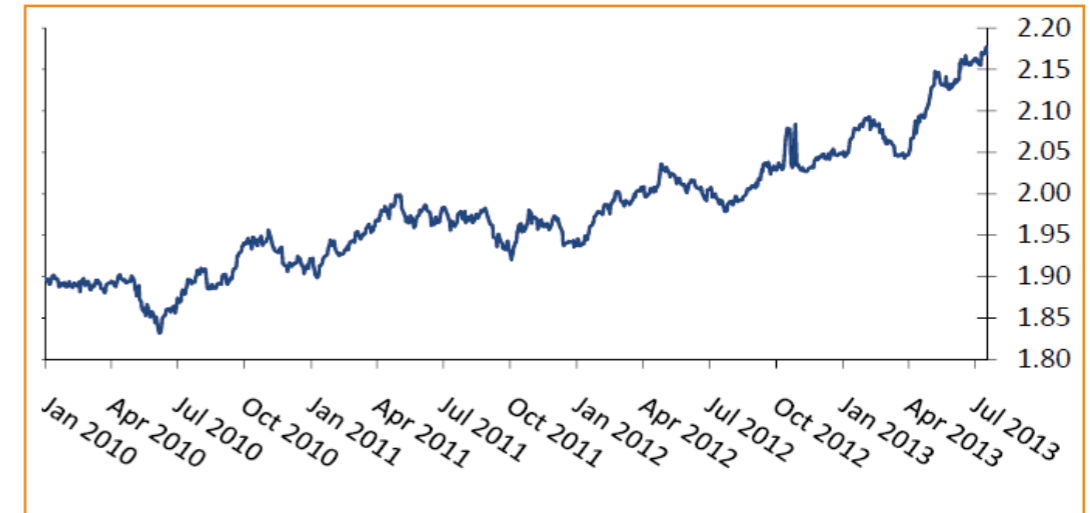


Figure 7: Tunisian Dinar vs. the Euro (Jan 2010 – July 2013); Source: Central Bank of Tunisia.



Figure 6: Tunisian Dinar vs. the USD (Jan 2010 – July 2013); Source: Reuters Database

Regine Schwab

De-constitutionalising the Egyptian Constitution

1. Introduction

The 2011 uprisings in the Arab World did not only topple some authoritarian leaders which mainstream political science perceived as impossible to bring down. They also resulted in the questioning of traditional societal and political structures. As a corollary, dynamic communication processes have come up in which the future of the polity is negotiated. These processes have a high conflict potential in every transformation period since fundamental political and social rules have to be re-invented and re-negotiated. In Egypt, this delicate situation escalated due to the failed 'conflict management' of the (non-Islamist¹) opposition and the (Islamist) government. Most clearly, this can be seen in the very contentious language between both groups prior to the mass mobilisation of 30th June, 2013 which Nathan Brown (2013b) has described in the following way:

'I asked one leading FJP parliamentarian – a figure I have come to respect as level headed, calm, introspective, and patient – whether he thought he wished his side had done anything differently (referring specifically to the crisis over Morsi's November 2012 constitutional declaration and the subsequent clashes). He replied with visible anger that not only did he think they would do it all over again but that in fact they will do it all over again if necessary. And when I remarked to a friend in a responsible position that I did not think Morsi would leave office voluntarily, he replied that he thought the Egyptian people would deal with him as Libyans had dealt with Muammar al-Qaddafi. Calmer language was used in Europe in the summer of 1914.'

This political language full of cleavages and an inherent inability to compromise stands in stark contrast to a postulated new political language which reconciles widely accepted contemporary liberal principles with familiar Islamic concepts (Filali-Ansary 2012). After the short unity on Tahrir Square in 2011, the different groups 'developed a strong sense of ownership of the revolution' (Albrecht 2012, 265) and there has been the perception that the one who shouts the loudest gets what he wants. While an electoral democracy necessarily consists of 'winners' and 'losers', Holger Albrecht (2012, 265) notes that 'the losers [...] perceived themselves to be victims of "counterrevolutionary" forces.' Besides this fostering of a 'with or against us' mentality by means of the revolution, the idea of contestation, 'the exchange of conflicting interests and ideas regulated by a commonly accepted legal framework or by informal understandings' has been subverted by nationalism 'as the dominant trait of political discourse in Egypt since 11 February.' While the notion of national unity was employed positively, it was also used to discredit single interests, which were labelled *fi'awi* ('group-specific') (Sallam 2011). Applying this to the events in 2012 and 2013,² politics became a zero-sum game since what Lipset (1959, 94) called '*weltanschauung* (worldview) politics', or identity politics, resulting from established cleavages, prevailed which:

'[...] weakened the possibilities for a stable democracy, since parties characterized by such total ideologies have often attempted to create what Sigmund Neumann has called an "integrated" environment, one in which ... the lives of their members is encapsulated within ideologically linked activities. These actions are based on the assumption that it is important to isolate their followers from contact with "falsehood" expressed by the non-believers.'

Here, Lipset (1959, 94) follows Neumann's (1932) basic analytic distinction between parties of representation and parties of integration. The main characteristic of the former is to secure votes in elections. The latter, however,

[...] are concerned with making the world conform to their basic philosophy or *weltanschauung*. They do not see themselves as contestants in a give-and-take game of pressure politics, in which all parties accept the rules of the game. Rather they view the political or religious struggle as a contest between divine or historic truth on one side and fundamental error on the other.²

(Lipset 1959, 94)

I hypothesize that we find elements of *weltanschauung* politics and parties of integration in the constitution writing process of 2012, which I will analyse in the following. I argue that the more the process evolved, the more the actual content of the constitution became unimportant since the conflict between the Islamists (Freedom and Justice Party, Salafist Nour party, Al-Wasat Party and independent Islamists) and the 'non-Islamists' (New Wafd, Reform and Development Party, Ghad El-Thawra Party, Al-Hadara Party and independent members) took centre stage.³

These positions relate to the question whether and how secularism can be reconciled with Islam. While the integralist position asserts that all matters of life should be ruled in accordance with God's will enshrined in the Shari'a,⁴ the camp opposed to this position argues that large domains of life should be free from religious influence. This can be called the secularist position, though many proponents avoid the term due to its negative connotation, which is a legacy of its imposition by the (post)-colonial and authoritarian state (Hashemi 2009, 150; Nasr 2003). Political Islamists can be regarded as the core of the integralist camp, who depart from the traditional position in many ways, however. The main difference pertains to the role of the state. While in 'the traditional conception, the shari'a is a means of orientation which the believer follows (or does not follow) out of his or her own free will ..., [t]he Islamists want to see the shari'a codified as a set of state-enforced laws in the Western sense' (Flores 1993). There might also be a third leaning which regards Islam as the basis of the legal order yet rejects many of the Islamist claims.

The contention around these issues inside the Constituent Assembly (CA) became linked to a larger societal cleavage between the proponents and the opponents of President Morsi and his government. The paradox outcome was a final constitutional document and a deep rift between the two major political forces as well as within society at large. Hence, the pacifying effect associated with adopting constitutions did not set in. However, if we accept the idea of a religious – non-religious cleavage, then we have to acknowledge that it has a longer history than the post-revolutionary period. In fact, this issue was fostered even previously by the Mubarak regime by constantly reproducing the Islamist enemy. I would propose that this deeply resonated with the Egyptian society and shaped the political space. When the latter opened up after the revolution, this divide entered the scene with full force.

I argue that besides material factors such as the restructuring of political and economic institutions, ideational and discursive elements figure prominently in transformation periods. Hence, my focus is on the political communication between ideological contestants and how it influences larger societal and political questions of (democratic) reform and restructuring. Here, the method of critical discourse analysis, particularly the discourse historical approach (DHA) (Reisigl and Wodak 2009) comes in as a tool to reconstruct and interpret the communication between Islamists and non-Islamists. The preliminary analysis presented here is based on BBC Monitoring's coverage of speeches, press conferences and interviews related to the constitution-writing as well as selected commentaries by experts and journalists.⁵ A 'thick description' (Geertz 1973, 3–30) of the constitution writing process and important intervening events in Egypt

since the formation of the second constituent assembly until a national address by former president Morsi after the approval of the constitution by referendum (June 7, 2012 – December 26, 2012) will serve as a foundation for this analysis.

The subject of constitution writing is a pivotal issue for 'post-revolutionary'⁶ societies. The issue of the constitution was central in the upheavals and the following political reconstruction in Tunisia and Egypt. 'Prominent among the slogans written on placards carried in Tahrir Square were "Constitution First!" and "No Principles Above the Constitution."' (Arjomand 2012, 205). In line with this, Said Arjomand (2012) and Nathan Brown (2013a) have called the revolts 'constitutional revolutions.' Other scholars pointed to the democratic nature of the process since it was the first constitution-drafting carried out by an elected body. This is also unique for the Arab World, with the only exceptions being the unfolding Tunisian and Libyan processes, as well as the Iraqi constitution that was drafted under military occupation, however (Al-Ali 2012). Furthermore, even if the constitutional process was problem-ridden, it is seen as encouraging for Egypt and the region 'that such a public debate over the shape of laws governing a country of 80 million people has managed to even take root' (Hassen 2012).

Before presenting a thick description of the process, I will briefly lay out my understanding of constitution-writing. Subsequently, a preliminary analysis of the positions of the Islamist and non-Islamist forces regarding worldview politics is put forward.

2. The logic of constitutional reforms in the context of transformations: Towards a political understanding of constitution-writing

A new constitution is pivotal in the foundation of a new political order. Discussions must go beyond everyday questions and have to tackle questions related to the very nature and future of the polity (Benomar 2004, 81). As Benomar has pointed out concerning post-conflict societies (2004, 82), besides the long-term goals of a constitution such as protecting human rights and creating viable state institutions, it may also contribute to the more immediate issues of conflict resolution and peace. In the case of Egypt, however, we are confronted with the opposite effect: an escalation in the struggle between Islamists and an array of liberal and secular forces (Albrecht 2013, 1). Hence, in this case, rather than setting up rules to handle future disagreements (Pickard 2011, 649), the constitution drafting process led to an increased polarisation and reproduced the secular-Islamist divide in a fundamental way (Ta'her 2013, 25–26). I would argue that the battle over Egypt's constitution is an important, if not the most important aspect in the political conflict following the revolution. Here, a political, rather than a strictly legal understanding of the drafting is helpful since a constitution 'emerges from a contentious political process in which competing agents and institutions seek to promote their own interests' (Lang 2013, 347).

3. The 2012 constitution – a thick description

In the main section I will examine the discourses of the Islamist camp and the non-Islamist opposition parties in the constitution drafting process. In such complex dynamics, other actors like the remnants of the old regime, the religious institutions, and the military play an important role as well, which I cannot consider here, however.

I argue that one crucial pattern we find in the analysis of the communication between the two camps is the antagonism between 'Islamists' and 'secularists' which was constantly reproduced by the actors themselves and by the media in the process of writing the constitution. Related to this, the two opposing camps did not accept the opinions of their adversaries based on their mutual image of each other which became so manifest and one-dimensional that it could no longer be transcended. Since *weltanschauung* (non-content related) issues took centre stage, a compromise

became impossible. These ideologies are related to narratives and identities of the specific groups developed prior to and under Mubarak. They are also connected to the authoritarian legacy of past regimes which left its mark on the political culture. On the other hand, there is much evidence that the Muslim Brotherhood cooperated with various non-Islamist opposition groups in this period (Yilmaz 2009). El Houdaiby (2012, 138–39) also noted that the eighteen days of the revolution pushed the Islamists who took part in it ‘beyond the borders of identity politics’ which made them realise that the ‘secular’ revolutionaries were not hostile towards Islam. The question is why neither group could build upon these experiences of cooperation.

3.1 Early controversies

Prior to the start of the process, disagreement arose between the different political actors on the timing of elections, whether they should be held before or after the installing of a constitutional assembly. The proponents of ‘constitution first’ argued that the elected parliament needed a foundation for governing. The other camp argued that a legitimate and representative constituent assembly could only be created by an elected parliament (Lang 2013, 358). This mirrored the early disagreement between Islamists who argued for the latter and non-Islamists who argued that the new constitution should come prior to elections since they feared an Islamist majority (Masoud 2011, 27). Nathan Brown (2011b) warned early on that the creation of the constituent assembly would cause problems: ‘Past constitutions have been drafted by committees working in private. The country has no tradition to draw on for more protracted and inclusive processes, such as an elected constituent assembly.’

In a similar tone, Masoud (2011, 28) foresaw that

[...] the quarrel among Egyptian opposition forces over the timing of the new constitution could be a preview of the conflict that will ensue when they are forced to discuss its actual substance. Constitution-writing processes are inherently turbulent, involving arguments over fundamental values. The nature of the economy, the extent of individual rights, legislative-executive relations, and the role of faith in matters of state all have to be settled.’

Contradicting these dark predictions, Brown (2011b) has also pointed out that in 2011 there was a ‘remarkably wide consensus on the elements of a new constitutional order.’

3.2 Unfolding of events

The process of constitutional reconstruction started shortly after Mubarak’s ousting on February 11, 2011, when the Supreme Council of the Armed Forces (SCAF) set up a committee charged with drafting constitutional amendments (Arjomand 2012, 209). Brown (2013a, 309) notes that this stood in contrast to a proclaimed constitutional revolution since ‘the course of political reconstruction followed much of the basic script laid out in the old regime’s final hours.’ On February 26, the short but significant amendments were presented and approved by referendum on March 19 with 77 percent of the vote, however voter turnout was quite low with merely 41 percent. The amendments, among other things, charged the first parliament to elect a constituent assembly of 100 members within six months. This body was tasked to craft a new constitution within half a year which was then put to popular vote (Arjomand 2012, 209).

The result of the referendum did not settle the debate but continued to spark protest. On March 30, 2011, SCAF issued a constitutional declaration of 63 articles which departed from the amendments to the 1971 constitution and raised strong criticism by Islamist and non-Islamist forces alike (Lang 2013, 357). This was followed by the announcement of a collection of ‘supra-constitutional principles’ in November, which

met strong resistance from Islamists and some liberals for different reasons (Hamad 2012, 54).⁸ The amounting popular pressure forced the SCAF to expedite presidential elections to June 2012 (which were originally scheduled for 2013). In December, the SCAF took back the supra-constitutional principles and recognised the parliament’s exclusive right to appoint a constituent assembly. After repeated delays, parliamentary elections for the People’s Assembly were held in three stages between November 2011 and January 2012 (Arjomand 2012, 209), with a clear victory for the FJP and the Al-Nour Party.

Believing the country to be behind them, in March 2012, the Islamists ‘overplayed their hand by selecting a 100-member constituent assembly that included 66 Islamists, but only five non-Muslims and six women’ (Dunne and Radwan 2013, 95). The result was a massive walkout by non-Islamist members, a court sentence on the assembly’s future, and wide popular discontent. This political turmoil prevented the committee from fulfilling its tasks and it was dissolved based on a legal decision rendering it unconstitutional (Abdul-Majid 2013, 22).

The second CA was established on June 24, 2012. Even though the committee was still comprised of a majority of Islamist members, it was more diverse than the previous one. Yet, disagreements between Islamists and non-Islamists continued and several important actors rejected it, sparking enduring conflict about its legitimacy (Lang 2013, 360).

In the midst presidential elections took place in which Morsi won by a narrow majority, besting Ahmed Shafiq with 52 percent of the vote (Dunne and Radwan 2013, 95). He continued the constitutional process with accelerated speed. According to Awad (2013, 293)

‘The constitutional court had set December 2nd as the date to pronounce its decision on the constitutionality of the composition of the assembly. The race unfolded in an unsettling political and economic environment. Its pace laid bare the divergences over constitutional provisions between the religious and secularist forces, made it difficult to reach all possible compromises, and finally resulted in confrontation, at times violent, in the squares and streets of Cairo and other cities.’

The President’s decree and its consequences

Mohamed Morsi’s constitutional declaration issued on November 22, 2012 extended the mandate of the constituent assembly to February 2013 and prevented the Shura Council from being dissolved by the judiciary. The declaration shielded Morsi’s laws and decrees from judicial review until the adoption of a new constitution and the election of a new parliament (Awad 2013, 294).

‘In a vaguely worded clause, the president ... also claimed the right to take “all necessary measures” against “danger that threatens the January 25 revolution, the life of the nation, national unity, or safety,” opening the door to potential abuse.’

(Hassen 2012, n. pag.)

This was met with strong criticism from the opposition. Some analysts have argued that the only point of the decree was to protect the CA in light of a renewed threat of dissolution by the Supreme Constitutional Court (SCC) (Arato and Tombuş 2013, 436). This is similar to the arguments of Morsi’s supporters who claimed that the decree was ‘intended to overcome the “threats to national unity and the state” from anti-regime plots inside the country ... and from certain Gulf states that hosted Ahmed Shafiq ...’ (Taher 2013, 29).

In Younes' (2012) account of the events, *weltanschauung* politics, particularly from Morsi's opponents are clearly visible:

'[...] the Egyptian opposition of secularists, nationalists, women groups, minority groups and those who just hate the Muslim Brotherhood went back to Tahrir Square demanding to have their way or no way. As a result both sides entrenched in their respective positions and engaged in a war of elimination, which led the economy to go from bad to worse and sharply polarizing and dividing the Egyptian society.'

(Younes, 2012)

As a result of what the author calls 'divisive political warfare',

'President Morsi and with him the Muslim Brotherhood [were pushed] into a bunker mentality and equally ready for a drawn-out, yet unnecessary, fight. The core problem in Egypt is that no one seems to be interested in giving democracy a chance or the time to work or even willing to accept the idea that in a democracy winners and losers can still work together. What's happening in Egypt today is that every group, whether the governing Muslim Brotherhood party or the opposition of all colors and persuasions, are engaged in a zero-sum game or winner take all.'

(Younes, 2012)

The ensuing crisis led to the further acceleration of the process. As a result of Morsi's announcement that the referendum would take place on December 15, there was no more room for negotiations, except on the street (Arato and Tombuş 2013, 437). As a corollary, major clashes erupted in front of the presidential palace in Cairo on December 5 which left eight people dead and more than 600 injured (Africa Research Bulletin 2013).

Referendum on 15 and 22 December 2012

The annulment of most of the November 22 decree in early December could not bring the opposition back to the negotiation table (McCrummen and Hauslohner 2012). Amidst deep tensions, Egyptians voted on the constitution referendum on December 15 and 22. After the National Salvation Front (NSF) had first called for a boycott of the referendum, it later urged its supporters to vote against the draft (Carnegie Endowment for International Peace n.d.). Some 64% backed the charter, while turnout was merely 33% (BBC News Middle East 2012b). However, the referendum did not end the conflict, but rather contributed to its escalation of which we have seen the result on June 30 and July 03, 2013 when the army ousted Morsi after mass protests.

3.3 Evaluation of the constitution

While 'no serious interpreter has claimed that the Egyptian constitution-making process has been satisfactory or even adequate' and it has been characterised by many inconsistencies and idiosyncrasies (Arato and Tombuş 2013, 435), the societal polarisation with which the process coincided is difficult to attribute alone to the content of the text which was rather similar to the 1971 constitution in terms of contentious issues such as Shari'a, civil-military relations⁹ and the power of the president (with slight improvements regarding the latter). According to Al-Ali (2012)¹⁰:

'Many of the constitution's most ardent critics have been scouring the text for evidence that the country's Islamist movements are preparing to create a morality police or that the legal age of marriage is about to

be lowered to 9. Many of these accusations are either baseless or merely leftover provisions from the 1971 constitution and were never applied in any meaningful sense, which will likely to continue being the case under the new constitution. The reality is that, when measured against Egyptian constitutional tradition, the new text brings a number of improvements to the protection of certain rights and to the system of government and is not the catastrophe that many have been so determined to identify.'

However, Nathan Brown (2012a) reminded us of the different political context in which the 2012 constitution would have operated, in which the same language most likely would have produced different results. Furthermore, many formulas in the constitution are very general. The specific meaning would have been decided by those in the position of interpreting and implementing them (Brown 2012b).

Religion

In spite of the Islamists' control of the constitution writing, the document was far from creating an Islamist state. While putting more emphasis on religion than previous constitutions, its religious clauses remained vague and could hardly serve as a 'blueprint for an Islamic state. Only seven of 236 articles contain an explicit reference to religion; a mere three refer to Islam' (Albrecht 2013, 1). In practice, Article 2 was taken word for word from the 1971 constitution.¹¹ It was not amended but two additional provisions determining the meaning of the term 'principles' of Islamic Sharia were added and al-Azhar was given a greater role in interpreting them (Al-Ali 2012, 2013). Some authors suggested that these provisions should 'correct the way in which the courts have limited the application of article 2' (Al-Ali 2012).

Concerning a potential Islamisation of politics, Albrecht (2013, 2) has argued that it

'might increase in future politics, yet it will ultimately depend on the relative mobilization capacities of political forces rather than the constitution's text. (...) The limited reference to religion is surprising because the constitutional assembly was almost entirely composed of Islamists ... after the resignation of up to 22 liberals and leftists out of a total of 100 members. The Muslim Brotherhood obviously anticipated a hawk-eyed probe of the draft and convinced the Salafi trend to accept a document which came as a bitter pill to some Salafis because sovereignty was granted to the people rather than God.'

To conclude,

'Egypt cannot ... be described as a religious state given that political power remains firmly in the hands of civilians, but religion will now play a real role in inspiring how the state is to function. Whether that leads to better governance, less corruption, more hardline punishment or moderation remains to be seen.'

(Al-Ali 2012)

The presidency and the judiciary

Concerning the accusations that the constitution was reproducing the powerful position of the president, Al-Ali (2012) states that the constituent assembly has achieved its aim of curbing the presidency's powers with imposing term limits (Article 133) and restricting the president's power to call a state of emergency (Article 148). Furthermore, the parliament was more empowered in comparison to the 1971 constitution (Articles

126 and 139). However, regarding everyday politics, the president's power was still disproportionately large (Al-Ali 2012). Concerning the judiciary, Al-Ali (2012) draws an overall positive conclusion. Judicial independence is safeguarded (Articles 168 and 170), yet there are clear flaws regarding the appointment or dismissal of judges.

Society and culture

Concerning the societal realm, the 2012 constitution was based on a patriarchal and conservative worldview, ascribing women the role of 'sisters of men' (preamble). Article 10 stated 'that a woman, but not a man, must reconcile her "duties" "toward her family and work"' (Hassen 2012). The document also emphasised the ideal of public morality (Articles 8, 11, 12, 71) and the role of the family as core unit of society (Article 10) (Albrecht 2013, 2). However, one should note that this social conservatism is not the sole abode of Islamists, but rather in line with the values of the majority of Egyptians.

In summary, the 2012 constitution contained controversial articles concerning citizens' rights and the role of religion, the judiciary and labour rights (Carnegie Endowment for International Peace n. d.). What is more, it retained most of the powers of the military formulated in the al-Silmi draft (Arato and Tombuş 2013, 437). In terms of the actual process, it neglected an earlier consensus between the different political groupings of a broad, inclusive process (Albrecht 2013, 2).

4. Main positions of the Islamists and non-Islamists

4.1 The Islamists: 'Victory in the elections means legitimacy means democracy'

The Islamist spectrum represented in the constitution drafting process since June 2012 consisted of the Muslim Brotherhood and their Freedom and Justice Party (FJP), the Salafi Al-Nour Party and the Al-Wasat Party. Due to restrictions in space I cannot go into a deeper description of the actors here.

The narrative of the MB and the Salafis was first visible prior to the referendum on the constitutional amendments in March 2011 and did not change significantly after that. El Houdaiby (2012, 139) notes that 'the procedural debate was transformed into an ideological one: supporters of the amendments were considered Islamists; those who opposed it were branded anti-Islamists.' The former's main claim was that in the 2011 referendum on the constitutional amendments, 'the Egyptian people had empowered the parliament ... to form the constitution drafting committee, and this committee alone had the authority to determine the principles of the constitution' (Azuri 2011). This position was repeated again and again, after the fall of Morsi with *schar'iyya* (legitimacy) calls and signs throughout Egypt. Preliminary results of the discourse analysis confirm this narrative. In his speech on December 06, the former president pointed out that 'the minority should concede to the opinion of the majority, but both are still encouraged to work together to serve the best interest of the homeland...' (BBC Monitoring 08/12/2012). Inferring from his statements, Morsi 'thought that his 52 percent victory at the polls allowed him to build the MB's long-awaited dream state in total disregard of the wishes of the other half of Egypt. Morsi assumed that, as president, he had full legitimacy on his side' (Khoury 2013). In a nationally televised address on December 26, one day after the results of the referendum were announced, Morsi acknowledged unspecified mistakes while celebrating the achievements of the new constitution and repeating calls for national dialogue (BBC Monitoring 28/12/2012). A first analysis of Morsi's speeches and interviews also allude to the great emphasis on national unity often expressed with the family metaphor, in contrast to *fitna*. While frequently expressing the need for both opponents and supporters in a democracy, Morsi clearly distinguished between 'honest people' and 'thugs who have been hired to strike against the police' (BBC Monitoring 08/12/2012). This was often connected to the infiltration by the old regime.

4.2 The Opposition: 'Not even the Pharaohs had so much authority'¹²

Actually, it is not possible to speak of 'the' opposition under Morsi and his government. Rather, it consisted of a multitude of groups and individuals. Hence, there exists no common worldview or ideology as in the case of the Muslim Brotherhood. However, I assume that a common position emerged as a consequence of the increasing polarisation between Islamists and non-Islamists. In this context, the formation of the National Salvation Front on November 24, 2012 in reaction to Morsi's decree was crucial. With this step, Egypt's secular opposition united (at least nominally) for the first time against the Muslim Brotherhood and other Islamist parties. The NSF declared it would not meet Morsi until he had annulled the declaration. In the following weeks it staged huge protests across Egypt against Morsi and the MB (Carnegie Endowment for International Peace n. d.).

The opposition accused the Islamists of 'trying to impose a constitution that is monopolized by one trend' (Hassen 2012). It also 'claimed that the constitution would bring about a new tyranny by equipping the president with absolute authority and broad powers while leaving no room for accountability and oversight' (Taher 2013, 33). These are rather technical arguments while I would contend that *weltanschauung* politics were the real problem. In this context, a statement by Egyptian Social Democrat Mohammed Abulghar (2013) is enlightening:

'They don't like us, we don't like them. Worlds separate us. They think we are infidels who are not liked by the religious majority. We think they are from the stone ages, and don't understand anything from modern politics and want to take us back to the 6th century.'

(author's translation)

This view of the Islamists as backwards and amateurs was confirmed by a preliminary analysis of the opposition discourse. So far I could not find such an argumentation in the Islamists' statements. In the larger societal conflict, the class dimension also played a role: Shortly after the constitutional referendum, ElBaradei said in an interview: 'Right now, we have the educated middle class on one camp and the so-called Islamists and the majority of the illiterate part of the country on the other side' (PBS Newshour 2012). Another accusation was that Morsi 'behaved as if he was the president of the MB only' (BBC Monitoring 27/11/2012).

Concerning the current situation in Egypt, some scholars anticipated early on that the liberal opposition would be willing to deal with the old regime in order to prevent an Islamist rule at any cost, even accepting that the military establishment reproduces its privileged status (Azuri 2011).

The concept of discourse analysis I follow here suggests that discourses constitute their own social reality which can be analysed separately from concrete events. Preliminary results suggest the Islamists' willingness for negotiations. Hence, in the period between June and December 2012, there were five calls for national dialogue, three of them by Morsi. These offers were by and large rejected by the opposition, along with a general call by Sabahi, ElBaradei and other political figures to 'boycott all operations carried out inside the assembly' (BBC Monitoring 01/10/2012). This offer of dialogue was accompanied by a discourse of 'appeasement' and also, from time to time, confrontation, expressed in its most extreme form by the Salafist figure Muhammad Abu-Samrah who threatened to declare *jihad* 'if the elected president comes under attack or if an attempted coup is staged against his legitimacy' (BBC Monitoring 07/12/2012). However, this contentious argumentation was clearly in the minority in the analysed period and did not originate from an 'official' representative of the Constituent Assembly or the government.

5. Conclusion

Contrary to some expectations (El Houdaiby 2012, 145), a shift from identity politics to policy issues in the unfolding political contestation around the constitution making did not occur. While Egypt has a long history of contention between religious and secular politics, which can be dated back to colonialism (Nasr 2003), the cleavage which we have seen since at least the end of November 2012 has a new quality.

‘This problem is so chronic that the merits or flaws of an argument are almost entirely determined by who is making the argument in a haze of fury and suspicion. (...) There is a visceral hatred of the Muslim Brotherhood and its Salafi associates amongst some Egyptians. This hatred spans all social classes and predates current events.’

(Carr 2013)

I would contend that the problem was not so much the content of the constitution but rather procedural issues such as wanting transparency, contradictions and the neglect of suggestions by non-Islamist members. Furthermore, the initial decision to build on the 1971 constitution and existing traditions was taking the whole procedure into the wrong direction. As a corollary, even though the authors of the new constitution claimed that it was reflecting the people’s will, it was markedly influenced by the authoritarian tradition (Al-Ali 2012). Mostly, however, I would argue that the fixed worldviews of the Islamist and non-Islamist camp prevented the transformation of the conflict into a rational debate. The escalation of the conflict within the assembly had a catastrophic effect on Egypt’s fragile political landscape and resulted in the divide between supporters and opponents of Morsi in the political field as well as on the street (Taher 2013, 33). The constitutional process could have been used to unite the different political factions around an agreed set of democratic institutions by settling for what would have been perceived as the second-best solution by each actor, but would have been the best for a deeply divided society (Arato and Tombuş 2013, 435). Instead, the constitutional process polarised Egyptians along identity lines (Diwan and Larbi 2013). This continues with an extreme language of exclusion and hatred in the period after Morsi’s fall (Carr 2013), which renders the prospect of democracy even more unlikely.

A look at the country where the Arab spring started is interesting in this regard. Tunisia’s transition has been described as smoother, more consensual and inclusive (Allani 2009; Brown 2011). As we know now, the role of the military is significant in this regard. While the lack of a military engaged in politics forced the secular and Islamist forces in Tunisia to find a compromise, the strong involvement of the Egyptian military made an alignment between the former and Morsi’s opponents possible. I close with a quote by Arato who foresaw the developments in Egypt we have witnessed since the summer of 2013: ‘Instead of resolving sharp conflicts and constructing new identities, imposed constitutions will divide and polarize. Thus at the very moment of their enactment, they will point to new constitutional crises, and the possibility of the relatively early replacement of the new constitution’ (Arato and Tombuş 2013, 438). After a new ‘imposed’ constitution in 2014, the question is whether the ‘vicious circle’ will continue.

Endnotes

- 1 I prefer the notion ‘non-Islamist’ rather than ‘secularist’ since it does not exclude religion as a frame of reference for the respective parties.
- 2 For an overview see 3.2.
- 3 Concerning the membership of Islamist parties in the Constituent Assembly, there were 14 members of the Freedom and Justice Party (FJP), 10 of the Salafist Al-Nour Party and 3 of the ‘moderate’ Al-Wasat Party. Furthermore, there were 3 members associated with the Muslim Brotherhood, and one member known for his closeness to the MB. There were also 3 independent Salafis. Hence, the second CA comprised 33 Islamist members (Ahrum Online 2012). On the other hand, only 9 non-Islamist party members and 3 other parliamentarians took part in the negotiations since 39 seats were to be filled by Members of Parliament. Six seats were given to judges, nine to law experts, one seat each for the armed forces, police and the ministry of justice. Thirteen seats were given to unions, while 21 public figures were also appointed. Al-Azhar University was given five and the Coptic Orthodox Church four seats (BBC News Middle East 2012a).
- 4 ‘Islam was established as the state religion of Egypt and ... ‘the principles of the sharia’ became ‘a major source of legislation’ [in 1971]. (...) This was followed by an amendment in 1980 which elevated the principles of the sharia from ‘a major source of legislation’ to ‘the major source of legislation’ (Art. 2)’ (Berger and Sonneveld 2010, 62).
- 5 The material from BBC Monitoring is available upon request.
- 6 Looking at recent events in Egypt, it would be more suitable in fact to speak of an ongoing transformation.
- 7 Here I use the notion of secularists since the actors themselves used that language.
- 8 Officially known as the ‘Declaration of the Fundamental Principles of the New Egyptian State,’ also called the ‘al-Silmi Communiqué’ due to its author, the former deputy Prime Minister Ali al-Silmi (Hamad 2012, 54).
- 9 However, the 2012 constitution allows civilians to be tried in military courts which was not spelled out in the 1971 constitution (Al-Ali 2012).
- 10 It should be noted that most of the authors I quote are themselves part of the debate, hence their statements should be interpreted with caution.
- 11 In the beginning the debate centred on Article 2, ‘which was included in the 1971 constitution to mollify Islamists while at the same time creating enough space for legal interpretation to minimize the provision’s impact. (...) At the time when article 2 was initially included, the trick was to specify that it was the ‘principles’ of Islamic Sharia that would inspire legislation, a term that was both an innovation and that was left undefined. Finally, in order to ensure that the provision would be emptied of any effective meaning, interpretation was left to the courts, which were not particularly sympathetic to the idea of a religiously inspired state’ (Al-Ali 2012).
- 12 Spiegel Online (2012)

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International Labour Migration and Institutional Quality

Analysing the Impact through the Channel of Financial Remittances

in a Sample of Arab States during the Period 2002-2012

Introduction

The traditional theories of international trade have provided that the production factors are able to move within the borders of a single state, while they are not able to do the same between the states due to differences of language, customs and administrative procedures. With the emergence of economic integration in different forms between states belonging to a certain region, it has become possible for production factors to move between the member states. Further, the international movement of production factors has become less restricted due to the widening of economic openness in the context of joining the World Trade Organization, the spread of the globalisation phenomenon, liberating the international exchange, integration of markets and internationalising of production.

Labour, as one of the production factors, moves from a state to another for multiple purposes such as employment or education and consequently for short or long intervals within the concept of international labour migration. While international labour migration is considered a manifestation of economic globalisation, it is at the same time an important factor in the creation of globalisation, including the political and cultural globalisation, in the first place. During the migration period, labour coexists with the economic and political systems of the host states, and acquires from them principles, skills and competencies which it can somehow transfer to the labour sending state in addition to the financial remittances from migrant individuals to their families, which contribute in turn to the raising of their standard of living and increasing of their capabilities of education and rehabilitation, and therefore influence the quality of economic and political institutions of the sending state.

Many Arab states are considered sending states of large flows of labour migration to several states where a high standard of freedom, democracy and institutional quality prevails, especially states of the Organization for Economic Cooperation and Development (OECD) such as the United States, Canada, France, Germany, Italy and the United Kingdom. The estimated amounts of labour migration in 2011 to OECD states from some Arab states are for example nearly 110,000 from Morocco, 35,000 from Algeria, 32,000 from Egypt and more than 5,000,000 from Yemen. Numbers of migrants from some states may lean towards relative decrease due to the selective immigration policies pursued by the receiving states and to the global financial crisis, but the international migration still constitutes an important and influential phenomenon in the economies of all states.

Raising the level of institutional quality is considered a vital factor to stimulate trade, arrange for the atmosphere of practicing business and to increase the economic growth rate thus consequently achieve efficiency in resource allocation and provision of more job opportunities. All this would lead to the just distribution of income and the support of economic prosperity and political rights that may in turn have an active role in limiting economic, political and social conflicts within the context of the political changes and the reform revolutions, known as the Arab Spring that prevailed in some Arab states, namely Tunisia, Egypt, Libya, Yemen and Syria. Further, they might have a reflected impact on the rest of the other Arab states.

Accordingly, the problem of the study is to answer the following questions: What is the extent of the international labour migration's contribution to influencing the institutional quality in the sending Arab states? Specifically, what is the role of the financial remittances to effectuate this influence?

The study has tested a principal hypothesis that 'Migration of the International Labour positively affects the institutional quality in the sending Arab states through the financial remittances'. To validate this hypothesis, the methodology of this study is based upon a descriptive approach and an econometric approach. Descriptively we illustrate the theoretical framework, literature review and the application framework by which we analysed the status of the sample states during the period 2002-2012. As econometric approach we employed a regression equation (unbalanced panel data) estimated by the generalised two-stage least squares method which we applied to twelve Arab states: Egypt, Tunisia, Libya, Syria, Yemen, Morocco, Algeria, Sudan, Djibouti, Iraq, Jordan and Lebanon for the period 2002-2011. The selected sample of Arab states includes states of the Middle East and North Africa, according to the criterion of availability of data on variables under study, after excluding both of the Arab states to whom financial remittances are not considered an important factor such as the Gulf states and also the non-Arab states. It is worth mentioning that the sample includes states of the Arab Spring.

The present study aims to highlight an important determinant among the institutional quality determinants which is the financial remittances of migrant labour, as a key financial resource in many Arab states, in the light of the rising number of immigrants from there. It also aims to identify the impact of this variable on the quality of both political and economic institutions in the sending states, so as to help policy-makers and decision-takers to enhance the role of this variable in raising the institutional quality in the Arab states to a level that enables them to achieve the economic, political and social reforms as desired in the revolutions of the Arab Spring.

Both the importance and uniqueness of this study are justified by focusing on the indirect role of international labour migration in achieving institutional quality through tackling the role of financial remittances of migrant labour, while most of the previous studies have directly concentrated on this relationship. Further, the current study outlines this effect, specifically, on each of the indicators of the quality of economic and political institutions. Moreover, analysing and testing the extent to which this relationship prevails as applied to a sample of Arab states is to be considered a clear contribution in the economic literature given the scarcity of applied practical studies that address the determinants of institutional quality in Arab states.

The study is divided as follows into four main parts. The first part reviews the institutions and international labour migration literature whereas the second part elaborates the theoretic framework to include the institutional quality concept and determinants together with the indicators. The third part presents the application framework to analyse the institutional quality level, international labour migration and the financial remittances in states under study while the fourth part contains the econometric pattern and specifies its variables and sources of data, then analyses and discusses the outcomes of the estimate. The fifth part concludes the study with an overview of the salient outcomes and a summary of the most important recommendations.

1. Literature Review of the Institutions and International Labour Migration

Within the view of the Institutional Economics, the traditional analysis of institutional quality is based upon the neo-classic analysis of the state role in the economic development that acknowledges this role as one to protect property rights, limit corruption, not confiscate others' properties, be committed to democracy and protect the majority's interests. This is based upon the assumption that the market is efficiently working through the supply and demand mechanisms and within the importance of

the private sector's role. But, as the market regime has failed to achieve the economic development and to ensure the social prosperity, this inability has emphasised the importance of setting an integral relationship between the state and the market and has also emphasised the state's role as a social institution capable of establishing good institutions to organise the economic relations between parts of the society, to protect the property rights and to ensure the fair competition under the rule of law (Mohammad, 2011 ; Al-'Ajlouny, 2013).

From this point, a number of economic literature has been presented with the aim of inquiring into the impact of institutional quality on several economic variables, on the one hand, while, on the other hand, some have tried to study the factors determining the institutional quality level among which falls the international labour migration. Focus here will be on literature that has tackled the latter relationship as being the current study's aim and its concern as well.

In general, immigrants returning to their sending states would be holders of savings and social linkages together with expertise and knowledge of better practices according to how long they have lived in the host states. Accordingly, this may change their voting motivations so as to render them as a pushing power towards reform and institutional change. On the other hand, immigrants abroad can participate in political activities such as practicing pressure on the host state governments to encourage or to prevent financial aids or to impose economic penalties which may in turn affect the institutional quality in their sending states either positively or negatively (Docquier, et al., 2011).

The study of Bastisa and Vincente (2011) tested the hypothesis that 'Expertise of the international migration enhances the institutional quality through raising the demand to exercise political accountability'. To validate this, it has used data of a survey that questioned the people's desire to have better governance and has identified determinants of the voting behaviour all with focus upon one state which was Cape Verde of West Africa. The study has concluded that returning immigrants provided with expertise from abroad may interpret it in the form of improving the local political institutional quality through direct participation in the political regime or an increase of awareness and demands for political accountability. Besides, current immigrants may affect the political change through their linkages with the sending states but the impact of returning migration is stronger than that of the current migrations especially if the destination states of migration enjoy better governance.

In another sphere, the previous study has concluded that the international migration is considered a determinant of the local political regime quality as being a safety valve or an external option that offers quitting chances to people discontented with their sending states. Alongside with the brain drain parallel to migration, the demand of political accountability retreats thus negatively affecting the supply of good local institutions.

The study of Kapur and McHale (2005) concluded that migration weakens the role of institutions like universities, judicial institutions and media as their founders migrate whereas migration is considered a selective process since immigrants are selected according to several dimensions among which is an advanced educational level or being from the mid-income class. Consequently, this diminishes the number of the most politically participating categories of residents in their original states.

The last outcome agrees with the conclusion of Li and McHale's study (2009) outlining that the migration probability may diminish the local supply of competent individuals capable of establishing institutions. However, an increase in migration probability may raise citizens' bargaining power due to their knowledge of being able to migrate in case of falling under pressure due to their political activity. On another side, there would be a rise of investments in internationally required skills such as developing programming skills while they would alienate from locally required skills.

In distinction between impact of skilled and non-skilled migration, a study by Li and McHale (2009) tested the overall effects of migration on the sending state institutions with focus on the skilled migration. It has concluded that there was a positive impact on political stability, voting and accountability, while it had a negative impact on other institutional quality indicators such as government's effectiveness, organizational quality, rule of law and control of corruption.

Using panel data, Docquier et al.'s study (2011) concluded that skilled migration has an ambiguous impact on institutional quality. The study demonstrated this by showing that increasing the human capital raises total migration and that the accompanying brain drain may not necessarily affect the institutional quality in a positive way. However, in case of considering international migration as an incentive to invest in human capital, this may positively affect the institutional quality in some states on a short term basis, and in several states on a long term basis.

Besides, Beine and Sekkat's study (2013) aimed to investigate the impact of international migration on the institutional quality in developing states through studying the impact of the amount of migration itself as it affects voting or non-voting together with the related values transferred from the host state to the sending state. Both impacts were assured by using different indicators of institutional quality but the impact was clearer in the case of skilled migration.

Several other studies have addressed the international migration impact channels affecting institutional quality, among which was Pérez-Armaendariz and Crow's study (2010) with application of survey data during June 2006 in Mexico covering means of international communication between immigrants and their sending states after migration together with consequent effects among which were financial remittances to their families, communication by phone, mail and internet or short visits, all of which are included in the expression 'social remittances'.

These links, in turn, facilitate the international propagation of ideas, beliefs and knowledge. They also affect the democratic process in the sending states and the increase of trade, investment, money transfer, information partnership especially within the progress of IT and communications; all that has contributed to form the sending states' political and economic institutions.

Conclusions of the latter study have shown that financial remittances do not significantly affect the political culture while communication between returning immigrants and their friends and resident families in the sending state has a positive impact on the political partnership.

On the other hand, Abdih et al.'s study (2008) addressed the relation between financial remittances in specific and the institutional quality in the states receiving these financial remittances. Analysing 111 states, the study concluded that the proportion of financial remittances to the GDP leads to deterioration of the institutional quality as expressed by the indicators of government effectiveness, rule of law and control of corruption.

The study presented reasons for this deterioration among which was that the increase of income consequent to the financial remittances may push some receivers to lower the governmental corruption cost through their tendency to buy public goods that the government is supposed to provide, a matter that may encourage some governments to sit on the resources instead of using them to provide the commodities

The study by Mahmoud et al. (2013) outlined that financial remittances may affect the political preferences as they increase the income available to the household sector receiving the financial remittances. Further, they may lead to a difference of income levels in the society which may in turn affect the voting process.

Several empirical studies have proved the importance of institutional quality to activate the impact of financial remittances on the economic development in the developing states on a long term basis, and also to stimulate investment (Catrinescu et al., 2006).

2. The Theoretical Framework: Concept and Determinants of Institutional Quality

The process of managing the formal and non-formal rules of behaviour is generally expressed by the term governance. As for the economic sphere, governance is the means through which the authority is practiced to manage the economic resources. Since immigrants' financial remittances are considered one of these resources, therefore managing them and maximising their benefit would not take place except within activating the concept of governance which in turn necessitates the existence of good institutions.

Institutions are viewed as the statutory human constraints that form the social, economic and political interactions (North, 1990) and express the formal and non-formal rules of behaviour. Among the non-formal rules governing behaviour are customs and traditions which are of more importance in the developing states (Busse et al. 2007).

Institutions are identified as the formal and non-formal rules of the game where the game expresses any social interactions between individuals, facilities and organisations. These interactions would be controlled through setting rules including a group of procedures and co-operational practices in order to limit the uncertainty resulting from the imperfection of information or deficiency of rational management and to lower the transactions costs. Institutions are classified as economic, political and legal institutions (Kuncic, 2012).

Accordingly, institutions have two economic functions, first to lower the transactions costs and increase both certainty and forecast capability relevant to social interactions; second to facilitate the coordination between the economic parties. The institutions' practice of these two functions is governed by four criteria which are static efficiency, the dynamic efficiency, forecast capability and credibility (Alonso and Garcimartin, 2011).

Static efficiency expresses the institutions' capability to enhance the behaviour lowering the social costs while dynamic efficiency refers to the capability to participate in social change or at least to create motivations that facilitate adaptation with the change by social parties. Credibility represents the institutions' capability to set an objective framework actually determining the parties' behaviour and conduct. Finally, forecast capability expresses the institutions' capability to execute their functions in the way that limits uncertainty relevant to the human interactions and consequently lowers transactions costs. It is worth mentioning that realising these criteria leads to achieving institutional quality.

Achieving institutional quality is considered a principal requirement to realise many economic targets most of all motivating economic growth (Al-'Ajlouni 2013, Valeriani and Peluso 2011, Butkiewicz and Yanikkaya 2006), raising trade volume (Anderson and Marcouiller 2002) and attracting flows of direct external investment (Wei 2000). The outcomes of Méon and Sekkat's study (2004) on the Middle East and North Africa states demonstrated the strong impact of institutional quality deterioration on these states' incorporation in the global economy as measured according to the industrial exports and attraction of the direct external investments.

The economic importance of institutional quality justifies the need to know its determinants represented in a number of variables, some of which are economic such as the level of economic development, income distribution, international openness, education, taxes and availability of high value natural resources (Alonso and Garcimartin 2011) together with high GDP per capita and accumulation of human capital (Beine and Sekkat, 2013).

The quantity of resources available to establish new institutions is determined according to the economic development level as reflected by high GDP per capita. The unjust income distribution causes an interest clash between the social groups in the state which consequently leads to features of political and security instability together with a non-desire to combat corruption. Further, unjust income distribution instils the institutions under the control of a certain group with the authority and power to direct the institutions towards serving its interests and not public interest.

The international openness encourages the existence of a more competitive environment that limits corruption and illegal profit activities and that also facilitates education processes and following the new practices derived from other states experiences. Accumulation of human capital and increase of the number of higher educated individuals leads to the demand of more transparency and the capability to establish institutions, a part of which is achieved through international labour migration.

Spilimbergo (2009) has outlined that individuals who have received education abroad enhance democracy in the sending state but only if they have received their education in a democratic state. However, he did not elaborate the mechanisms that achieve this impact but has only suggested a group of probabilities such as access to foreign media and coexistence with the host state customs and values. Besides, Starting and Barro (1999) found a strong relationship between education levels and democracy, a fact that has been emphasised by Glaeser et al. (2006).

The efficient taxation system does not only provide the financial resources necessary to establish institutions but it also supports transparency and accountability in the relation between the individuals and the state. The profit revenues resulting from monopolisation of some natural resources may replace the taxation revenues and this may in turn negatively affect the institutional quality due to absence of transparency and accounting.

Immigrants' financial remittances represent another financial resource for the sending state that in its turn contributes to raising incomes, educational level, health care, production projects and employment opportunities. Besides, transferred money to the immigrants' families raises their purchasing power and standard of living and consequently limits unjust distribution of income (Mountford 1977, Beine et al. 2001, Katz and Rapoport 2005). On the other hand, financial remittances to the sending states contribute to the provision of a safety network to minimise economic, political and social pressure and thus curb demands for reform that might lead to economic, political and security chaos (Docquier et al., 2011).

Beside the previous economic variables, there are other negatively affecting variables that determine the institutional quality among which is the social non-homogeneity due to differences of language, religion, tradition or racial origins between groups of the same state and also negatively affecting geographic factors such as in the case of states which have no access to coast that would facilitate transportation and cargo operations. All of these negatively reflect upon the development process supporting the institutional quality. In general, institutions are said to be of quality when they work to maximise the social revenues in parallel with the private revenues.

The institutional quality is expressed by using the six governance indicators set by Kaufmann et al. (2002) and applied to 199 states in four intervals: 1996-1998-2000-2002. These criteria were set upon the basis of hundreds of variables concluded from 25 information sources in 18 international organisations.

In a subsequent study (Kaufmann et al., 2005), these indicators were used in 209 states during the period 1996-2004 whereas Kaufmann et al. (2006) has published the modified version of the six indicators in a study applied to 213 states during the period 1996-mid 2005 (Al-'Aljouni 2013; Busse, Borrmann et al., 2007-2013) whereas these indicators are represented as follows:

Voice and Accountability: This means that all society members participate in decision making through institutional channels that guarantee freedom of opinion and expression together with considering human rights. Moreover, all executives and decision makers are subject to the principle of accountability and interrogation by the public opinion and its institutions. This indicator reflects the political process as it helps to criticise inadequate policies causing mischief to the economy.

Weak voting and government accountability negatively affect the quality of life especially as relevant to formulating the state budget which in turn contributes to inequality of offering services or obtaining them in the spheres of health, education, water and sanitary drainage (Report on challenges of development in the Arab states- 2011).

Political Stability and Absence of Terrorism and Violence: This measures stability of the political regime and it being accepted by all the state's parties including those objecting to government policies and the degree of violence that expresses the discontent with the regime. This indicator reflects stability of the economic environment and limits risks and uncertainty which in turn affects foreign and local investment decisions.

Government Effectiveness: This indicator tests the state institutions' management effectiveness and the extent of their efficiency in using local resources to provide public services. It expresses the level of bureaucracy and generally reflects the government capability to formulate and execute new policies.

Regulatory Quality: This indicator expresses the regulating laws, procedures and regulations that organise the relation between the state and the society. For example, labour laws and work permits characterised by quality, effectiveness and support of competition and efficiency have an impact on costs and benefits of economic activities.

Rule of Law: This means that all are included under the control of law: rulers, executives and citizens. This indicator tests the extent of citizens' trust in law together with ensuring the solidification of justice, equity and safety of rights. It also reflects the extent of the capability to be committed towards executing contracts in general and the commercial ones in particular together with the quick and just settlement of relevant conflicts.

Control of Corruption: This indicator reflects the level of the public authority's resistance against private profit or exploitation of administrative positions in a way to harm public interest. Corruption supports illegal practices in economic activities and enhances monopolies to supersede just competition that achieves efficiency in using resources.

3. The Application Framework

This section scrutinises institutional quality, international labour migration and financial remittances in regard to their development during the period of study and compares their levels in the states under study.

3.1 Institutional Quality Level

Figure 1 helps to identify the overall level of institutional quality in the Arab states under study through a composite indicator of its six indicators that expresses the arithmetic average of these indicators. Its value varies between 2.5 (highest level) and -2.5 (lowest level) during the last three years of the study period. The indicator value has clearly deteriorated in most states except for Morocco and Algeria. Reviewing this value during the whole study period in Egypt and Tunisia for example, as illustrated in Figures 2 and 3, reveals a general low tendency of the institutional quality level

which may be interpreted as due to the Arab Spring in these states specifically and the reform movements in other Arab states.

Reality indicates that most Arab regimes rely upon oil revenue, financial remittances, sometimes upon international aid and less upon the direct and indirect tax revenue, all of which limit participation and accountability stimulants and lead to the absence of true democracy. As for the indicator of government effectiveness, non-centralisation is the major characteristic of the local government together with the weak financial and political monitoring. Besides, corruption is an obstacle hindering investment and practice of commercial business in a number of Arab states among which are Egypt, Libya, Algeria, Morocco and Lebanon (United Nations, 2012).

In distinction between political institutional quality and economic institutional quality and following the progress of each in Egypt and Tunisia as an example during the study period as illustrated in Figures 4 and 5, the situation in Tunisia shows a decrease of political institutional quality versus the economic institutional quality which indicates weak voting and accountability together with the discontention with the political regimes at that time. However, with the start of 2010 the economic institutional quality value indicator has deteriorated versus an amelioration of the political institutional quality indicator which reached its maximum in 2011 but has retreated again in 2012. In general, the same happened in Egypt but with a difference of an improvement in 2012 which witnessed a raise of the political institutional quality as per the increase of opinion participation in voting and exercising freedom of expression.

3.2 International Labour Migration and Financial Remittances

The Arab migration to the OECD states is generally characterised by its concentration on a small number of sending and receiving states as related by cultural and historic linkages whereas migration from Arab Maghreb states (Morocco, Algeria and Tunisia) to France has been related to imperialistic policies, same as migration from Libya to Italy and from Egypt to Greece, the United Kingdom and the United States of America. However, the destination migration states have lately diversified and illegal and seasonal migration have also increased. Morocco is on top of the Arab states sending to the OECD states as measured by the proportion of migrants to the whole population, followed by Lebanon (League of Arab States, 2006; 2008).

The salient feature of Arab migration is the high proportion of educated individuals and the increase of efficiency and skills migration, as more than a million Arab migrants are holders of higher education certificates. The Arab Maghreb states and the Arab area in general are the areas the most subject to efficiency migration due to the clear contrast in development indicators and in the scientific and research environments between the states and the developed destination states, especially within the selective migration policy followed by the receiving states. Relevantly, the OECD states have facilitated the obtaining of work permits by migrants for the purpose of study after finishing their studies. This had led to an increase of migration for this purpose from the Arab states to the OECD states (League of Arab States, 2006; 2008).

Figure 6 illustrates the flows of labour migration to the OECD states from some states under study in 2011, showing a noticeable increase of migration flows from the Arab Maghreb states, especially Morocco, followed by Iraq and Egypt. This increase is accompanied by a raise in the proportion of total financial remittances versus GDP. This is clear enough in both Lebanon and Jordan in particular and also in Egypt and Morocco; in spite of being lower in Iraq which may indicate that migrants from Iraq do not send notable financial remittances and this may be due to having other motives to migrate rather than work such as the political chaos in Iraq. Proportion of financial remittances to GDP in 2011 in the states under study are referred in Figure 7.

A follow-up to the financial remittances proportion to the GDP during the years 2010-2011-2012 shows its decrease in the Arab World as a whole during the year 2011 together with a decrease in the same year in each of Tunisia and Yemen. On the other hand, this proportion has risen in Egypt, but with a lesser rate than that of 2012. With the start of 2012, this proportion has witnessed some raise as illustrated in Figure 8 which may be justified by the influence under which the financial remittances were put due to the political chaos and features of instability that coincided with the Arab Spring in several states among which were Tunisia, Egypt and Yemen and has shed its impact on most Arab states. However, this proportion has retrieved its raise with the amelioration of the political stability indicator in 2012 and with the increase of confidence in the economic environment.

4. The Econometric Model

Unbalanced Panel Data is used to test the impact of international labour migration on institutional quality through financial remittances in a sample of Arab sending states consisting of twelve states: Egypt, Tunisia, Libya, Syria, Yemen, Morocco, Algeria, Sudan, Djibouti, Iraq, Jordan and Lebanon during the years 2002-2011. This model can be illustrated through the following equation:

$$IQ_{i,t} = \beta_0 REM_{i,t} + \beta_2 GDP_{i,t} + \varepsilon_{i,t}$$

– where IQ expresses the institutional quality variable, REM expresses the financial remittances variable while GDP is the per capita of gross domestic product and i is the symbol of the state, t the symbol of the time interval, $\beta_0, \beta_1, \beta_2$ are the coefficients required to be estimated and $\varepsilon_{i,t}$ the random variable.

4.1 Variables of the Econometric Model: Indicators and Data Sources

4.1.1 The Dependent Variable

Institutional Quality: The study measures the institutional quality according to the governance indicators data issued by the World Bank including the political institutions and the economic institutions. Political institutional quality is expressed by the two indicators voting and accountability (VA) and political stability and absence of violence/terrorism (PS). Economic institutional quality is measured by government effectiveness (GE), regulatory quality (RQ), rule of law (RL) and control of corruption (CC). The value of these indicators varies between -2.5 as weak and +2.5 as strong. These are the governance indicators that the World Bank has issued in its data.

4.1.2 The Explanatory Variables

GDP per capita: Annual growth rate of GDP per capita has been used to reflect the impact of the economic development, the standard of living and the fortune on the institutional quality. According to the outcomes of Barro's study (1999) based upon unbalanced panel data of one hundred states during the period 1960-1995, it was concluded that improvement of the standard of living raises the political institutional quality as expressed by the electoral rights indicator. Further, it was also concluded that the tendency towards democracy rises with the rise of GDP per capita. The current study relies upon the World Bank data 'International Development Indicators' to measure this indicator.

Financial Remittances: They express the total financial remittances obtained as a proportion of the GDP and reflect one of the channels of the international labour migration impact in achieving institutional quality. The same previous source was relied upon to obtain the data considering their unavailability in any other accessible source.

4.1.3 Instrumental Variables

International Labour Migration: This variable depended on the international migration indicator issued by the database of the OECD. It expresses the number of migrants to the total of the organisation states in proportion to the total population. The main reason for depending upon the data of migration flows to the OECD states is the availability of data during the period of study together with the OECD states' high institutional quality so that expertise therefrom can be transferred through the international labour migration.

Further, the lagged values of the interpretable variables levels and the dependent variable have been used as instrumental variables.

According to the aforementioned, the data sources upon which the study has relied to estimate the econometric model are as follows:

- The World Bank – World Governance Indicators
- The World Bank – World Development Indicators
- Organization for Economic Cooperation and Development (OECD) – International Migration Database

4.2 Discussing the Outcomes of Estimation

The statistical program 'Eviews 7' was used to estimate the econometric model. Testing the impact of international labour migration on institutional quality took place by using the generalised two-stage least squares method following the fixed effects method that considers the difference of specifications for each cross-section (state) while these specifications are constant through all time, i.e. the model evaluates a constant term that varies according to the difference in specifications of the samples component. The international labour migration, the lagged values of the instrumental variable and the independent variables are all introduced as instrumental variables together with adding GDP per capita to the independent variables and also the 'Autoregressive (AR)' to resolve the problem of the serial correlation between residuals. The outcomes of estimation are represented in Table 1.

The outcomes show that international labour migration represented by the number of migrants in the sample of sending Arab states to the OECD states in proportion to the total population affects some of the political and economic institutional quality indicators through the consequent financial remittances as expressed by the indicator of financial remittances by individuals to the GDP. The outcomes statistically illustrate the significant and positive impact on the control of corruption indicator (economic institutions quality) and the voting and accountability indicator (political institutions quality) while they did not illustrate a significant impact on the rest of indicators together with illustrating the negative sign of coefficients. It is worth mentioning that if total flows of international labour migration data were available, different outcomes might probably be reached.

The outcome relevant to the voting and accountability indicator agrees with the outcome of Mohamed's study (2012) that used the same indicator to express the democratic process in some Arab states using the Generalized Method of Moments (GMM).

The outcomes did not prove a significant impact (at a significance level of 5%) of the GDP per capita growth rate on any of the institutional quality indicators which shows that the level of economic development witnessed in the states under study has no impact on the level of economic and political institutional quality therein.

The outcomes have also illustrated the significant impact of AR on all the indicators except voting and accountability which in turn shows that the institutional quality indicators' value in a certain year is affected by its value in the previous year. This applies to all indicators except the voting and accountability indicator.

Outcomes and Recommendations

The presented study aims to identify the impact of international labour migration on the economic and political institutional quality in the sending Arab states through the financial remittances channel. To this end a methodology was applied with both a descriptive approach to clarify the theoretic framework and previous literature and an econometric approach using a pooled regression equation (unbalanced panel data) estimated by the generalised two-stage least squares on twelve Arab states that included the Arab Spring states : Egypt, Tunisia, Libya, Syria, Yemen, Morocco, Algeria, Sudan, Djibouti, Iraq, Jordan and Lebanon during the period 2002-2011.

The study has concluded that there was a significant and positive impact of the international labour migration variable on two of the institutional quality indicators which are voting and accountability (political institutional quality) and control of corruption (economic institutional quality) while such impact was not found for the rest of indicators. Consequently, it is possible to accept the hypothesis of the study which states 'The international labour migration has a positive impact on the institutional quality in the Arab sending states through financial remittances'.

The outcomes prove that the labour emigrating from the sample states may constitute a means to establish some rules of rational governance and build up new institutions capable of achieving the goals of the Arab Spring in the states where revolutions took place or in others seeking to remedy the reasons. Further, the outcomes emphasise the particular role of financial remittances in achieving this.

According to the study outcomes, the most important recommendations are to work hard in order to absorb the financial remittances by directing these financial resources towards the establishment and development of institutions together with emphasising the importance of the financial progress to facilitate the remitting process. As the financial remittances constitute an important resource to finance the social and economic development, it is, therefore, quite necessary for the good institutions to provide attracting incentives for these financial resources. Moreover, it is quite important to make use of the links with the resident immigrants in the developed states in order to bring trade and investment opportunities which may in turn raise GDP per capita to the level enabling to achieve good institutional quality in the Arab states.

It is also important to motivate participation and governmental accountability which raises taxation revenues that may substitute financial remittances in financing development. To achieve this, it is necessary to offer sufficient guarantees to the local labour in order to limit its migration and to benefit from its efficiency to support the local institutions and to contribute in the development process.

Besides, it is imperative to issue an accurate and overall Arab database for the volume of international labour flows, their accounts and specifications together with estimates of the illegal migration or those who obtain the nationality of the destination migration states in addition to their native state's nationality. It is worth mentioning that the lack of data may constitute a constraint on outcomes, therefore the current study recommends performing more studies tackling this relationship and the other identifiers of institutional quality all according to the data that may be available in the future in order to be a reference when setting policies.

Acknowledgements

I'd like to express my highest gratitude and appreciation to the reviewers for their effort in offering constructive remarks in order to improve my work. I'd also like to extend special gratitude to the conference organising committee for the effort and follow-up to organise the conference, receive the papers and for the shown cooperation.

Endnotes

¹ For more details about financial remittances in the North Africa states, see Al-Khawaga (2007).

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Annex

Dependent Variable	Variables	Parameters	Standard Deviation	Statistical Value t	Probability t
CC	C	-1.080780	0.164005	-6.589938	0.0000
	GDP	0.010222	0.012340	0.828311	0.4100
	REM	0.059563	0.025085	2.374442	0.0200
	AR (1)	0.395986	0.066303	5.972362	0.0000
	R ² = 0.96 F stat. = 170.5218 F prob. = 0.000 Durbin-Watson = 2.18				
GE	C	-0.137850	0.489413	-0.281664	0.7789
	GDP	0.002079	0.009364	0.222049	0.8248
	REM	-0.059951	0.073502	-0.815639	0.4171
	AR (1)	0.596538	0.096331	6.192579	0.0000
	R ² = 0.94 F stat. = 152.6035 F prob. = 0.000 Durbin-Watson = 1.46				
RL	C	-0.230170	0.572883	-0.401775	0.6889
	GDP	-0.000196	0.007217	-0.027092	0.9785
	REM	-0.051243	0.084391	-0.607203	0.5454
	AR (1)	0.520563	0.127954	4.068373	0.0001
	R ² = 0.96 F stat. = 190.3946 F prob. = 0.000 Durbin-Watson = 1.62				
RQ	C	-0.756647	0.452130	-1.673516	0.0981
	GDP	-0.002650	0.008269	-0.320469	0.7494
	REM	0.030428	0.065890	0.461794	0.6455
	AR (1)	0.538425	0.136023	3.958331	0.0002
	R ² = 0.96 F stat. = 165.9914 F prob. = 0.000 = Durbin-Watson = 1.99				
VA	C	-1.419782	0.098586	-14.40138	0.0000
	GDP	0.018715	0.016031	1.167472	0.2465
	REM	0.040909	0.016337	2.504130	0.0143
	AR (1)	0.040662	0.138005	0.294642	0.7690
	R ² = 0.87 F stat. = 45.23487 F prob. = 0.000 Durbin-Watson = 1.63				
PS	C	0.032903	0.715443	0.045990	0.9634
	GDP	-0.027946	0.015840	-1.764254	0.0815
	REM	-0.167024	0.101323	-1.648424	0.1032
	AR (1)	0.794029	0.086913	9.135861	0.0000
	R ² = 0.898 F stat. = 107.6747 F prob. = 0.000 Durbin-Watson = 1.95				

Table 1: Outcomes of Estimating the Econometric Model

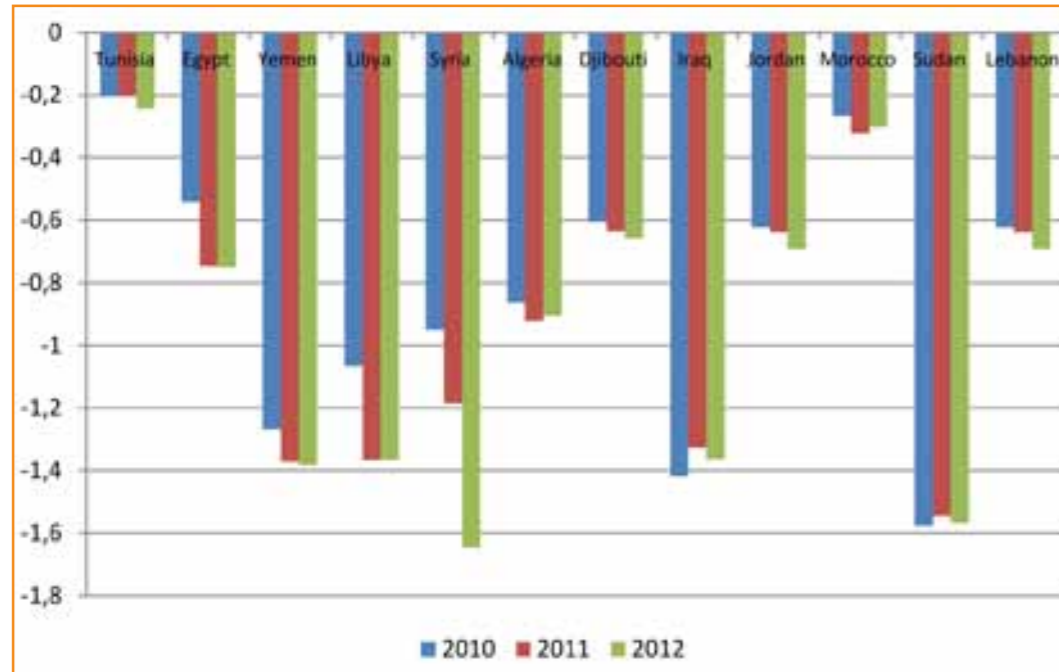


Figure 1: Composite Indicator for Institutional Quality in the Years 2010-2011-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Governance Indicators'

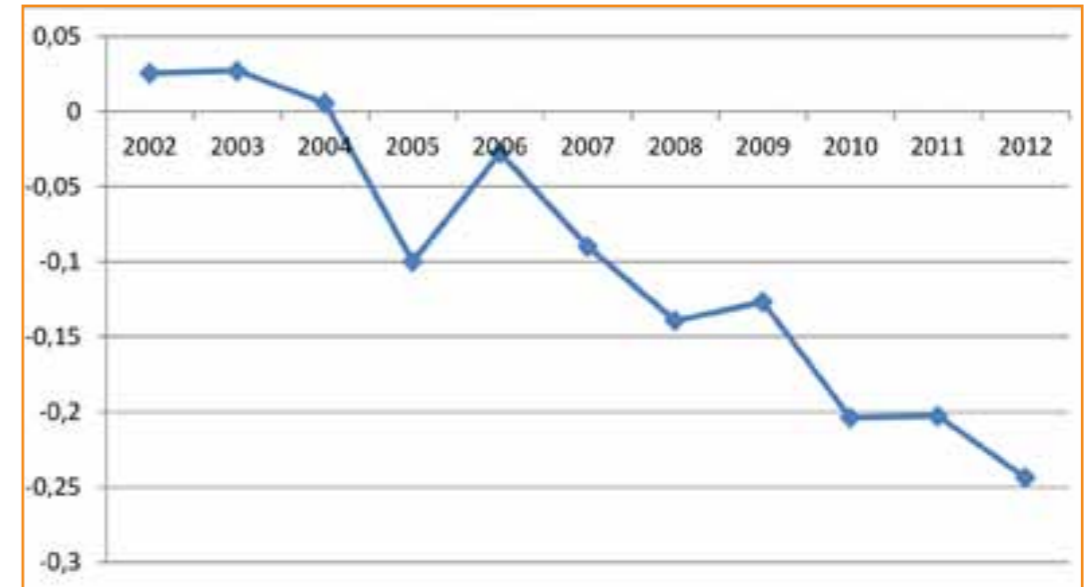


Figure 3: Progress of Composite Indicator Value of Institutional Quality in Tunisia during the Period 2002-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Governance Indicators'

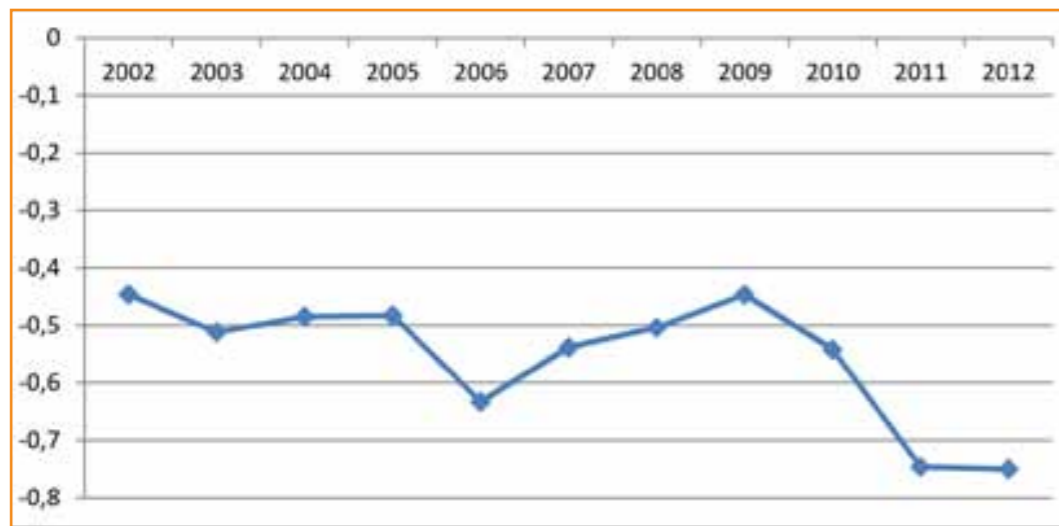


Figure 2: Progress of Composite Indicator Value of Institutional Quality in Egypt During the Period 2002-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Governance Indicators'

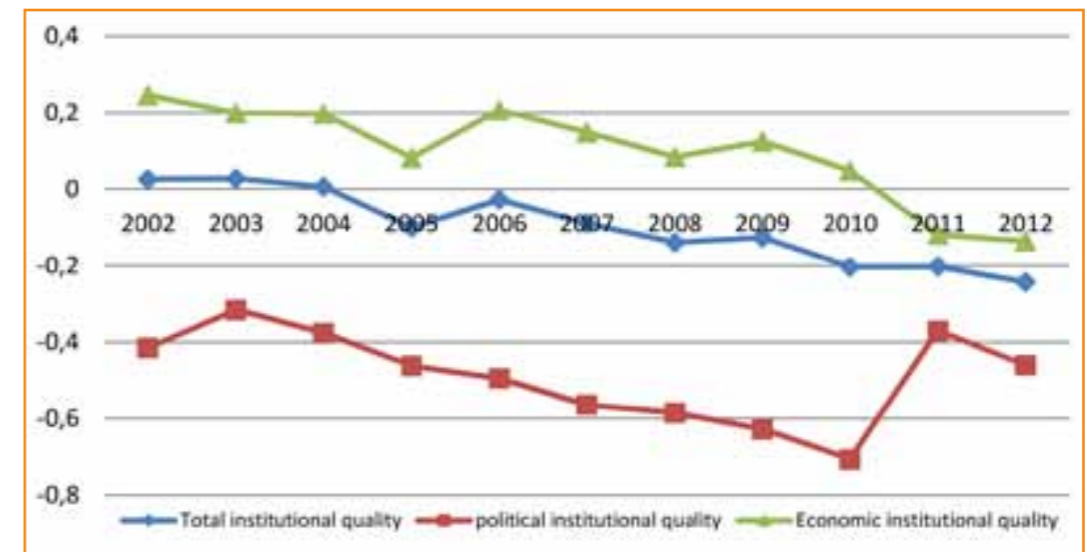


Figure 4: Progress of Economic and Political Institutional Quality Indicator Value in Tunisia during the Period 2002-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Governance Indicators'

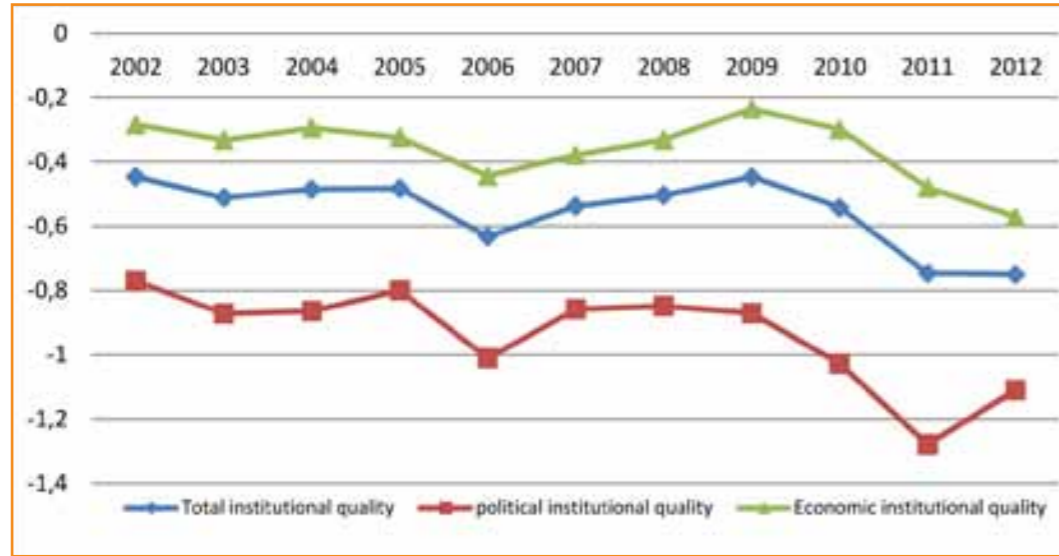


Figure 5: Progress of Economic and Political Institutional Quality Indicator Value in Egypt during the Period 2002-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Governance Indicators'

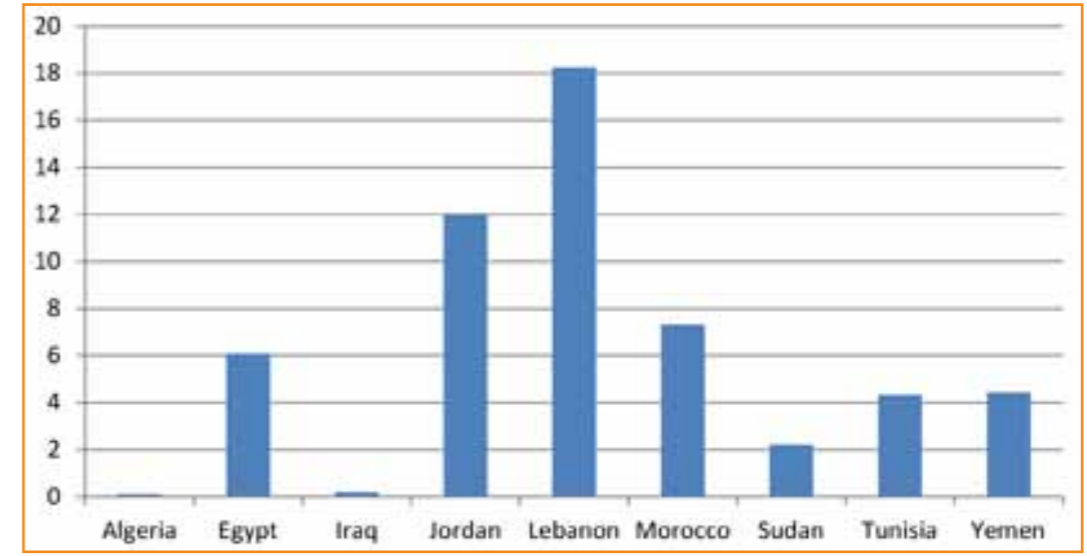


Figure 7: Proportion of Financial Remittances to GDP in Some Arab States Subject to Application in the Year 2011;
Source: Prepared by Researcher, based upon 'World Bank, World Development Indicators'

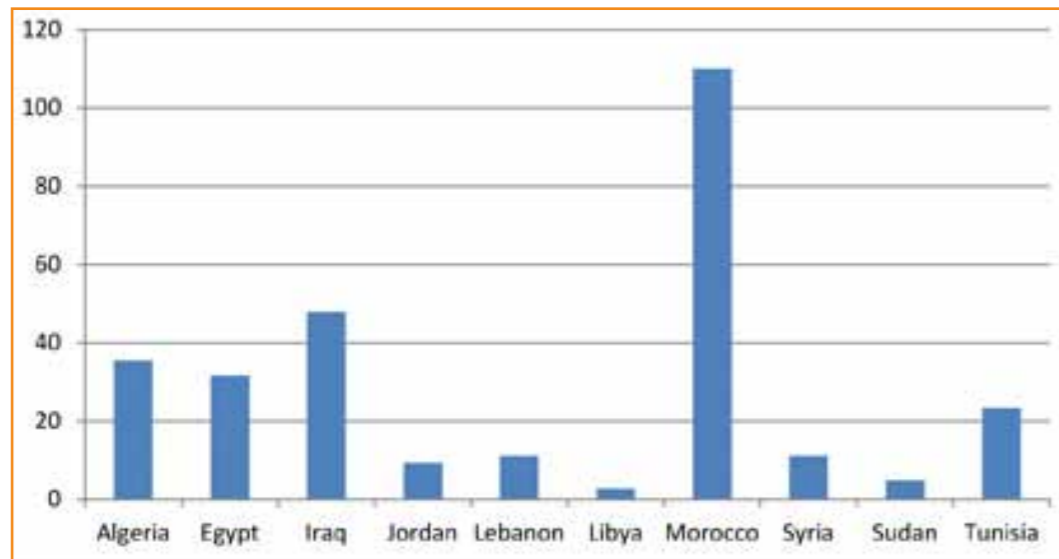


Figure 6: Flows of International Labour Migration to OECD States in the Year 2011 (in thousands);
Source: Prepared by Researcher, based upon 'OECD, International Migration Database'

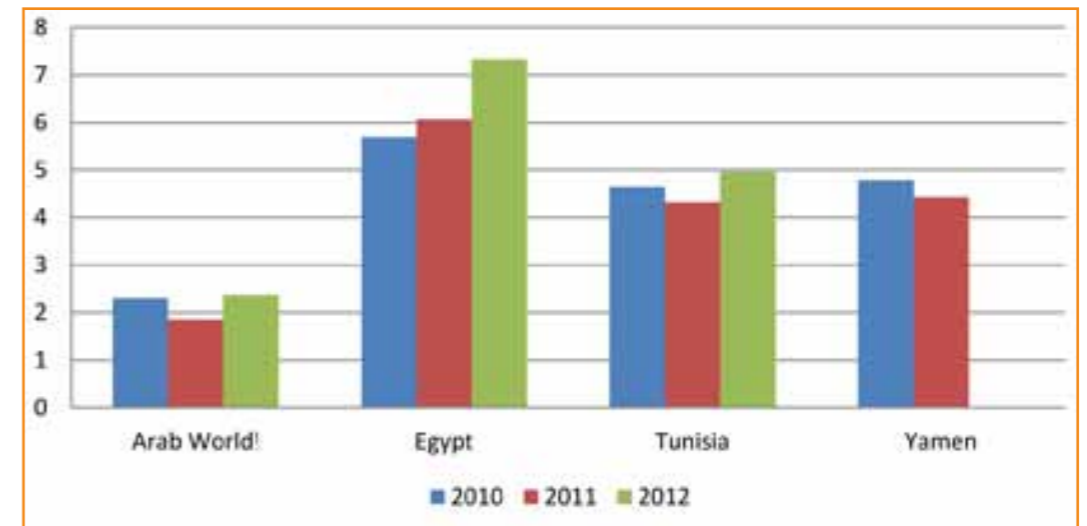


Figure 8: Proportion of Financial Remittances to GDP in the Years 2010-2011-2012;
Source: Prepared by Researcher, based upon 'World Bank, World Development Indicators'

Aliaa Wagdy

The EU's Stance towards the Rise of Islamists to Power

The Case of Egypt in the Aftermath of the Arab Revolutions

Introduction

After the rise of Islamists to power, observers have been in a situation of uncertainty about the future of democratic transformation in the Arab World. One point of view points to the Turkish case to prove that an Islamist rise to power is something not to worry about as long as this happens according to a mindful popular will. Advocates of this opinion see that this rise would enrich democracy in the Arab countries by incorporating Islamism in the political scene. A second point of view uses the Iranian case as evidence to the effect that Islamist regimes necessarily inverse democracy and replace the former authoritarian regimes with authoritarian theocracy.¹

A third trend sees no point in being sceptic towards the new Islamists-led Arab regimes. Rather, according to advocates of this view, relationships with these regimes should focus on specific issues, and not on the Islamist rise as an issue per se.²

This paper will track the EU positions towards the rise of Islamist parties to power in Arab Mediterranean countries in the years 2011/2012. Some parties have won elections after a constitutional reform (Morocco), and others were elected to government after the old regime had been toppled by a popular revolution (Tunisia and Egypt).

As Mediterranean countries, political and socioeconomic developments necessarily impact the Mediterranean security and, consequently, the European security. Moreover, these countries are included in the European Neighbourhood Policy (ENP) which was subject to review in order to cope with the new circumstances in the Arab region.

Preliminary observations

At the beginning, four general observations could be stated:

1. The European stances (both at state and EU levels) towards the Arab revolutions have differed from one case to another. Similarly, the European stances towards the rise of Islamists to power differed according to the regional context of each specific case.

The European stances and policies towards the Arab revolutions were various; a late reaction to Tunisia, a hesitant response to Egypt, the escalating rejection of 'suppressing the peaceful protests' in Libya and Syria, and the condemning of the Libyan and Syrian regimes for launching armed aggression against civilians to the point of NATO military intervention in Libya.

As for Yemen and Bahrain, the Gulf security remained the key determinant issue in shaping European policies and stances. The Europeans were worried about the possible scenarios for al-Qaeda in Yemen if Ali Abdullah Saleh's regime fell. And in Bahrain, where the protests broke out on sectarian grounds, as the Shiite majority protested against the Sunni ruling minority, Europeans were reluctant to condemn protest suppression by Bahraini authorities, especially in light of Iran supporting the protests, because they feared that if the protesters managed to achieve their aims, a Bahraini-Iranian alliance could be established and a deeper Iranian penetration in the Gulf region would be likely to happen.

Similarly varied were the responses of the EU and its member states to the results of elections in some Arab countries where the Islamists proved victorious. This depended on the regional consequences of each individual case. From the European perspective Islamists winning elections in Arab Maghreb countries would have considerable implications, as it might increase immigration to Europe in the wake of a setback for democracy.

Likewise, the debate about implementing Sharia in Libya triggered European fears of a possible civil war that would also lead to large waves of immigration. In Egypt, the biggest fear was related to the future of the relationship with Israel. And in Kuwait, a parliament with an Islamist majority would have raised European worries about the relationship with the West and the Gulf security.

2. The rise of political Islam in the Arab World brings to debate the dilemma of political/strategic aspects vis-à-vis the ethical considerations. The West has been supporting Arab authoritarian regimes claiming that the alternative would be 'radical anti-Western regimes'. After the revolutions, despite their support of democratic transition in the Arab countries, the Europeans were aware that this transition could lead to problematic situations. They knew that conservative forces were quite close to power. These forces adopt different visions than Europeans on the religion-state relationship and human rights, especially religious freedoms and women's rights.³

This dilemma confronting Europe is anything but new: in 1991, when the Islamic Salvation Front (FIS) won the elections in Algeria, European leaders chose to 'close their eyes to the fierce crackdown on the Islamists by the military'⁴. Then in 2006, when Hamas emerged victorious in the Palestinian legislative elections, considered at the time by the EU monitoring election team as fair and free, the EU, along with the USA, refused to recognise the new Hamas-led government⁵. After the Arab revolutions, the Europeans realised that things were going differently. The EU could not ignore the changes on the ground, nor could it boycott the Islamists who had come to power in the Arab countries.

3. There are fears that the rise of political Islam in the Arab region would enhance Islamist trends in Europe.⁶

4. Arab issues and crises have always put at stake the solidity of the European Union as a collective entity and the future of European political integration. The division over the war on Iraq in 2003 is frequently recalled in this context. Speaking of the Arab revolutions, President of the European Council Herman van Rompuy considers the EU's foreign policy towards the Middle East a common policy of the 28 member states.

The EU, according to van Rompuy, holds a unique position towards the uprisings in the Arab states, which, he regrets, is usually 'under-estimated'.⁷ But this statement was put into question when Germany opposed the France-Britain-led intervention in Libya through NATO.⁸

The Rise of Islamists in the Southern Mediterranean: Political and Security Dilemmas

Before the revolutions, the EU did not have links with Islamist forces in the southern Mediterranean. Some of these forces were banned and considered illegal, like the Nahda Movement in Tunisia and the Muslim Brotherhood in Egypt. Others were not banned and participated, on a limited scale in the political arena, like the Justice and Development Party in Morocco.⁹ Now as the EU can no longer avoid building ties to Islamists in the southern Mediterranean, it faces a number of dilemmas in the respective countries:

Tunisia

The EU and its member states, mainly France and Italy, used to be allies to Ben Ali's regime. The Association of Democratic Women is an illustration of the EU's failure to challenge Ben Ali's regime. The organisation received a € 30,000 grant from the EU in support for its activities, only to be frozen on the Association's bank account by the Tunisian authorities. The only reaction of the EU was to request the funds back from the NGO at the end of the fiscal year. The EU never put pressure on the Ben Ali government to release the money.¹⁰

Given such experiences, the emerging political class in Tunisia, during the few months after ousting Ben Ali, could not ignore the fact that Europe has been at best silent about the abuses of the Ben Ali regime. Nor could Tunisians forget that Europe supported their revolution at its late stages only. The EU official statements were mostly about respecting human rights and rule of law, through a statement on January 14th, 2011 by Catherine Ashton, High Representative for Foreign Affairs and Security Policy, and Štefan Füle, European Commissioner for the ENP, for the 'Tunisian people and their democratic aspirations'. Therefore, the EU had to work to show it stood with the Tunisian people and their desire for democracy.

This could be achieved by various means including political advice whenever asked for, financial assistance and enhancing commerce.¹¹

Morocco

One of the main challenges that face the Arab Maghreb area, like other areas in the Arab World, is the existence of Radical Islamist movements, like Al-Qaeda in the Islamic Maghreb, the Moroccan Islamic Combatant Group and the Libyan Islamic Fighting Group. Those are violent groups that were responsible for multiple terrorist attacks. Given the political instability in the area after the revolutions in Tunisia and Libya, in addition to the protracted Moroccan-Algerian conflict over the Western Sahara since 1963, the existence of these movements is a big challenge not only to these Arab countries, but also to the neighbouring areas, especially Europe, that would be affected by waves of migration.¹²

The Moroccan regime is still far from being a multi-party system in a constitutional monarchy, despite the attempts towards this way. The monarch holds considerable powers over the executive, legislative and judicial authorities. Political parties are weak. The EU supported, and even pushed for, political reform in Morocco, a genuine reform that would lead to an authentic process of democratisation. In February 2011 there have been popular demands for such political reform. For the EU, if the Moroccan regime was to ignore these demands, or respond by temporary and phony measures, this would increase instability in the region, and, therefore, an increase of immigration rates to southern Europe, let alone illegal immigration; one of the most serious security problems to Europe.¹³ Hence, the EU supported the Justice and Development Department for further political reform and genuine democracy building in Morocco.

Egypt

For Europeans, an Islamist majority in the parliament is a source of concern, for, internally, it could affect rights and freedoms, mainly women's rights and religious freedoms,¹⁴ and, externally, it might bring the adoption of a different foreign policy agenda and a reshaping of the relationship with the West, Iran and Israel¹⁵. Before the parliamentary elections, policy recommendations to the EU on how to deal with the elections in Egypt and the expected victory of Islamists included *inter alia* the following:¹⁶

- The EU should be clear and consistent regarding the democratic process in Egypt, realise that Islamists are part of the political spectrum, and consider it no longer feasible to reject election results if Islamists proved victorious, which would be perceived as a double-standard and negatively affect Europe's image in the Arab countries.
- If European civil society organisations were not licensed to monitor the elections in Egypt, they should share the know-how with their Egyptian counterparts.
- The EU should offer European experience and expertise in institutional reform and offering technical assistance to newly emergent entities like independent trade unions and new political parties.

The EU Stance towards the Rise of Islamists in Egypt

EU Official Discourse

EU officials know that their statements may sometimes be interpreted as 'illegitimate foreign intervention' in a state's affairs.¹⁷ Europeans, on the one hand, and the rising Islamist forces in the Arab World, on the other hand, cherish democracy as a means and an end at the same time. However, they comprehend the concept of democracy differently. Arab Islamists focus on the election ballot as *the* main manifestation of democracy. Europeans respect elections, yet see them as merely a procedure that should be based on a set of fundamental rights and freedoms.¹⁸

After Mubarak stepped down in February 2011, European officials visited Egypt multiple times.

HR Catherine Ashton visited Egypt four times over five months (February-July). She met with various political forces and parties, including members of the Muslim Brotherhood. She affirmed that the EU was willing to cooperate with any political actor who believes in democracy and implements it, and that Europe was not going to intervene in the dynamics of the political process in Egypt, nor was it worried of the possible rise of Islamists.¹⁹

In July 2011, European Commission Chief José Manuel Barroso gave a speech at Cairo Opera House, in which he refuted the stereotype that Muslim societies are incapable of achieving democracy. He referred to the Egyptian people as the ideal evidence that Arab peoples can strive for freedom and dignity.²⁰

In general, the statements made by EU officials during that stage praised the roadmap and the steps taken on the way to democratic transformation, and expressed the EU's desire to see the democratic aspirations of the Egyptian people fulfilled.

One year after the outbreak of the Arab revolutions, and after elections had been run in some countries, Štefan Füle, stated that the EU should work with the newly elected ruling elites in these countries for setting solid foundations for democracy and comprehensive development. He also stated that Europeans should respect the results of democratic elections and continue their cooperation with their partners as long as they abided by their international commitments. Füle emphasised the importance of cooperation between the European Parliament and the national parliaments of these Arab countries.²¹

The statements of the EU Commissioner do not reflect fear of the Islamist majority in the parliament. Rather they indicate concerns with SCAF policies and practices that imply violations of fundamental rights and freedoms.

Then, on the day the newly elected People's Assembly held its first session, Catherine Ashton described the elections as a 'historic step towards democratisation', stating that the EU hoped that the elected parliament exerted the efforts for democratic reform in order to 'meet the expectations of the Egyptian people for social rights, economic growth and fundamental freedoms'²². Ashton also called for the presidential elections to be held as scheduled and urged the SCAF to transfer power to civilians as early as possible.

Meanwhile, the European Council announced on January 22nd, 2012 that the foreign ministers of its 28 member states would not engage in 'formal dialogue' with Egypt until a democratic government had been formed. Michael Mann, spokesperson of Catherine Ashton, said that the EU was considering Egypt's request for 449 million Euro in aid for 2011-2013. Meanwhile, Mann expressed the EU's resenting of 'raids on the Cairo headquarters of civil society organisations', and condemnation of 'repeated clashes between security forces and demonstrators, military trials of civilians, the continued use of emergency law, and human rights violations'.²³

The same meaning was stressed in the Council's conclusions on Egypt in February 2012. EU ministers of foreign affairs welcomed the conduct of elections of both the People's Assembly and the Shura Council, and emphasised the EU's support of Egypt's transition towards a democratic, pluralist and stable country. The EU looked forward to the appointment of the Constitutional Committee representative of all elements of Egyptian society, including persons belonging to minorities, who should be 'responsible for the drafting of a new Constitution reflecting a democratic Egypt, protecting human rights and fundamental freedoms, and the important role of women'.²⁴

The Council further focused on the 'Maspero events', when 27 Christians were killed in clashes with army forces. It called upon the Egyptian authorities to quickly announce investigation findings on violence against civilians and 'religious communities'. Mentioning the Maspero issue in a report on parliamentary elections reflected European concern that an Islamist-led parliament could hinder the publication of findings on violence against Christian citizens. In a broader sense, there was a European concern of the future of minority rights in the presence of an Islamists-led legislative authority.

After Presidential elections

Upon invitation of the Egyptian government, the European External Action Service (EEAS) sent two electoral experts to assess the conduct of the presidential elections in May-June 2012. The technical mission concluded that the elections had been 'fair and were held in a peaceful environment'.²⁵ Agreed!

The official spokesperson of HR Catherine Ashton issued a statement after the second round of the presidential elections ended. In the statement, Ashton congratulated the Egyptian people on 'a successful second round of the elections that should result in a democratically elected head of state'. Meanwhile, Ashton expressed concern about the dissolution of the People's Assembly (the lower house of the Egyptian parliament), and its repercussions on the quest for democratic transition in the country.²⁶ This implied a European recognition that the People's Assembly was a democratically elected institution, no matter who won the majority of seats.

Before her first visit to Cairo after the inauguration of Muhammad Morsi as President, Catherine Ashton said 'the EU will continue to do all it can to support the peaceful and orderly transition to a civilian and democratic government in Egypt [and] will continue to stand by Egypt and its people in their quest for both deep democracy and economic opportunity'.²⁷

And in an official document on the EU-Egypt Task Force, that convened in Cairo in November 2012, the EU commended the parliamentary and presidential elections in

Egypt and described them as 'free and fair'. The EU considered the election of Muhammad Morsi as 'a milestone in the country's democratic transformation process'. For the EU, Morsi was, truly, the 'first ever civilian president in the history of Egypt'.²⁸

When the parliamentary elections were planned for April 2013, the EU reiterated its offer to deploy, upon invitation of the Egyptian authorities, an EU Election Observation Mission (EOM).²⁹

Looking at EU statements over almost 18 months, one can observe a positive official European discourse, in terms of language used to express the EU's support of democratisation in Egypt. Meanwhile, the repeated emphasis on respecting human rights and fundamental freedoms implied that Europeans were closely watching the performance of Islamists when in power. In sum, the European official discourse neither criticised nor denounced the rise of Islamists to power. What mattered for the EU were the policies adopted by Islamists and their influence on rights and freedoms.

EU policies

Economic and financial tools are considered the most effective and efficient EU foreign policy tools. The EU can use them to push other countries and international actors to adopt certain policies, mainly for political reform and democratisation. This is called 'political conditionality' when economic and financial aid programmes are based on a certain degree of government commitment to defending democracy and respecting human rights and fundamental freedoms. In EU-Arab relations, political conditionality translated into two major initiatives, the Euro-Mediterranean Partnership and the European Neighbourhood Policy (ENP).

However, although the Treaty of Barcelona of 1995 clearly stated the objective of supporting principles of democracy, participation, transparency and respect of human rights in the southern Mediterranean countries, these principles were put aside when the focus stayed on economic cooperation projects.³⁰

In 2008, the Union for the Mediterranean was established under the presidency of France and Egypt. For some analysts, the primary concern of the UfM was no longer the democratic objectives of the ENP 'but the alliance against political Islam, the fight against terrorism and control of immigration'. The agenda of the Union side-lined the objectives of promoting democracy for specific goals such as the depollution of the Mediterranean Sea, promoting the production and consumption of renewable energies and business cooperation.³¹

The ENP was not much better. In Tunisia, the Ben Ali regime benefited from financial and technical support programmes included in the EU-Tunisia Action Plan within the framework of the ENP. Although the regime ignored the conditions of political reform stated in the Action Plan, negotiations started in 2010 to give Tunisia a privileged position in the ENP in order for Europe to benefit from the relatively open business environment in Tunisia. This happened while the Tunisian Parliament had issued a law that subjected human rights activists to trial for contacting foreign organisations to report human rights abuses in Tunisia to the international community. In addition, the European Commission's office in Tunis did not have formal contacts with Tunisian civil society organisations, nor did the embassies of the EU member states. After the Union for the Mediterranean (UfM) was launched with main focus on commercial affairs, this status was maintained and even consolidated.³²

The Arab revolutions put into question the priority the EU used to give to economic and financial support to Arab regimes, and showed the importance of political considerations. The UfM was an entity based on cooperation with authoritarian regimes to set economic projects, as the EU assumed that economic cooperation would eventually

lead to political reform. With the Arab revolutions, this conception proved invalid and the EU realised the necessity to revise its Mediterranean policy.³³

A year after the Arab Spring the European Council announced the EU support for democratisation in its southern neighbourhood and in the Middle East and the Arab Gulf. Partnership with the southern neighbourhood should be 'based on differentiation, mutual accountability and the adherence to universal values, including the protection of religious minorities (including Christians)'. European leaders were conscious of the economic and financial challenges that face many Arab countries, and declared that the EU would continue to 'mobilize its instruments, placing greater emphasis on assistance focused on governance and job creation and will continue its efforts in the framework of the 'Task Force' meetings'³⁴; namely with Tunisia and Jordan. Agreed!

In addition, the EU continues to depend on political conditionality, through the so-called "More-for-more"- principle, that is more reforms for more aid.³⁵ For the EU, stimulating sustainable economic growth is crucial to the creation of democratic institutions, provided that the countries of the region contribute to the promotion of an appropriate environment for investment, jobs and growth. Economic deterioration would hinder political transitions. Therefore, the EU recognises that 'support is more urgent than ever to help transitions move in the right direction'.³⁶ But the EU also realises that in transitional periods it should support democratisation and not support specific political forces or ideologies, even if democracy will bring Islamists to power.³⁷ The EU could use the mechanisms it applies with candidate countries to support 'developing and maintaining an institutional structure that provides a basis for stable democracy in countries moving through transition'³⁸, regardless of who will be on top of this structure.

A Review of the European Neighbourhood Policy

The main rationale behind the launch of the ENP in 2004 was to encourage neighbourhood states to undertake political and economic reform. These states are not promised EU membership as an incentive, but enjoy other privileges, such as partnership agreements and preferential treatment.

The drastic changes in the Arab region imposed restructuring the ENP and the UfM so as to balance political reforms and cooperation in socio-economic policies.³⁹ In May 2011, the European Commission published a revised version of the ENP based on the new developments in the Arab region. According to the updated version, the ENP aims to contribute to ameliorating conditions in partner states through:

- 1- Provid[ing] greater support to partners engaged in building deep democracy – the kind that lasts because the right to vote is accompanied by rights to exercise free speech, form competing political parties, receive impartial justice from independent judges, security from accountable police and army forces, access to a competent and non-corrupt civil service — and other civil and human rights that many Europeans take for granted, such as the freedom of thought, conscience and religion;
- 2- Support[ing] inclusive economic development – so that EU neighbors can trade, invest and grow in a sustainable way, reducing social and regional inequalities, creating jobs for their workers and higher standards of living for their people.'

According to the updated version, the EU will not impose a 'ready-made recipe for political reform'. Each partner country should adopt whatever reform plan that fits its vision and local circumstances, provided that it 'reflect[s] a clear commitment to universal values that form the basis of [the] renewed approach'.⁴⁰ This means that the

EU's role will be supporting the partner states' apparatus and governmental and civil society institutions.

The ENP review included the creation of the European Endowment for Democracy, which aims 'to help political parties, non-registered NGOs and trade unions and other social partners'. The Endowment is considered an instrument to achieve popular empowerment in partner countries.⁴¹

The EC launched SPRING, the 'Support for Partnership, Reform and Inclusive Growth', under which the Commission will provide a grant of €350 million for the southern neighbourhood countries for the years 2011 and 2012. SPRING is supposed to work as an instrument to support democratic transformation, institution building and economic growth. The total value of the initiative will be allotted according to the needs of each partner country.⁴² Within this initiative, the EU developed a programme to support agriculture and rural development in the southern Mediterranean. The programme was launched in Tunisia in March 2012.⁴³

In education, the EC doubled the number of 'Erasmus Mundus' education and teaching grants for students and professors in Arab Spring countries.⁴⁴

However, these new policies and programmes were not approved easily within the EU institutions. There were two trends within the EU, eastern and southern. On the one hand, the eastern trend included the East European states that joined the EU membership lately. This trend criticises paying focus to the southern neighbourhood countries at the detriment of eastern neighbourhood partners, like Moldova, Georgia and Belarus. In addition, according to Easterners, if Islamists assumed power in southern Mediterranean countries, this would mean that Europe is spending money to support forces that are antagonistic to European values. The southern trend, on the other hand, led by France and Spain, believes that stability in the southern Mediterranean region has direct influence on European security. Economic difficulties promote extremism, while European assistance programmes help lessen extremism and, hence, limit immigration to Europe, and conditionality could strengthen the EU's role in the region through pushing for political reforms. The EU should keep engaged with Islamists in the region in an attempt to deradicalise them.⁴⁵ The latter perspective has been dominant in the EU's policy towards the MENA region, mainly since the 1990s. It has to be expected that the expansion of EU membership to Central and Eastern European countries would diversify the EU's foreign policy interests. But would such diversification lead to a crucial transformation of the policy?

Hence, it is important for the EU to recognise that the challenge is not to reallocate its assistance from one region to another, but to spend money according to a political strategy and to support genuine reforms in partner countries. It is in Europe's benefit that the Arab Mediterranean countries achieve a good record in democratic transition, so as to represent a model to other Arab countries that are still under autocratic governments.⁴⁶

The EU-Egypt Task Force

The EU-Egypt Task Force is a new instrument of political conditionality. It is meant to enhance the EU's engagement in supporting the democratic reform process Egypt has embarked on following the January 2011 revolution. Ahead of the Task Force, an inter-parliamentary meeting was held. It emphasised the importance of mutual respect for political, socio-economic and cultural rights, including religious rights.⁴⁷ On November 13th and 14th, 2012, the EU-Egypt Task Force convened in Cairo. The EU pledged to provide a total of €5 billion in the form of loans and grants for 2012-2013.⁴⁸

The EU-Egypt task force agreed on deepening political partnership through⁴⁹:

- Launching a series of political dialogues on ministerial level to carry out regular consultations over issues of mutual interest.
- Promoting regional integration through the Union for the Mediterranean. With regard to Egypt, the UfM would foster programmes of improving functioning of the labour market, implementation of renewable energy projects and women empowerment.

As for economic and financial aspects, the Task Force agreed to foster cooperation in 'freezing and recovery of misappropriated assets' transferred to Europe by members of the Mubarak regime. In addition, the EU will provide an additional grant of €253 million to support Egypt in overcoming economic difficulties that might hinder the democratic transition process.⁵⁰

Conclusion

Over the course of more than two years, transformations prompted by the Arab revolutions have led to important democratic gains. This is a fact not to be denied. In Egypt, democratic elections have been held for the first time. Non-governmental and civil society organisations are playing a more prominent role, despite judicial convictions and trials for many NGO activists. The right to peaceful demonstrations has been granted, and freedom of expression and association strengthened.⁵¹ Given these positive transformations, the EU encouraged the democratic reforms in the country, no matter who is in power, so long as they reached government through free and fair democratic procedures.

Based on EU official discourse and policies, this paper demonstrated that the EU has not viewed the transformation in Egypt over almost two years through the lens of ideology. Islamists won the majority of parliament seats (Freedom and Justice Party affiliated to the Muslim Brotherhood and Al-Nour Party affiliated to the Salafist movement). Afterwards, they have come to the top of the executive authority when Muhammad Morsi was elected President of the Republic. Yet, this did not prevent the EU from deepening its political and economic cooperation with Egypt. But statements show a European concern about the future of certain rights and freedoms in the country, mainly women's rights and religious freedoms, and the exclusion of minorities. In short, practices and policies are as crucial as procedures and institutions, in order to consolidate democracy.

However, the recent developments in the country since July 3rd, 2013 have put these democratic gains under jeopardy. A new 'road-map' was declared by the Army Chief on July 3rd. However, the following incidents show little evidence that the country is on the right track of building democracy. European diplomacy has been active, and the continuing and frequent visits of HR Ashton to Cairo show significant European interest in the crisis. Only policies will demonstrate whether or not democracy, rights and freedoms are the core issues of the EU stances towards countries of the 'Arab Spring'.

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Nadia von Maltzahn

Governance of Culture in the Wake of the Arab Revolutions

Preliminary Observations on the Case of Egypt

Introduction

A country's cultural policies define a national vision for culture, and provide frameworks for institutional practice to translate this vision on the ground. Cultural policies determine what role the state plays in cultural production and the representation of the latter, and what channels are in place for independent initiatives. Far from being set in a vacuum, cultural policies are 'dependent on prevalent social attitudes, political and geopolitical contexts, ideological and theological frameworks and economic conditions' (El Amrani, 2011, p. 13). Cultural actors move within and beyond these policies, constantly pushing the boundaries. Cultural policy is not only about the administration of 'the arts' in a narrow sense, but it is also about 'the politics of culture in the most general sense: it is about the clash of ideas, institutional struggles and power relations in the production and circulation of symbolic meaning' (McGuigan, 1996, p. 1).

In this paper, I will examine to what extent cultural policies in Egypt have changed since the beginning of the revolution, not only in terms of content but also in terms of how and by whom they are formulated. Attention will be paid to institutional frameworks and agency, looking at both continuity and change following the 2011 revolution. What is the role of the Ministry of Culture, and what the role of the independent sector? What is the relationship between state, society and culture? These questions will be addressed, starting with a short history of cultural policies in Egypt since the Egyptian revolution of 1952 to understand the context in which Egyptian cultural policies have evolved, before turning to Egypt's governance of culture in the run-up to and following the 2011 revolution. It will be shown that while institutional structures have largely remained the same, agency in Egypt's governance of culture has changed.

Cultural policies in Egypt between the revolutions (1952-2011)

Egypt established a state-controlled centralist model of cultural policy after the overthrow of the monarchy and the establishment of a republic following the Egyptian revolution of 1952, in line with the emerging socialist economic model (El Batraoui and Khafagui, 2011, p. 59). Under the leadership of Gamal Abd El Nasser (1954-1970), the state became the largest patron and supporter of the arts, fostering the 'hegemonic ideal of the state as caretaker of culture' (Winegar, 2006, p. 140-143). Culture was seen as a means to build a community aware of its social and economic means. As Magdi Wahba writes in his 1972 UNESCO report on cultural policy in Egypt:

'For the first time in Egypt's history, the State became truly aware of the tremendous fascination which culture could exercise on the nation's imagination, and for the first time, the organisation of cultural promotion was such that it was aimed at associating the vast majority of the people, and not simply at showing the outside world how clever and 'Westernized' Egyptians could be if they so wished'

(Wahba, 1972, p. 76)

In order to educate the Egyptian people about the revolution's political order and ideology, a Ministry of National Guidance was established in 1956 (Adham, 2011, p. 42).

The man in charge of this institution was the nationalist politician Fathi Radwan, who believed in the power of propaganda to implement change.¹ He claimed that

‘the most important instrument for action and change in the life of mankind is propaganda. [...] Ideas can be great in a book or out of the mouth of a philosopher, but they only acquire momentum when they reach the masses. It is that contact between ideas and the masses that changes human life.’

(Abd El Ghani, 2002)

The need to explain the revolution’s philosophy, its programme and socio-political orientation ceased to have the same urgency following the Suez War of 1956, in which Nasser managed to establish himself and the legitimacy of the revolution. The agenda shifted from propagating the revolution to developing culture in a modernising nation. A new generation of writers and artists was supposed to bring the ‘national character of Egyptian cultural production’ to the fore in order to develop the artistic taste of citizens so that ‘the nation could march, united, on its path of progress’ (Gonzalez-Quijano, 2002, p. 31).² To this end, a Supreme Council for the Development of Arts and Literature was set up in 1956. The shift in focus was completed in 1958 with the conversion of the Ministry of Guidance into the Ministry of Culture and National Guidance. The new ministry’s mission as envisaged by Radwan was to shape, nourish and cultivate the minds of Egyptians, forge a national spirit and establish a distinct ‘cultural identity’ that would at the same time constitute a national identity. Art was to be brought to ‘the masses’, and the ministry’s orientation varied between setting Egypt on the path of modernisation – through new expansive culture palaces built throughout the country in monumental architecture – and emphasising local traditions and heritage. Tharwat ‘Ukasha, Minister of Culture after Radwan for much of the Nasser period, continued along this path of channelling culture to the people through ministry-sponsored activities (Adham, 2011, p. 43-44; Winegar, 2006, p. 143-144). During the Nasser years, the state gradually expanded its control over the cultural industries by centralising the latter within the state apparatus, and making artists and cultural players dependent on state processes through mechanisms such as employment and monopolising exhibition space (Winegar, 2006, p. 147).³

While Nasser centralised cultural production and the dissemination of culture, Anwar Sadat reversed much of Nasser’s policies during his presidency (1970-1981). In line with his *Infitah* (open door) policy of liberalising Egypt’s economy by downsizing the state bureaucracy and encouraging private investment, the Ministry of Culture was reduced in size and state support of artists drastically cut down, culminating in a 1978 decree dissolving the ministry altogether. Its responsibilities were to be distributed among other ministries and departments. This decree induced an outcry amongst intellectuals and artists who publicly debated the role of the culture ministry and the meaning of culture in Egyptian national identity. It was during this time that the Supreme Council for Culture was set up in place of the Supreme Council for the Development of Art and Literature. This body, headed by the Minister of Culture and composed of intellectuals, was henceforth responsible for ‘generating ideas and writing legislation in order to facilitate the *bina’ al-insan al-misri*’, while the later reinstated Ministry of Culture became largely an administrative, executive government apparatus (Ministry of Culture, 2013; Adham, 2011, p. 45). While Nasser’s cultural policies very much focused on the idea of culture for the people, Sadat introduced the slogan ‘Culture is for the Intellectuals (*al-thaqafa lil-muthaqafin*)’ (Winegar, 2006, p. 150).

After Sadat’s assassination by Islamic extremists, and throughout the presidency of Hosni Mubarak (1981-2011), artists and cultural players also sided with the government in their struggle with political Islam, fearing that followers of the latter were unsympathetic to their work. This fear was not unfounded as repeated attacks against intellectuals in the early 1990s showed. While ‘in the 1950s and 60s the focus was on raising the cultural level of workers and peasants in the interest of social equality and development, in the Mubarak period many culture workers argue that cultural levels

must be raised in order to fight religious ignorance and extremism’ (Winegar, 2009, p. 190). Under Mubarak, state support for the arts increased again. The Ministry of Culture under his presidency was dominated by Farouq Husni, who was appointed minister in 1987 and remained in this post until Mubarak was ousted in 2011 and the cabinet changed. An abstract painter himself, Husni placed much emphasis on developing the art movement. New arts venues and museums were built, old ones renovated, arts programmes created and artists’ social benefits improved. At the same time, cultural policy had to at least outwardly become aligned with economic policy of market liberalisation, emphasizing ‘innovation, creativity opening and democracy’ and targeting young artists as ‘a medium of social and economic liberalisation’ (Winegar, 2006, p. 153-4, 156).

However, the government talked more than it acted, and cultural players and artists started to increasingly voice their criticism of the bloated bureaucracy and corruption governing the culture ministry towards the end of the Mubarak era. They called for a reform of the ministry and the way culture was governed in the country, emphasising the need for a strategic cultural policy representing the country’s diversity, rather than being based on the personal preferences of leading officials. As Lebanese cultural activist Hanan Hajj Ali underlined, cultural policies in the Arab World have largely been putting culture at the service of politics, rather than putting politics at the service of culture (Hajj Ali, 2011, p. 24). To this end, Mehrez calls ‘the name of the game’ that ‘the cultural is political’, explaining that the relationship between the political and cultural fields is mutually dependent, with the latter needing to abide by the rules of the former and the former needing the latter to ‘articulate its semblance of modernity’ (Mehrez, 2008, p. 16-17). What is lamented in Hajj Ali’s quote above is that the ‘rules’ set by politics are not formed with the advancement of a cultural agenda in sight, but rather a political. However, cultural players and intellectuals are beginning to work towards building awareness for the need of more inclusive cultural policies. Debates surrounding cultural policies in the Arab region today are at the heart of the discussions around the repositioning and redefinition of the relationship between state and society, a debate that started in the run-up to the Arab revolutions of 2011. One platform for this debate is the Egyptian national group for cultural policies, which will be introduced in the following.

The Egyptian National Group for Cultural Policies

To improve existing policies and create awareness about cultural policies, a project was launched in 2009 to research the state of cultural policies in a number of Arab countries. Following an open call, the regional NGO Culture Resource (al Mawred al Thaqafy, based in Cairo) in close cooperation with the European Cultural Foundation⁴ selected researchers from Morocco, Algeria, Tunisia, Egypt, Palestine, Jordan, Lebanon and Syria to research their national cultural policies along the following axes: historical background, organisation and infrastructure of all institutions involved, objectives and principles, state of the debate on cultural policies, legal frameworks, financial frameworks, the role of civil society and partnerships, and supporting creativity. A summary of the results was subsequently published in both Arabic and English, and a regional conference on cultural policies in the Arab World held in Beirut in June 2010.

One recommendation of this conference was to set up an Arab group for cultural policies, consisting of representatives of participating countries who in turn would set up national groups for cultural policies in their countries, to advance research and the debate on cultural policies. A second meeting was held in Amman in April 2011, at which the notion was reinforced that cultural work in the region suffered from similar problems, including lack of cooperation between state institutions and the independent sector, a legislation that gave little room to artists and intellectuals, as well as financial restrictions (Internal report of the Arab group for cultural policies). The change the region was going through was seen as providing an opportunity to examine the organisation and development of cultural work based on a well-grounded

understanding of the present situation and a long-term vision, and to make recommendations for new or reformed infrastructures.

In 2010, an Egyptian national group for cultural policies was formed, consisting of independent cultural players, academics and government representatives, and working towards reforming the cultural sector. The five meetings this group held before the 2011 revolution were marked by tensions between government representatives and independent participants. The group had two representatives of the Ministry of Culture amongst them, who were appointed by the Minister of Culture. While their presence was seen as a challenge by the independent players, it was also considered important to have a direct link to decision-makers within the ministry. The revolution was seen as an opportunity for long-term structural changes. However, the national group soon took the decision not to include government representatives in their group, but rather to consider them as partners, since there was no consistency in the continuously shifting and shuffling governments after the eighteen days of 2011. The new post-January 2011 group, consisting of twenty-five artists, independent cultural players and academics, started working on a new draft for Egypt's cultural policies. The group used the framework developed by the Arterial Network, an African network of people engaged in Africa's creative and cultural sector (<http://arterialnetwork.org>), to formulate an Egyptian cultural policy. The resulting draft was presented to the Culture, Media and Tourism Committee of the Egyptian parliament on 19 March 2012 (Culture Resource, 2012; personal observation, 2012).

The cultural policy draft names five basic principles as its framework, namely the preservation of Egyptian cultural identity, the cultural dimension of economic and social development, democracy and respect for human rights, sovereignty, and transparency, accountability and evaluation. The main pillars of the proposed policy are the preservation of Egyptian tangible and intangible cultural heritage, promoting and supporting contemporary Egyptian cultural production, and stimulating cultural cooperation between Egypt and other countries. The general objective is 'to support and develop a rich, creative, dynamic and productive cultural life in which all Egyptians may participate and from which all Egyptians may benefit without discrimination.' The strategic steps the group proposes are ambitious in scope, in particular in view of the narrow timeframe they have set. In the span of three years, government spending on culture should be raised to 1.5% of the national budget. Culture should be decentralised politically, administratively and geographically; cultural policy and educational policy should be harmonised, and the Ministry of Culture restructured to allow for greater involvement of civil society in cultural life. Laws and regulations restricting cultural freedoms should be cancelled, and cultural policy designed and implemented in a participatory manner.

In order to achieve this, a number of measures were proposed for parliament, government institutions and civil society. The parliament should revise and evolve legislation concerned with cultural work, and ensure that Egypt enforces those international conventions it is a party to. It should allocate budgets across governorates, cultural institutions and individuals in a just and transparent manner, as well as fully adopt the proposed cultural policy draft. Government agencies should ensure fair budget distribution and cooperate closer with each other, with the Ministry of Culture taking on the role of coordinator. In particular the Ministries of Education and Culture should work together in developing an adequate arts education across the country. The Ministry of Culture should gradually be reformed and shift from being 'producer and distributor of cultural services and products to chief funder and sponsor of cultural work'. Cultural industries should be boosted by the Ministry of Culture in close cooperation with the Ministries of Economy, Trade and Industry, as well as the private sector. Egypt's cultural work should also be better documented, advertised and explained to the public, a task that the group envisages should be sponsored by the Ministry of Culture. Finally, civil society should be included in 'the processes of drafting, implementing, monitoring and evaluating this Cultural Policy'. Independent cultural institutions have to adhere to the legislation in force, and be

transparent regarding their finances. Lastly, 'artists syndicates and unions must be freed from government control and intervention' (Culture Resource, 2012). The draft shows a comprehensive approach to cultural policy that is decentralised and considers the role of the Ministry of Culture as a coordinating and supportive one, rather than a dominating one.

A joint working group was formed between the Egyptian national group for cultural policies and a parliamentary committee to develop the draft, but before any further steps could be taken the parliament was dissolved in June 2012. Since then, the Egyptian national group has been working together with civil society players. In what the group perceives as the absence of a governmental partner to address, they have focused on such issues as revising the legislation in force, to be resubmitted to parliament at a later stage. The group feels that they should restructure their working mechanisms as they do not have as much impact as they expected; they view other shortcomings as working in the shadow of Culture Resource who they are also dependent on for funding, as being too Cairo-focused, lacking strong legal experts to adequately revise legislation concerned with culture, and that their body was not representative enough in terms of different art forms (Personal observation, 2012). However, the group is battling on in their quest for a new Egyptian cultural policy.

Governance of Culture in the Wake of the Revolution

'Changes in the cultural scene are not simply a barometer of broader political and economic change, but part and parcel of it. [...] In this moment of opening, cultural producers, intellectuals and politicians are asking fundamental questions about the role of government in the field of culture and vice versa.'

(Pahwa and Winegar, 2012)

'A close look at Arab societies three years after the revolutionary waves began clearly reveals that the traditional value system has been shaken and that the old values and their impact on societies are being discussed with a degree of candour and openness that many find shocking.'

(El Hussein, 2013)

While actual structures have not necessarily changed in the wake of the revolution in terms of cultural policy in the narrow sense (the administration of the arts), the politics of culture have changed in the broader sense. Power relations in particular seem to have shifted, as independent actors are taking matters into their own hands without waiting for the authorities to provide spaces for instance, or to tackle reforming institutional structures. Independent initiatives mushroomed in 2011 and 2012, not waiting for the state's permission. As Basma Hussein, cultural activist and director of Culture Resource, stated in her address quoted above, people started to question the status quo openly and debate their rights and beliefs. Actors had started to work in this direction before 2011, as evident in the setting up of an Egyptian group for cultural policy, but their work had taken on a new urgency and vigour following the 25 January revolution.

While cultural players and artists did not question the existence of the ministry as such during the Mubarak era, the eighteen days of 2011 launched an existential debate about the overall role of the ministry, some pleading for its outright abolition. The latter were in the minority however, the majority believing in the need for a thorough reform rather than elimination of the culture ministry (and other state institutions). The ministry was seen as playing an important role in providing artists with the means to create in an environment free from market pressures, although critics maintained that the state was largely supporting art that complied with a political agenda or was

carried out by those close to influential officials. Proponents claimed that a reformed ministry was best placed to protect Egypt's heritage and patrimony, which they maintained should not be left to private corporations. And through its network of culture palaces the ministry had infrastructures in place to reach audiences outside the main cultural hubs such as the large cities (Pahwa and Winegar, 2012).

To date, one cannot speak much of a reformed ministry. The institution has been struggling to establish a continuum in a constantly changing environment. While Farouq Husni remained as Minister of Culture for twenty-four years, there have already been more than six ministers taking up the position since February 2011. Some ministers resigned in protest of violence, such as Imad Abu Ghazi in November 2011 and Mohamed Saber Arab in November 2012 and February 2013 (he was eventually replaced in May 2013, only to be reinstated again in July 2013 after Mursi's government was deposed), while others fell victim to cabinet reshuffles (Ahram Online, 2013; Al-Masry Al-Youm, 2013). The way of leadership has to be reformed as well. One major criticism launched at official cultural policies is that they to date have always just represented individual initiatives coming from personalities such as Taha Hussein, Badr al-Din Abu Ghazi, Tharwat 'Ukasha or Farouq Husni, rather than 'presenting a comprehensive national vision for work in the fields of arts, culture and heritage' (Rushdi, 2012).

Agency in cultural work has altered. While for years many people liked to complain passively about the inefficiency, corruption, monopolisation of productions and distribution networks, control mechanisms and censorship carried out by state institutions, with the revolution more and more people have become aware of their own agency. Filmmaker Tamer Said explains that when he tried to draft a piece discussing the hurdles that kept independent cinema and alternative art from reaching a wider audience, he found himself complaining.

'Then I read over those drafts and was bothered by the fact that they sounded defensive, failed to acknowledge our own mistakes, and showed no confidence in our ability to make change. They sounded as though I had resigned myself to our inability to confront the factors that isolate us from our societies.'

(El Said, 2012, p. 32)

Said also mentions another important challenge confronting the cultural sector, namely that of cultural activists often preaching to the converted rather than striving to find ways of reaching new audiences beyond the usual suspects and being truly connected to their societies. Cultural players are often situated in a space between state and society, and at times struggle to connect to either.

However, the revolution has brought to the fore the creative potential of ordinary people who had not considered themselves professional artists or were part of the established intelligentsia, as evident in the role street songs, protest music and graffiti have taken on since early 2011. Ninety-nine per cent of those practicing art on Tahrir Square were not artists in the classical sense, as cultural activist Yasser Alam asserts (Deutsche Welle, 2012). Openings for the music and '*mahragan* culture' (literally: *festival culture*) of popular quarters have been created by the changing cultural scene. 'The Ministry of Culture is no longer able to monopolize the public performance of expressive culture, and so mahragan artists like DJ Islam Chipsey now perform at venues, like al-Azhar Park, previously reserved only for 'respectable' performers.' Youth in popular areas of Cairo, for instance, tackle 'subjects heretofore ignored or downplayed in polite venues' through their lyrics and explosive beats, and will not easily be appropriated by either the state or cultural elites (Swedenburg, 2012).

Mahragan artists, mostly young men in their 20s, confront people with images some prefer to ignore. As Andeel argues, 'these kids know there are people in the country who

are much richer than them, who don't like them and think they are disgusting. They respond with insanely annoying music. It's a generation of confrontation. It knows that something is not fair' (Andeel, 2013). Popular culture is pushing the boundaries of formal cultural policies and people perform and practice culture outside the usual infrastructures.

Egyptian revolutionary art in the form of graffiti has received much attention. It can be considered as a 'unique moment in the appropriation of public spaces as spaces of contestation', as shown by Mona Abaza in her work on street murals. Graffiti as a site of social critique and means for 'spreading dissenting ideas and innovative images' is attractive as a tool because it can maintain anonymity. Abaza goes as far as calling graffiti 'the revolution's barometer' (Abaza, 2013; Abaza, 2012a; Abaza, 2012b). While one has to be careful not to over-interpret the impact of these 'revolutionary art forms' – that have become very fashionable in the media – in terms of their mobilising potential and novelty, since they existed before January 2011 (see Gonzalez-Quijano, 2013), they nevertheless represent important dynamics that show an evolving relationship with the public sphere. Amro Ali discusses the constraints on painting the walls of Alexandria before the revolution, while the New York Times reports in this vein:

'[The young musicians'] music predated the political revolution that ousted President Hosni Mubarak in February 2011, and most of the musicians did not join the uprising in Tahrir Square. But the turmoil since has left Egypt's huge youth population searching for voices that address issues they care about.'

(Ali, 2013; Hubbard, 2013)

Mahragan and graffiti artists partly filled this void. Hussein asserts that these independent artists' visible presence in the Arab revolutions also 'helped to improve the image of the artist among the general public' (El Hussein, 2013), alluding to a widely held belief that Egyptian intellectuals and artists had long been co-opted by the state.

The revolution has also created opportunities for new experiments of public private partnerships between the independent and state cultural sectors, maybe best exemplified by the initiative El Fan Midan. This initiative was launched on Cairo's Abdin Square in April 2011 by the Independent Culture Coalition to establish a platform for dialogue through art. The Independent Culture Coalition is a group of independent artists, intellectuals and cultural institutions formed shortly after the revolution to support the demands of the revolution concerning cultural issues, such as freedom of expression and abolishing censorship on cultural production (Mollicchi, 2011). Taking place on the first Saturday of every month on squares across the country, one of El Fan Midan's main objectives is to bring art to all Egyptians. As filmmaker Hala Galal writes:

'I will not forget our experience in screening our films in El Fan Midan, that festival that helped us rediscover ourselves through the eyes of all the people who do not belong to the world of 'intellectuals' in its conventional sense, yet who came to the festival to see and experience art, in its fullest sense.'

(Galal, 2012, p. 161)

However, despite its success in creating new forums for cultural work, El Fan Midan faces many challenges. While it was initially co-financed by the private sector and the Ministry of Culture under Imad Abu Ghazi without the ministry interfering in the content of the event, Abu Ghazi's successors as Ministers of Culture have been less supportive of the initiative and cut funding for it (Pahwa and Winegar, 2012; Montasser, 2013). When the ministry offered to finance the event in return for actually managing it, the organisers refused vehemently, afraid of losing their independence. In their

view, the ministry should collaborate without taking control (Saad, 2012). To increase their options in raising funds, the organisers of El Fan Midan have considered institutionalising the endeavour and obtaining a legal structure. At the same time they are working on proposing a law that governs the work of non-profit cultural organisations to exempt the latter from taxes. Other street festivals are also experimenting with new formats to bring performing arts to fresh audiences, circumventing the shrinking opportunities provided by opaque cultural policies. Examples for these are the Downtown Contemporary Arts Festival (D-CAF) that was launched in 2012 (although conceived before the revolution) and brings experimental performances and interactive acts to the streets of Downtown Cairo, and Hal Badeel, setting up ‘pseudo’ theatres engaging local communities in new spaces (Elwakil, 2013).

The Egyptian national group for cultural policies, introduced above, has also launched a communication campaign aimed at raising citizen’s awareness of cultural rights. Under the main slogan ‘cultural policy for all Egyptians (siyasa thaqafiya la-kul al-masriyin)’ and in cooperation with civil society and cultural institutions such as al-Sawy Cultural Wheel, the group is distributing hand-outs and slogans in Cairo’s streets, focusing on popular areas. Slogans include ‘Culture is not just in the Opera, culture is in Tanta and Shubra’ (see Figure 1), ‘It is my right to draw’, ‘Culture is not just for intellectuals, it is for all Egyptians’, ‘It is my right to listen to music’, ‘Every human



Figure 1

being has the right to enjoy art and culture and present his work to the people’. They refer to Article 27 of the Universal Declaration of Human Rights, which states that ‘everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits’ (The Universal Declaration of Human Rights). The campaign strives to create a popular support base for building a new cultural policy for Egypt that serves the society, and to build values of creativity, freedom and knowledge. The revolution made established artists and intellectuals realise that they had to leave their ‘ivory tower’ and get down on the streets if they wanted to have any relevance. They needed to learn from the people (Abd El Qader, 2012; Deutsche Welle, 2012).

One big issue – what Samia Mehrez has called ‘the elephant in the room’ (Mehrez, 2008, p. 4) – is the question surrounding the role of religion and religious players in the debate around culture, which in Egypt has long been dominated by secular actors and the state. There had in fact been a tacit agreement during the Mubarak era that the state was protecting the cultural sector from political Islam, the Ministry of Culture taking on the roles of ‘mediator and guardian of peace’ between religious and secular-oriented intellectuals. This was slowly changing under Muhammed Mursi’s presidency (2012-2013), as Islamists were starting to be appointed to key positions in state institutions, or creating alternatives where access had been denied. Thus the Muslim Brothers established *Hawiyya*, a group of writers and academics with Islamist leanings, which aimed to ‘establish Islamic values in literature and place authors with religious inclinations on the map of cultural institutions and in the membership of their committees’ when none of its members were appointed in the various committees under the Supreme Council for Culture. *Hawiya* advocated

‘sanctifying and respecting revelation and prophecy, and the texts and values based on them; strengthening creative values; and supporting collective initiatives that promote national belonging on the basis of the spirit and foundations of Arab and Islamic civilization.’

They claimed to be more representative of people’s tastes (Shoair, 2012; Pahwa and Winegar, 2012). As visible in Egyptian society at large today, the struggle between supporters and opponents of the Muslim Brotherhood and political Islam was felt strongly on the cultural front. As cultural activist Ahmed El Maghraby writes in late 2012,

‘the weak and distorted official cultural arena presents a new and more dangerous challenge. This is the ascent of religious currents with extreme and reactionary views of art and artists, a view that in some cases goes as far as a prohibition on the arts in general and on music and song in particular.’

(El Maghraby, 2012, p. 63)

This rhetoric connects to the Mubarak era rhetoric of fear of political Islam on the part of cultural players. Afraid that the Mursi government would increasingly curb their freedoms, intellectuals, artists and writers took to the streets again to assert pressure and demand that their freedoms – in particular freedom of expression – would be respected, and that the Brotherhood would ‘lift its hand off of culture and creativity’. One major fear concerned the constitutional debates and what was being perceived as ‘attempts to include vague articles in the current constitutions that would one day put the sharia and the unelected institutions above the law’ (Mourad, 2012; Metwaly and Elkamel, 2012).

Reports about how the Muslim Brotherhood was slowly penetrating state cultural bodies, placing their men in major government posts, increased during the first half of 2013.⁶ In early June 2013, the Brotherhood allegedly targeted some of the main institutions of the Ministry of Culture for takeover, including the opera, the ballet, the national archives and library. The ensuing protests and sit-ins, such as the one in front of the Ministry of Culture in Zamalek in mid-June to prevent the newly appointed Islamist minister Alaa Abdel Aziz from taking up his post (Amin, 2013), were one more faction leading to the nation-wide protests and subsequent military coup of the summer of 2013 that led to the ousting of Mursi from presidency. The episode at the Ministry of Culture once again captured

‘the fear that entranced many Egyptians, who saw in the Brotherhood a threat not just to constitutional freedoms but to the very identity of Egypt. It was this fear – sometimes well-founded, sometimes bordering on hysteria – that helped drive Egyptians back into the reassuring embrace of the

military, and to the familiar confines of security and bureaucracy that, in places like the National Library and Archives, had never really gone away'

(Hersh, 2013).

The military is keeping an iron grip on the country again.

Conclusion

So where does this leave us today? As the situation is still in flux, it is difficult to reach any firm conclusions about the state of Egyptian cultural policies today. There is both continuity and change in Egypt's governance of culture. Structures as such have not drastically changed to date and at times processes and responsibilities are unclear as transformations are ongoing. However, attitudes and awareness of one's own agency and role in impacting and redefining the use of available structures has changed. People are no longer waiting for the state to act, but take their rights, and question existing institutions with a much louder and more critical voice. While the need for a Ministry of Culture had been questioned before, in the late 1970s it was questioned from above and faced resistance from cultural players, while post-2011 its existence was questioned from below for the first time. It seems that Ministry of Culture officials are also starting to grasp the need for a restructuring of its institutions, but this might again still be dependent on the attitude of individuals (Saad, 2013).

The conference 'Egyptian Culture at the Forefront' (*thaqafat masr fi-l-muwagaha*) that was organised by a number of cultural players under the patronage of the Supreme Council for Culture in October 2013 was a good step in the right direction. Recommendations of this conference included advocating for an increased budget dedicated to cultural activities and to support independent activities, as well as introducing tax incentives for the private sector supporting cultural initiatives; pushing for the independence of the Supreme Council for Culture that should focus on its role of designing cultural policies and supervising their implementation; making the cultural palaces across the country accessible to both governmental and non-governmental activities and let independent players participate in the running of these places; reviewing the management of all public cultural spaces; ensuring that Egypt's cultural diversity was represented inside the Council; the state supporting cultural players and investors to run cultural projects in abandoned places to reactivate these; the state supporting independent art groups and festivals (Khanani and Abd El Wareth, 2013). It remains to be seen how many of these good intentions will actually be realised.

The force of the people has come to the fore, with art being created on the street and by those who would not normally be considered as artists by others or even themselves. Cultural players are realising that things are changing very fast, and an explosion has taken place on the levels of politics, art and thinking, and that they need to reconnect to society where the real dynamism and driving force lies (see for instance Khat Thaleth, 2012). While starting in the Nasser years there was much talk about bringing culture to 'the masses', now 'the masses' are bringing culture to the people. The emergence of a new creative cultural sector could also be observed in other so-called 'Arab spring' countries. In Syria – despite all the ongoing violence – the turbulent conditions unleashed some of its creative potential that was long suppressed and controlled by the authoritarian system. In Syria as in Egypt, people no longer waited for official permissions before producing art, and used new forms of creative expression that allowed for circumventing the state system, including street art forms such as graffiti, or using the Internet for creating networks and disseminating cultural production (von Maltzahn and Yazaji, 2014).

The difficult task will now be to embed the values concerning rights to culture in the divided societies today. One step in this direction is the communication campaign that was launched by the Egyptian national group for cultural policies, although its

impact remains to be seen. Another difficult task will be to maintain people's agency and energy in a current climate of renewed government repression.

One issue that has barely been touched on at all in this paper is the politics of funding, in particular by international funding institutions that are following their own agendas in supporting revolutionary art. Artists at times have felt that the international arena wanted them to cater for their hype about the revolution, only supporting cultural production directly dealing with revolutionary turns.⁷ While this paper has presented only preliminary observations on the case of Egypt's governance of culture in the wake of the revolution, further research is needed into the debates around cultural policies and the evolving relationship between state, society and culture, including the growing notion of independent culture.

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Endnotes

- 1 Propaganda is here understood in the sense of public communication, transmitting the state's ideas to the people. The term propaganda, while initially a neutral term, had gained a negative connotation in Europe during the period between the two World Wars, when governments used it to impose their ideas on their own and other populations.
- 2 Gonzalez-Quijano is here himself citing a rendition of Article 2 of the law dating 25 January 1956 on the creation of the Supreme Council for the Development of Arts and Literature. The notion of modernity was used to equal indicate progress.
- 3 For a detailed discussion of Nasser's culture for the people, see Gonzalez-Quijano (2002), Chapter 1.
- 4 The European Cultural Foundation (ECF) is a European foundation based in Amsterdam that works to initiate and support cultural exchange and creative expression across wider Europe, and increasingly in the European neighbourhood, to share knowledge across the cultural sector, and to campaign for the arts at all levels of political decision-making (www.culturalfoundation.eu).
- 5 Tanta is a city in the Nile Delta, known for its cotton industry; Shubra is a highly populated area of Cairo and has the highest concentration of Copts in the capital.
- 6 While Mursi placed some of the Muslim Brotherhood's men in key positions during his presidency, the reported 'Ikhwanisation' of state institutions has to be viewed with caution due to the high level of emotional reporting involved. For more on this topic, see for instance Mohamed Elmasry (2013) 'Unpacking Anti-Muslim Brotherhood Discourse', *Jadaliyya* (28 June 2013).
- 7 For more information on the politics of funding in the context of the Arab revolutions, see Ilka Eickhof's paper in this volume 'My friend, the Rebel. Structures and Dynamics of Cultural Foreign Funding in Cairo'.

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Figure captions

Figure 1: 'Culture is not just in the Opera, culture is in Tanta and Shubra'
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Radwa Samy Abo Shady

Hidden Economy in the Arab Spring Countries

An Egyptian Case Study

Introduction

'In recent years about one in four dollars changing hands has not passed through officially accountable channels.'

American Demographics, 1998¹

Most importantly with regard to the informal economy we need to mention that the first spark which ignited the Arab Spring from the first beginning was vendor 'Bouazizi' who was working in the 'informal economy'. This raised the question how the government could respond and take adequate policy actions and it worked like a prompt for strict measures regarding its increasing impact on society.

The informal economy becomes an urgent issue to fix as employment and tax regulations are supposed to be modified after the revolution, whether in the long run or short run.²

Another point to add is that the informal economy exists in all economies but it is concentrated and expanding in developing economies as an alternative for both workers and production as an easy way of investment and increasing its capability.

Therefore, the paper will tackle the performance of the Egyptian economy before the revolution, then discuss different definitions of informal economy, its repercussions and magnitude in the economy (advantages and disadvantages), the main characteristics and problems facing the informal economy in the formal environment which will help figuring out the incentives given to enter the formal authorised economy.

Escaping taxes and the loss of a clear institutional framework of regulations besides unstable wages and social insurance for the workers are the main causes of the increase of informal economy in developing economies.

The importance of the study stems from many factors; first, in the Arab World in the age of transparency and flow of information, when nations require and ask for more effective participation through knowledge and publishing information, you should not hide an important and major part of the economy, which would cause us to not understand the pushing active sectors in the economy and their effects, which creates problems in collecting data and financial resources. Second, the relationship between the degree of development and organising within the society and the spread of the informal economy are relevant and affect the flow of information. Third, the informal economy affects good governance and rule of law as it affects the degree of satisfaction of citizens towards their government's performance,³ as the informal economy hinders and discourages the formal sector from expansion and possible economic growth.

1. Economic Performance before the Arab Spring Era

The main causes of the Arab Spring were the increasing unemployment rate and budget deficit, which play a great role in increasing the trend towards an informal economy and informal work, besides the increasing bureaucratic procedures and measurements, which leads to petty corruption which in turn increases transaction costs of every stage of project implementation in the short-term and impedes long-

run policies adopted in the economy to refresh and help in developing new ways to decrease inequality and eliminate poverty. Even if the question is not asked by governments, it becomes quite crucial for international donors to know how governments will pass the transitional period.⁴

The official rates for economic growth and unemployment are 5% and 9% respectively, yet they currently reach 2% and 13.5% as was the situation before the revolution. The Egyptian economy has faced a lot of structural problems, most of which has to do with the fact that it was undergoing a trial-and-error phase with a wait and see approach to try to apply a different ideology each time. During each era there was no clear vision or strategy. Problems in the last year mainly stem from the unequal distribution of income, increasing resources of rich people, social services and social safety nets besides another important factor which are the bureaucratic regulations to control markets by the government besides the tax system within the economy. All of this makes Egypt one of the countries with the highest share in the informal sector as informal enterprises in Egypt constitute 82% of the total economy, and informal employment accounts for 40% of the total labour force.⁵

All of the above indicators together with the policies adopted by the government put pressure upon the middle class and affect it badly, something which leads to revolution. Especially as the vast number of middle-class families who live on US-\$2 to US-\$4 a day work in small enterprises, mostly in the informal sector.

In the view of people the economy is the main important aspect of development. 49% of Egyptian youth feel that the economy is more important than democracy, which clearly indicates that the policies and performance of the transitional government should take the economic situation into account.⁶

	2008	2009	2010	2011	2012
GDP growth	4.5	3.1	3	-1.8	2.9
Agriculture growth	-0.7	9.2	9.3	9.2	3.5
Manufacturing growth	0.5	1.8	5.2	4.4	3.3
Service growth	7.1	5.7	2.5	16.1	3.4
Investment growth	9.1	0.0	0.7	3.5	3.2
Unemployment rate	12.4	13.3	13.0	18.3	18.1

Table 1: Economic Growth in Egypt, 2008-2012;
Source: Brookings Doha, economic unit, p.13

Regarding young graduates, only 28% find opportunity to work in the formal sector, which mirrors what an expert on African economic issues said that 'black markets are considered the main things that matter for youth' as 72% of youth work there, the average salary is 3.7 US-\$/day for men and 2.6 US-\$ /day for women.⁷

Small companies in Egypt face grand and petty corruption, as 61% of businessmen consider government licenses and registration requirements as the main hindrances for doing business. Also, because of the current economic situation and increasing political demands, the governments increase public spending to absorb people's demands, which leads to an increasing public deficit of 11% of GDP, public debt from 60% in 2010 to 70% of GDP in 2012, which leads to a decrease in international reserves from 36 billion US-\$ in 2010 (covering 7 months of imports) to 14 billion US-\$ in 2012. All of these factors lead to a bad international credit rating, which according to Moody's has reached CCC for Egypt.

Another point worth mentioning is that since the government has been trying to recover from the post-revolution circumstances, as past growth patterns in Egypt did not benefit the vast majority of the population and thus contributed to the revolution of January 2011, the need arises to take due care of the informal sector especially as the revolution called for 'bread, freedom and social justice', all of which are affecting and being affected by the informal sector in one way or another.

In the post-revolution era the Egyptian economy started to grow to reach 5.1% with economic performance in the tourism sector of 15%, construction of 12.6%, IT 10% and manufacturing 6%.⁸ Local consumption plays a vital role in the growth which pushes the growth cycle.

The main leading sectors were the industrial and telecommunication sectors, yet wealth was not evenly distributed among the Egyptian people; the Gini coefficient remains at 0.30-0.33 besides a high unemployment rate of 25%, with different characteristics in the job environment like lower earning, less job security and more new entrance jobs mainly found in the informal economy. The poverty rate has increased to 22% and the inflation rate has been increasing rapidly, yet has been among 11-12% which is the comfort zone of the central bank.⁹ Especially after poor government intervention, cronyism, and corruption besides less youth inclusion within the society, all these factors affect the economy and draw attention to its informal sector.

2. Definitions and Main Arguments Regarding the 'Informal Economy'

Defining the informal economy is not easy as it includes business deals and exchanges outside the legal framework. This means it is not calculated as part of GDP, or employment. Dell'Anno (2003) identifies two approaches in defining the Informal Sector, the *definitional* approach and the *behavioural* approach. The former defines it as all the unrecorded economic activities, while the latter considers it as a change in the behaviour of economic agents in reaction to institutional constraints. The informal economy takes a lot of definitions such as hidden economy, underground economy and secondary economy.

It is not a mere hundred of street vendors and off-the-record transactions, it is a booming sector of a society comprised of millions of Egyptians who prefer the easy way away from the bureaucratic straightjacket that is Egypt's formal economy, according to the most recent World Bank statistics it accounts for almost 40% of the GDP. It is not only dependent on small business in the streets, but it spreads in developing countries (African ones) to be represented in fake names for brands, violating IPRs¹⁰ and piracy¹¹, second-hand centres that increase the spread and growth of informal enterprises like supermarket chains, consumer electronics assemblers, auto parts suppliers and even large-scale industrial operations. It is also, allegedly, the country's biggest producer of jobs. It is also a temporary state for those who could not find a formal sector job and could not afford to stay unemployed.

If we start by the main ways of informality, there is the economy, labour, housing, investment, which means it takes different roads within society. There has been no consensual definition till now, which creates a 'conceptual crisis':

'Market-based production of goods and service whether legal or illegal, that escape detection in the official estimates of GDP' (Smith, 1994)¹².

'[I]ncludes all market-based legal production of goods and services that are deliberately concealed from public authorities to avoid the payment of income, value added or other taxes having to meet certain legal labour market standards, such as minimum wages, maximum working hours, and safety standards, and complying with certain administrative procedures' (Schneider, Buehn, and Montenegro, 2010).

- Economic activities that are not regulated by the government and without taxes, besides not being included in the GDP calculations, so it regards all unregistered activities within an economy with following exception: A family's private activities and tax evasion activities,³³ concerning this point we can say that not all these activities effectively manage to escape paying taxes but still in many cases as the taxes system in the economy is not clear enough to make people want to pay.
- In general terms, the informal economy includes a range of 'off-the-books' activities, from undeclared jobs to tax evasion or underreporting of revenue. While sometimes there is a link between irregular activities and organised crime, not every form of informal activities is illegal. The irregular economy often involves legal activities that are performed without oversight of the authorities.
- There are different names of the informal economy, including informal economy, illegal economy, underground economy, unregistered economy, black economy market,³⁴ second economy, also subterranean economy (Gutmann, 1977), submerged, non-recorded, clandestine (US Department of Labor, 1992) economy.

According to ILO statistics, 51% of the informal sector workers are working in non-agriculture sectors.³⁵

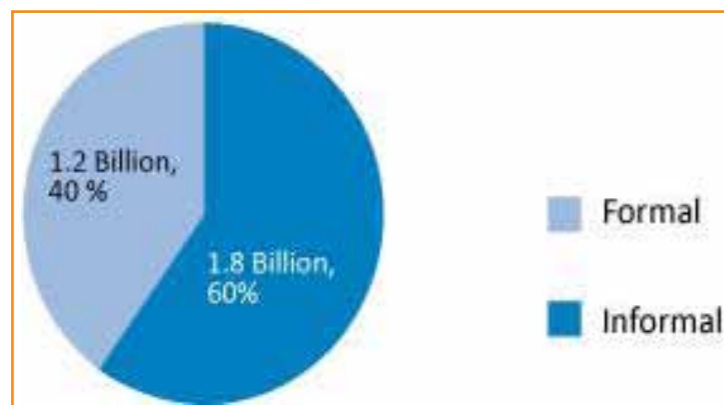


Figure 1: Worldwide Informal Employment;
Source: www.oecd.org, 2013

The term 'informal sector' was first introduced by Hart (1971) to describe the part of the urban labour force that works outside the formal sector. He considered the informal sector to be suitable for self-employed individuals working in small numbers. In the same vein, in its report published in 1972, the ILO attributed informality to government regulations and tax avoidance³⁶ and that the informal sector can serve as a safety valve absorbing excess labour and thus reduce poverty. Yet it can lead to unfair competition in the economy as it is quite hard to access information within a society which leads to increase tax evasion and hence lots of wasted resources.

Why is there a need to have a unified definition of the informal sector?

- To calculate its importance within the economy.
- To know its real growth rate, hence evaluate its share in the economy.
- To compare between countries or between periods in regard to economic performance and the relative value of the informal economy.
- To adopt appropriate governmental policies and measure the main problems affecting the sector.

3. The Main Characteristics of Enterprises within the Informal Sector

Low Capital-intensity: Resources are mainly personal savings or informal resources with informal skills practices and less technology.

Family-owned enterprises: Families provide the needed financial resources and the family members share the management besides different ways of managerial stuff, operate on small scope.

Weak managerial hierarchy: As it is owned by one person, so there is no need to have strategic plans.

Obligatory work: In order to avoid unemployment, people tend to work in the informal sector with low or no education; some of them are from the public sector.³⁷

Lack of social protection and other benefits such as social security benefits accrued from a job, as both employer and employee do not care about these benefits as the employer does not want to pay high costs and the employees see it as a permanent stage and therefore believe not to need to secure the job and most of the time care only about experience gained or money.

Unskilled labour: As the labourers are mainly illiterate, do not have sufficient vocational training, they are mainly 'learning by doing' or practice.

Vulnerability: The informal economy is quite related to the term 'vulnerability' due to several reasons, such as sudden loss as it requires high risk and departure of senior people or skilled qualified labour.

Registration: The main feature of the informal sector is that it is not registered on any public records, there are regulations inside the activity but individualism dominates its development, we can add further that the registered enterprises in the economy are inversely related to the demographic area of the capital (Cairo) as its remote areas are less regulated or supervised by authorities.³⁸ The informal enterprises escape from supervision by public servants through bribes or by temporarily closing their enterprises.

Employers: Most are smaller compared to their peers in the formal economy, since it is easier to grow in and enter the informal sector; the majority comprise family work, mainly women, illiterate and poor people.

Lifetime of the enterprise: On average it lasts for 7 years compared to 17 years in the formal sector, which could be explained by the relative decrease in the stability of such projects and their occasional attempt to work hidden from public enterprises (subcontractors), with easiness of entrance and exit.

Revenues: Generally, revenues are higher in the informal sector compared to the formal one, as costs like salaries, taxes, administrative and registration fees and paperwork are not included.

The informal sector can be classified into three categories:

- Small projects owned by persons who work on their own or use several workers
- Family owned projects
- Workers in different projects, home-workers or contracted ones

Clearly the informal economy plays a great role in the economy and exists in all countries, but what differs is its share as it increases in the developing economy which raises the question whether the informal sector with its employed workers is a stumbling block, as first argued by economists such as Fields (1975), or a dead end,¹⁹ or may eventually move to semi-formal or formal enterprises, but that requires a clear path for them to register. That means more facilities and less bureaucratic ways for registration and improvement of the tax and registration system which is on the rise in our Arab World countries.

From the demographic side, most workers are women, less educated people or highly educated people who did not manage to gain a suitable or sufficient job for their financial needs (over-qualified) which makes the image more complex than we might have imagined.

From the legal perspective, the way of producing products and whether it is legal or not is one of the vital characteristics as it is not only about the product itself but factors of production that may be illegal, failures to adopt legal formal regulations whether in health standards, taxes, or market or any violations in the process or factors that affect the value addition process, that differs when the product itself is illegal like tobacco, drugs, alcohol, money laundering, prostitution or weapons (such activities differ from one country to another, according to the respective regulations and laws).

The proportion of informal workers in the economy has been increasing over years which raises the question how that will affect the economy and whether it will help future economic performance with an increasing share in employment. The proportion of informal workers tends to increase in times of transition or economic adjustment, also factors in the government's role to reduce the deficit and unbalanced budget as it is significant in any attempt to decrease the gap of available jobs particularly in the public sector. This does not mean that it is always bad, especially from a narrow perspective in the short-term analysis.²⁰ Refusing to acknowledge the informal economy through policy and legal reform may have dire consequences in the long run as an independent sector works away from the government authorities and sometimes includes illegal activities, as well as the short-term regulations.

What are the main reasons that lead to the spread in the informal sector over the coming years, mainly in developing countries like Egypt? First of all, privatisation is one reason for increasing numbers in informal labour as after privatisation there workers are laid off and downsizing destroys job opportunities. Second, during inflation when prices increase, people tend to buy informal economy products as they provide commodities with lower prices with little regard to reduced quality. Less regulated markets, no taxes or higher costs puts informal markets in a competitive situation in regard to prices. The third reason is that most people prefer to start their early career path inside the informal economy in order to gain experience and as it becomes increasingly harder to get jobs in most of the corrupted business environment in our time.

Corruption and inadequate environment for small investors and vendors in the formal sector make the informal economy one of the well-adjusted environments due to its huge degree of elasticity to adapt to the economy and different situations in it.²¹

From the previously mentioned reasons for the increase of the informal economy, it appears that one of the main obstacles – yet feature – of this economy is a lack of available registered data which creates other problems as the official figures about how the economy is going and doing are all but 'meaningless' as all of those figures do not represent a comprehensive image of the economy. This creates a problem about the main share or the main performance inside the economy if we miss or cannot calculate the share of it within the economy.

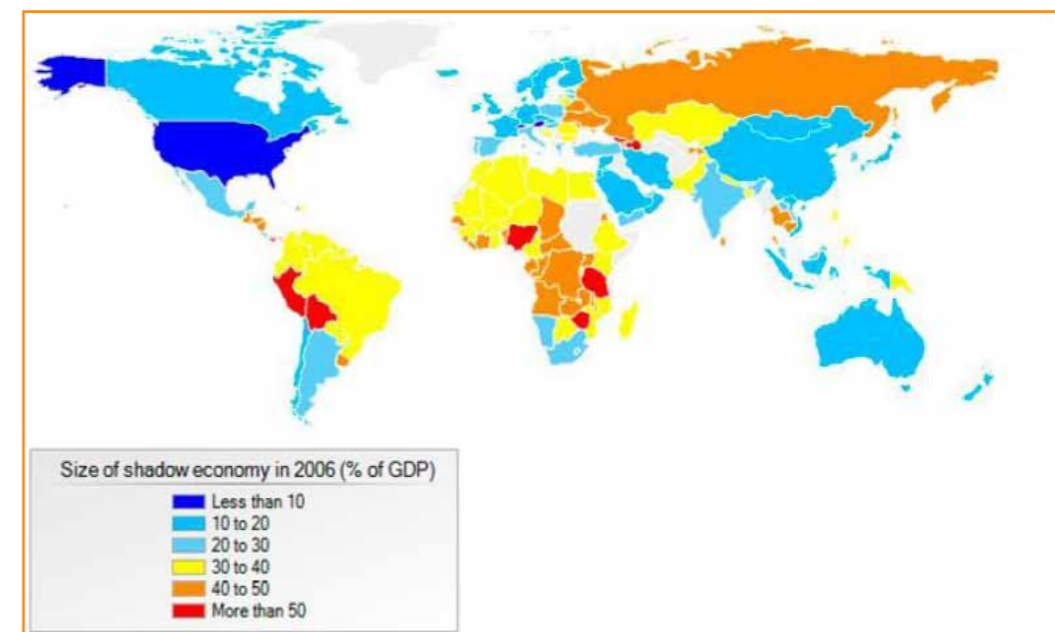


Figure 2: Size of Shadow Economy as Percentage of GDP in 2006;

Source: inclusive growth, institutions, underground economy, IMF working paper 2012

Yet, it is hard to collect data on the informal economy, it takes years to calculate and collect data about the enterprises working in the economy which raises the question of 'how updated or accurate that old data will be in fast and changing atmosphere'. The examples of informal economies differ from one definition and classification to another, first we could say the hawkers, taxi drivers, illegal buildings and other activities which are not registered nor paying taxes, but then some activities are only partly included in this as not all of the activities avoid taxes.²²

So, if these are the environment and circumstances regarding the economy and its informal part, what are the determinants of informal labour to become formal and to enter the formal labour market?

The share of informal enterprises in the GDP has been called 'Dead Capital',²³ as it hard to know its effect on the society and whether there is advantage from it and how much. This amount is believed to be as high as what Egypt receives in foreign direct investment and aid, which can be taxed and hence benefits the government, so we can say there is a relationship between taxation policy and the share of the informal economy.

Also, the situation increased in the pre-revolutionary years in Egypt as people started to escape rules and regulations in very obvious ways. The streets were almost full with vendors everywhere, people fearless of authorities and not observing regulations.

Peru & Italy have had successful experience in formalising the informal economy in the 1990s, Italy in particular is of relevance for Egypt as they had the same characteristics.²⁴

There are a lot of reasons and classifications why an employer adopts informality, which we discuss for two main contexts, the *micro* and *macro* level in the economy.

Micro refers to size, productivity and cost of entrance while *macro* regards tax rate and excessive regulations, corruption, the existing regulating system and inequality in resource and income distribution. In order to calculate the size of the informal sector, we can estimate directly, either based on sample surveys or tax auditing which measure the discrepancy between income declared for tax purposes and income measured through institutional checks, or indirectly per currency demand²⁵ or physical inputs.²⁶

Another point is avoiding special standards whether in the quality of the product or regarding labour (like minimum wages or social security).²⁷ Estimating the informal sector entails two problems: firstly there is no agreed definition and secondly there is no trusted data regarding its size and its real impact upon the economy. If we need a realistic image of the informal sector, we need to see how the relation between other sectors is going, whether they are competing with or completing one another, there are different effective factors, privatisation and the diminishing rule of the state, that lead to a decrease in the size of the informal sector as people tend to register in order to benefit from the highest weight of the informal sector.

There is a gap between education and the requirements of job opportunities on the market. Most workers in the informal sector are illiterate and with low education levels, but there are also university students who cannot manage to get a stable job. Formalisation does not have any benefit for them, does not pay social insurance or help with any financial commitments. Some may take informal employment as a second job. Employees tend to become more satisfied with incentives and training in contrast to having a punishment system in place.

4. The Case of Egypt

After many efforts in a state control system, the open door policy adopted in the 1970s led to the main increase in the informal economy to absorb the excess supply of workers and work. The increase in migration by Egyptians to the oil countries' led to a boom in non-tradable sectors like construction which in turn affected the tradable sectors like manufacturing and agriculture.

Then the fall in oil prices made Egyptian workers return, and with this inflow of workers, Egypt started to adopt the structural reform program ERSAP that increased the role of the private sector in the economy and reduced the role of the state. This made the informal sector boom especially as the reforms included the demolishing of 'lifetime' secure job that used to be there in the previous era with an enormous amount of lay-offs by the private sector.²⁸ Thus, the informal sector has been substantially growing during the past decades, absorbing the increasing numbers of new entrants into the labour market, especially new graduates waiting for a government job.

This sector has shown an increasing importance in livelihood opportunities since the early 1980s. According to the 1995 Labour Force Sample Survey (LFSS) it constituted 18% of total wage employment. The Egypt Human Development Report 1996 stated that the informal sector grew from 22% to 24% between 1977 and 1992. Informal employment opportunities in urban areas grew to 1.9 million, constituting around 60% of the total workforce in the private sector. If establishments employing less than five workers are considered part of the informal economy, then the total number of people operating within the informal economy was estimated to be around 3 million people in the early 1990s (UNDP, 1996). The main challenge is creating more opportunities to overcome social and economic exclusion especially for women empowerment, as women are discouraged from and dropped out of the labour market. Another point to mention is the need to strengthen the social fund for development (SFD) and increase awareness and to then insure that SMEs in the informal economy are aware about its mechanisms and how to join it.

Problems faced by the informal economy:²⁹

- The informal economy workers are not actively engaged in society as they do not participate in dead-end activities that could be registered within the economy.
- Workers are affected by social and payment issues as they suffer from instability of their resources.

The size and capacity of the informal economy is not accurately measured. But it is expanded as a result of the structural reforms within the economy which define the informal economy as 'labour sponge'³⁰ that absorbs new entrants or people affected from changes in the economy.

4.1. Importance of Diverting into the Formal Way

In the view of the above findings, it is important to gradually motivate the informal sector to formalise. This may be achieved by identifying means by which upstream informal enterprises can be linked to downstream formal ones (acquisition of knowledge, efficiency and adherence to specifications which could motivate and promote the formalisation of these enterprises). This requires all the active parts of society to work together including civil society actors besides the public and private sector by offering credit facilities, promoting business planning, encouraging training and marketing, adopting innovative sales techniques, and raising awareness about the importance of work.

The issue of the informal sector is related to another important issue, the support of SMEs and entrepreneurs, especially as our economy suffers from different severe problems which make it harder for investors to invest in large enterprises, especially as SMEs lie in the grey zone between the formal and the informal economy. The economic new problems need to be adapted to the current social crisis in the society and attempts be made to sort out the social safety net programmes.

Which are the main privileges the country will benefit from by diverting informal enterprises into the formal economy?

- It would increase the financial resources within the economy.
- It could benefit from other aspects like IPRs, infrastructure and the expansion inside the economy.
- It would provide protection and social security to workers.

The problems of the informal sector:

- Measurements by economic indicators are not accurate and thus it is difficult for decision-makers to take action or to have a clear image about the economy and its performance.
- It causes a loss inside the economy as the government does not gain tax revenue from the informal enterprises.
- It reflects a non-healthy situation inside the government system which causes people to be dissatisfied with the government and escape from the regulated system, which makes it clear that there is a need to fix that system.

Yet, the image is not as bad, as there is relevance of the sector:

- Convergence between informal sector and the SMEs as the informal sector and the SMEs in Egypt are quite related.
- Structural problems in the economy – the informal sector absorbs the excess supply of workers from the public sector reform and privatisation, as the country has since the 1990s stopped to employ graduates in the public sector.

4.2. The Main Problems the Informal Sector is Facing in Egypt

It is relevant to understand the problems of the informal sector in order to ascertain how to encourage the informal enterprises to divert into formal ones, for it can reveal the main incentives. Marketing is the first, then raw-materials and finally labour and financial resources³¹. This raises the great question why they avoid registration in the first place:

- The high cost for registration compared to the benefits (C/B analysis).
- The complication of the procedures.
- Less awareness of the procedures and their importance to the enterprise.
- The regulations themselves being quite vile.

This is a crucial aspect to consider, as the government provides financial incentives to join the formal sector, yet we discovered that the main reasons have to do with the regulations.

How to solve the problems? Mainly we can say that the enterprises that are working on this issue suffer from lack of information, lack of resources, less organising, and no clear methods for monitoring and evaluation. Further, we can say that most of the projects do not have effective power in policy making to lobby for their own interests.

The main features of increasing regulations in the business sector:³²

- The need to show up in person to get the paperwork done and several times.
- The need to deal with a lot of governmental agencies.
- The need to have security approval.
- The need to finish a lot of paperwork which sometimes is already included in other and thus redundant.
- The length of measurements and procedures.
- Less skills and the money and time spent.

The law which controls the informal economy has many short-comings. First, it was promulgated in 1957 with no modification since – except twice during the Mubarak era and under Morsi to increase punishment to three months, and without even a real implication of the law for vendors. A closer look at the law shows that it defines informal workers as anyone selling products in the streets without having a stable fixed place for selling, and anyone selling any services or products in homes to anyone.³³

The registration to be able to work in the street which is even limited to one year after which it needs to be renewed is something not easily applied.

Another point to mention is that Article 8 of the law gives the oversight authorities the right to restrict the number of vendors or specify places for them to work, which is also something hard to adhere to or to be applied, as well as Articles 9 and 10 which regulate the work of vendors in the streets and standards of their products, but we need to ask, does this really work?

The issue in Egypt now – especially after the Arab Spring is a lot different: streets vendors are coming back as a revenge for all the period they had to abide by laws and officers, now they are back to get their rights by ‘occupying’ the streets especially in the absence of security to restrict the streets for ‘public space’.

So, to face this situation and regulate it, the need is there to have realistic and authorised regulation of the vendors, not only in respect to the security issue, but the need to regulate and facilitate by specifying places for them to work, special places with more decentralisation in their organisation by local municipalities.

Another point is better bargaining – with street vendors as organised blocks or enterprises – and more effective than small vendors or individual decisions. Persecution needs to be gradual starting from notification before withdrawal of license then fair fines by taking into account the economic and social situation of the vendor and only then the seller’s rights.³⁴ The informal sector in Egypt accounts for nearly 40 percent of the economy.³⁵

5. Conclusion and Recommendations

The study explored different characteristics of the informal economy, the main problems facing it, and then drew main conclusions about how to improve the situation. The cost, time, and procedures required to open a business should be reduced, and the minimum capital requirement should be trimmed to a symbolic value.

Yet workers suffer from negative conditions like job insecurity, work discrimination – especially against women –, lack of social security coverage and rights. The government always talks about economic integration of the informal into the formal sector; this integration will come through different incentives and facilities, not only direct intervention in the informal economy. Reforming the tax system is another issue as there is a need to give SMEs a grace period until they reach a suitable level of growth to develop. The policies and regulations needs to be clear, unified for all identical situations of SMEs and simple to understand as in most cases the workers avoid the formal sector not only because of the costs of joining but also because of the complicated and not clear regulations required to be registered in the formal sector.

There is a need for reducing the gap between the formal and informal sector in case of skills adopted, upgrading the low productivity of enterprises, reskilling labour through different ways such as enhancing education in order to be geared towards market needs. The government can also help with marketing schemes for the projects, technical assistance, information support, infrastructure and finance.

There is a need to have a unified clear body to regulate the situation; as Hernando de Soto has described the situation as ‘Egypt’s economic apartheid’. There is no independent political body responsible for collecting data about that body.

One way is to pursue a gradual approach, such as granting a five-year grace period to already established informal enterprises before they turn into formal enterprises. During these five years, firms could benefit from financial incentives such as credit facilities and some technical assistance through business incubators that could help nurture small informal enterprises.

There is a need to combat money laundering and illegal activities, to enhance the rule of law and good institutions, to fight red tape and routine, and for attractive lending schemes from the government to combat lack of access to financial resources. Given the low returns and increasing vulnerability of informal business makes it hard for them to expand, but less incentives and support offered makes it hard to formalise as well. The government should provide credit facilities and a marketing-friendly tax system, encourage simplified regulations for entrance and exit regulations.

Endnotes

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Benedikt Grossmann

Moderation by Inclusion?

The Political Participation of the Palestinian Hamas

Introduction

Before the electoral victory of several Islamist parties in the context of the Arab Awakening, the culminating point of the integration of Islamist actors into an existing political system happened in 2006 with the victory of Hamas in the Palestinian parliamentary elections. The subsequent dynamics underline the huge consequences of this inclusion paradigm.

The integration of Islamists in an existing political system is a phenomenon with divergent results. The future outcome of such developments will be of considerable relevance for several countries of the Arab Awakening in consideration of the fact that Islamists win elections. The legal election victory of Hamas, but also the later take-over of the sole reign in Gaza, puts an old debate again in the focus of scientific interest: Does political participation of radical actors lead to their moderation? Did the integration of Hamas into the political arena lead to its moderation which is defined in two different analytical fields (ideology and behaviour). In ideological terms, moderation has been defined by Schwedler as a more open and tolerant perspective than before the participation and in behavioural terms, following Tezcür, as the adaptation of a conciliatory and non-confrontative strategy which foresees the search for compromise and the peaceful reconciliation of conflicts.

The question will be answered on the basis of the so-called moderation theory or more precisely the Inclusion-Moderation Hypothesis which basically traces the behaviour of Islamist actors back to the incentives of political survival by eligibility. This theory was originally applied to parties of socialist and Christian provenience in Europe before it was revisited by scholars of political Islam, like Günes Murat Tezcür and Jillian Schwedler.

The Model of Moderation – A Portray of the Inclusion-Moderation Hypothesis

One of the main ideas of the Inclusion-Moderation Hypothesis is that through the conversion of radical movements into political actors and their integration into the existing political system, they abandon their original radical ideology and maximum goals in order to maximise their electorate in the short-term. The long-term objective is the political survival by keeping electable in the long run.

Thus, inevitably, radicals are being moderated by their wish to achieve their own strategic interests. Günes Murat Tezcür, one of the leading political scientists revisiting the theoretical framework, describes this process with following words:

‘[...] integration of radical political actors within the political system leads to their moderation. These parties trade off their ideological legality. Radicals have become moderates through strategic interests.’

(Tezcür, 2010b, p. 69)

The first systematic and scientific application of the concept was designed by the German sociologist Robert Michels in his study on the internal structure and the external behaviour of the German Social Democratic Party in 1911.

Firstly, in order to reach the broadest electorate, the decision-makers of the radical party are confronted with a dilemma: They have to change their political positions on certain issues and adapt their political programmes in order to at least verbally/rhetorically lean towards the mainstream of the electorate. Otherwise they would not be electable for the majority of the people and thus have no chance to win the elections (Tezcür, 2010a, p. 27). If the public acceptance towards their maximal positions was shared by the voters, the party would not have to rethink its views.

The second assumption holds that the danger of repression by the security forces of authoritarian regimes moderates parties. The fear of state repression makes radicals more moderate. Public visibility (e.g. during events, meetings and media presence) at the expense of clandestine networks increases the possibility of permanent state repression in form of imprisonment. According to Jillian Schwedler, 'inclusion may not make moderates more numerous, but it may make them more visible' (Schwedler, 2011, p. 367). Tezcür succinctly resumes:

'Once Islamists are organized as electoral parties seeking mass support, they expose themselves to constant state surveillance and to outside influences that dilute their ideological cohesion. Even just for organizational reasons, it becomes increasingly difficult for Islamists to pursue radical agendas because of their vulnerability to regime crackdowns and discontent among their own ranks.'

(Tezcür, 2010a, p. 357)

Thirdly, political representation affects the programmatic orientation since the newly acquired electorate is to be kept or even increased in the perspective of forthcoming elections. The priority given to the electoral success prevails over the primarily revolutionary goals. And these new political goals require organisational resources (e.g. professionalism, expertise, competence) for shaping party-like functions. The build-up of a party affords the development of a 'specialized and skilled cadre' (Tezcür, 2010b, p. 11). Tezcür managed to combine Michels' assumptions from the beginning of the 20th century with the Inclusion-Moderation Hypothesis of radical Islamist groups in the socio-geographical space of the Islamic world (Turkey and Iran); in so doing he is aware of the long time frame concerning the validity of the thesis:

'As identified by Michels a century ago organizational strategies and resources remain central to the success of parties and movements that strive for political change. Muslim reformers' failures primarily stemmed from their organizational weaknesses rather than ideological deficits.'

(Tezcür, 2010b, p. 83)

The two mechanisms – maximising votes and organisational survival – transform the revolutionary party into a parliamentary party, which behaves benevolently towards the state in order to secure its survival as an organisation and to stay an integral part in the political sphere. The dynamics of the political competition and the constant danger of state repression support the assumption that radical parties have strong incentives to moderate their original ideological commitments. The groups are pushed to moderation, not as a result of their ideological metamorphosis or civil obedience, but because of strategic interests in order to gain and keep (political) power.

By following Tezcür, due to the historical presentations in his book concerning socialist and especially Christian parties (because of the religiosity of the later) in Europe, two more categories can be added in order to compact the progress of moderation.

The fourth element of the extended version of the theoretical frame is, therefore, the ideological moderation – the commitment to democratic pluralism – which is by nature subordinated to both, strategic interests and organisational change. Accord-

ing to that, ideological change takes place after the change in behaviour of the entire group which relies on the decisions of the leadership.

To fulfil the overall theoretical frame, the fifth and last category demands that the moderation of both, ideological and behavioural nature, is part of the transition into a democratic political system. (Tezcür, 2010b, p. 36).

In order to apply the Inclusion-Moderation Hypothesis to the Islamic region, Tezcür highlights the relation between the two newly introduced categories (ideology and behaviour) and modifies three of the five categories. The result is a redefinition of the entire theoretical model of moderation.

Tezcür agrees with the two first assumptions, which were moderation in view of the maximisation of votes and due to state repression, but calls for the specification of the third assumption. According to him, the fourth is misleading and the fifth does not count in certain historical circumstances (Tezcür, 2010b, p. 35).

The third assumption is based on the idea that parties are incepted as organisations to survive and to expand. This interpretation values ideology less than the degree of organisation, also with regard to the motivation of the members and sympathisers. The ideology was rated second in terms of relevance, but not reduced to meaningless rhetoric. In order to obtain the loyalty of its members, the ideological identity of the party must have been sustained by the leadership. Therefore, Tezcür modifies the third assumption in the following way: The primacy of the organisational survival over pragmatic and ideological lines only works as long as party members are motivated by selective incentives like careers to keep faithful to the party.

In the fourth assumption, Tezcür corrects – according to his opinion – the wrong causal sequence of ideological change and behavioural change. Based on the parties he analysed (the Turkish AKP and the Iranian Islamic Participation Front), he concludes that the concept of ideological change precedes the change in the behavioural pattern. Thus, he states:

'Participation in elections will not moderate a radical party unless party leaders have enough intellectual resources to develop an ideological reorientation. Furthermore, the source of ideological change can be the result of political learning even in the absence of institutional incentives and constraints.'

(Tezcür, 2010b, p. 37)

Concerning the fifth category, Tezcür explains that the moderation of behaviour does not always contribute to democratic transition and consolidation of the political system. With the increasing institutionalisation of the former radical party, its willingness to change the undemocratic character of the regime declines. Under certain circumstances, the moderation can even be counterproductive for the transformation to democracy: 'As a formerly radical party becomes more institutionalized, its ability to transform the undemocratic characteristics of the regime fades away' (Tezcür, 2010b, p. 37). In accordance to these arguments, Tezcür completely re-defines moderation on both analytical levels, the ideological and behavioural level:

'Ideological Moderation can be defined as a process through which political actors espouse ideas that do not contradict the principles of popular sovereignty, political pluralism and limits an arbitrary state authority.'

(Tezcür, 2010b, p. 10)

This contains in most cases the continuous expansion of limits on internal consistent and justifiable political actions. The moderation of behaviour is defined as follows:

‘Behavioral Moderation concerns the adaptation of electoral, conciliatory, and non-confrontational strategies that seek compromise and peaceful settlement of disputes at the expense of non-electoral, provocative, and confrontational strategies that are not necessarily violent but may entail contentious actions.’

(Tezcür, 2010b, p. 10)

Hypothesis for Hamas

Hamas, the Islamic resistance movement of Palestine, was founded during the First Intifada in 1987 and exerts considerable influence on local level as well as regionally and on international dimension due to its existence. Two years after the establishment of the Palestinian National Authority in 1994, Hamas refused to take part in the first national elections in 1996 with the justification that the political system was imposed. On January 25th, 2006, Hamas spectacularly won the second elections on the national level which were asserted free and fair by the international community. Hamas will be examined in the sense of a political actor and explicitly not as a terrorist organisation. Its main goal is the liberation of Palestine.

For the analysis of the political participation of Hamas, following hypotheses are formulated which follow Tezcür’s model of moderation. They have been modified due to the particular political context of Palestine as there is the Israeli occupation and repression.

Firstly, as soon as the leadership of Hamas has chosen to take part in the elections in 2005, the Islamic worldview was modified in the way that Hamas not only stands for religious extremism (e.g. destruction of Israel and building an Islamic state in Palestine), but also adopts the problems of the people, as there were ‘[...] blocked social mobility, a lack of political freedom, economic despair, a sense of cultural vulnerability, and humiliation [...]’ (Wiktorowicz, 2004, p. 34). Will the programmatic statements be accommodated to the needs of the majority of the population and are the campaign pledges in accordance with the mentality of the voters?

The second assumption, which was moderation due to state repression, has to be modified because Hamas does not operate in a prototypical authoritarian system of a sovereign nation state, but Hamas is in danger of a permanent double threat: In domestic policies, the Palestinian Authority with its security forces represses Hamas; on the foreign side,¹ Hamas is fought by Israel. Thus the second assumption has to be modified in the sense that Hamas is domestically subjected to the repression attempts of a rival group and externally if no ‘good conduct’ is shown on certain fields,² by the security forces of Israel.

Thirdly, Hamas has always prioritised its organisational survival over ideological opinions or programmatic changes for the purpose of achieving (political) goals. The permanence of Hamas is ensured on the basis of a functioning and broad organisation. This basis and the followers are to be preserved by Hamas, also in times of changes and during the phase of retaining power. All other concerns are subordinated to this goal.

According to the fourth assumption, it has to be examined whether Hamas primarily changed the content (written documents) or the method. Did Hamas decide to participate and then adapt the programme of the real situation or has Hamas first established the theoretical principles in following basic considerations?

And in a final step it has to be checked whether the inclusion of a single party has heralded the change of an entire political system. Wiktorowicz questions this: “To maximize access to these discontented populations, Islamists have in many cases generated frames that meld religious and non-religious themes to garner broad sup-

port among those who are merely seeking a change from the status quo rather than an Islamic transformation’ (Wiktorowicz, 2004, p. 34). Tezcür himself has doubts as well.

‘He also questions an underlying sequence implicit in the inclusion-moderation hypothesis concerning the trajectory of political reform more broadly: That is, he points to *the paradox of moderation*: the possibility that non-state actors may become more moderate both behaviorally and ideologically – internalizing and acting on liberal and democratic ideas – but that this moderation may not advance democratization at the state level.’

(Schwedler, 2011, p. 364)

This question is all the more appropriate because Hamas due to its sole reign³ represents the system itself, is not free of authoritarian ambitions and the democratic element of electioneering is in danger to disappear from the agenda. To date (August 2014), Hamas rules the Gaza Strip with Prime Minister Ismail Haniyeh.

Moderation by Inclusion?

The empirical analysis of Hamas is examined on the basis of two variables: ideological and programmatic-pragmatic aspects. These two variables are the most essential indications to analyse Hamas.

Ideology

The ideological worldview of Hamas is mostly reflected in its Charter. There are two basic principles in the charter from August 1988 which is the founding paper of the Islamic resistance of Palestine: Islam is the fundament of all nature and the liberation of Palestine can only succeed with the use of violence (for the Charter see Tamimi, 2009, pp. 147-156).

Both positions and the undeniable anti-Semitism in the diction are the main reasons for labelling Hamas as a terrorist organisation for years, because the main goals are still the destruction of Israel and the installation of a theocratic regime on the territory of a reunified Palestine. Khaled Hroub calls this interpretation unjustified – at least concerning the first point:

‘Also the often-repeated charges that the Charter explicitly calls for the “destruction of Israel” or the “termination of the Jews” are not accurate so such literal phrases occur in the Charter. There is no doubt, however, that the Charter with its rhetoric and unlimited generalizations has inflicted much damage upon Hamas.’

(Hroub, 2006a, p. 29)

The significance of the Charter has always been relativised both by Hamas and contemporary interpreters with growing temporal distance to the date of origin. For the first time, at the fifteenth anniversary of Hamas in 2002, two Hamas leaders, Ibrahim Ghosheh and Khaled Meschal, the leader of the political bureau, have distanced themselves from the contents of the Charter.

In an interview with Azzam Tamimi, Meschal said that the Charter ‘[...] should not be regarded as the fundamental ideological frame of reference from which the movement derives its position, or on the basis of which it justifies its actions’ (Tamimi, 2009, p. 149).

Meschal repeated his statement again in 2008 (at that point, Hamas had already been governing the Gaza Strip for two years) publicly in a television interview by declaring

that pragmatism and political realism had already replaced the Charter for a long time: 'So the whole world should deal with Hamas, with what it practices, its political stance that it declared, and not based on the charter that was put [sic] 20 years ago' (Meschal, quoted after Bröning, 2011, p. 16).

Long ago, a new leadership of Hamas displaced the old one, so that the Charter does not appropriately 'reflect the views of the present [2008] leadership, few of whom could quote it or regard it as reflecting their positions [...]' (Gunning, 2008, p. 20).

Already in 2006, Hroub had the same opinion: 'However the entire document is of minimal present value, and hardly corresponds to any realities and thinking that Hamas lives and expresses currently' (Hroub, 2006a, p. 41). The maximum defiance of the Charter was also presented by Meschal, who declared, after the signing of the Mecca Agreement in 2007⁴ in a British newspaper:

'The Palestinian National accord achieved in Mecca envisages the establishment of a truly sovereign and independent Palestinian state on the territories occupied by Israel in June 1967 – with Jerusalem as its capital, the dismantling of the settlements in the West Bank, the release of all Palestinian prisoners and the acknowledgement of the right of the refugees to turn to their homes.'

(Meschal, quoted after Tamimi, 2009, p. 261)

As Tamimi rightly notes, '[...] never before had Hamas made an unequivocal statement about its willingness to accept a Palestinian state confined to the territories occupied by Israel in the 1967 six-day war' (Tamimi, 2009, p. 261). Certainly, the offer was not directly made to Israel, but the outcome of an intra-Palestinian compensation in the dispute of sharing power. This can also be seen as a first evidence for moderation, because a political solution, devoid from a religious terminology (eternal land of Islam), was taken into consideration. Michael Bröning summarises the discussion on the Charter's low significance for present-day Hamas as follows: 'Hamas has traditionally been characterized exclusively on the grounds of outdated sources such as the Hamas Charter' (Bröning, 2011, p. 5).

After a personal residence in Gaza, a skeptical point of view is offered by Jensen who necessarily sees the Islamisation of the society, which is postulated in the Charter, as a relevant goal of Hamas:

'[...] Hamas and the Islamic organizations [...] have a common purpose and derive their ideas from the same interpretation of Islam. Their immediate aim is to help the poor, the orphaned, the families of martyrs and so on. But they also have in common the desire to spread the Islamist message and Islamist thinking among a broader section of the population. Whether we speak of *al-Jam'iyya al-Islamiyya*, the Islamic University of Gaza, *Hizb al-Khalas* or Hamas, their common goal is the implementation of *shari'a*.'

(Jensen, 2009, p. 57)

But there is no doubt that even under the sole reign of Hamas in Gaza, the actions postulated by the Charter were not implemented into reality. In Articles 15 and 16 the Charter demands a so-called 'Islamic education' which describes a substantial change of the contents concerning the educational system. But in reality, there no attempts were made to bring the youth of Gaza up to an Islamic indoctrination:

'Despite this clear policy statement, Gaza authorities have until 2010 refrained from introducing any fundamental changes in the curricula used inside Gaza's schools. Notably, school textbooks remain unchanged.'⁵

With reference to the ideology of Hamas, specified in the Charter, over the decades there has been no moderation, in that effect, that only one word has been changed. The content is ignored and finds different interpretations, but still lays like a heavy burden on the real political programmatic approaches of Hamas: 'The Charter has been both problematic and embarrassing and has been cited more by the critics of the movement than by its spokesmen' (Tamimi, 2009, p. 7).

Programme and Pragmatism

Moderation concerning programmatic aspects requests precisely written fixations of the modified point of views. Declaration of intents and speculations of full-bodied promises are no longer enough. This change is exemplified by three essential strategy papers of Hamas which were developed in 2005 and 2006. In reality, certain shifts on the pragmatic level, concerning the handling of the day to day problems of the people of Gaza, were already identified for some time.

'No doubt Hamas has gained legitimacy and widespread political support through its engagement in civil society institutions' (Jensen, 2009, p. 144). The fundament of Hamas was the physical protection (services and security) of the Palestinian people under occupation which Hamas had taken over from its mother organisation, the Muslim Brotherhood, which established a broad infrastructure in Palestine. Already at that time, the political work of Hamas was meant to be close to the people. These experiences at the grassroots moderated high-flying dreams⁶ very fast, because the scarce time and energy resources have to be used to manage the daily problems of the people. This kind of engagement formed trust and established a general supporter basis which then allowed the step to the national Palestinian level.

It is not easy to definitely prove that this first moderation was the consequence of the inclusion in a political system – and here the special case of Gaza is to be mentioned with its unique feature, an isolated coastal strip – the only existence of a form of government was the rudimentarily developed system of the Palestinian Authority which was established after the Oslo negotiations in 1994.

Hamas developed from a primarily grassroots movement to a political actor likewise a regional party and gained an increasingly legal status. 'The process of formulating justifications in public sphere, and of articulating the relationship between identity and interests, establishes the meaning and range of legitimate action' (Schwedler, 2006, p. 150).

Hamas has quasi engaged itself by 'self-inclusion' in the political sphere, but in the beginning with limitation to a so-called 'social-political' sector. But at that stage, inclusion also meant an increasing distance to the military wing and the focus on the achievement of power on the parliamentary way by taking part in elections. The fraction, oriented to politics within Hamas, has enforced and made concessions (in the Islamic body of thought) to win as many votes as possible⁷:

'Islamists who run in elections, like Christian democrats and social democrats long before them, generally have their roots in large and complicate social movements – and those movements have broad religious, educational, social, charitable and missionary agendas.'

(Brown, 2010, p. 10)

Political Platforms

The programmatic dimension of the moderation of Hamas is identifiable by three political documents:

- The electoral platform 'Change and Reform' of 2005 for the parliamentary elections in 2006.
- The draft programme for a coalition government as a result of the election outcome in 2006.
- The cabinet platform of March 2006 after the failed coalition building with Fatah.

The content of these documents leaves no doubt that Hamas has made a (political) change towards a state supportive party which in the Palestinian context means finding its place in the structure of the PA until the birth of a sovereign national Palestinian entity. Bröning, who possibly refers to a later moment of moderation, but nevertheless correctly describes: 'The most notable political trends can be ideological in terms of the programmatic reinvention of the Hamas movement [...]' (Bröning, 2011, p. 5).

The political moderation also contains the delicate section of the use of force by the definition of the right of resistance and the support of the two state solution to solve the Israeli-Palestinian-Conflict:

'While adhering ideologically to the abstract objective of "liberating all of Palestine", the Islamic Resistance Movement, Hamas, has recently initiated a significant programmatic transformation towards the factual and pragmatic acceptance of a two-state solution. This change has gone widely unnoticed by Western observers but fundamentally alters the parameters for engaging the movement in a constructive manner.'

(Bröning, 2011, p. 5)

The electoral platform 'Change and Reform'

After the decision was made in March 2005 to participate in the elections, Hamas began to meticulously plan the election campaign (see Hroub, 2006b, p. 7). With the programme 'Change and Reform', Hamas presented a new political agenda.

In the preamble of the paper, the participation of Hamas is described as a further instrument to support the resistance and the Intifada against the occupation. At the same time '[...] an advanced Palestinian civil society based on political pluralism and the rotation of power [...]' (Hroub, 2006b, p. 7) should be established.

The outstanding part of the programme is focused on civil aspects and there are only four references to any form of military resistance. In the category 'internal politics', Hamas emphasises the need to reform the political system:

'According to the document, [...] the Palestinian political action should be based on political freedoms, pluralism, the freedom to form parties, to hold elections, and on the peaceful rotation of power. These are the guarantees for the implementation of reforms and for fighting corruption and building a developed Palestinian civil society [...].'

(Hroub, 2006b, pp. 10, 11)

The emphasis on reforms runs like a common thread through the entire document and Hroub even estimates that the paper complies with the requirements of the West and the financial institutes. This is shown in the chapter 'administrative reform and fighting corruption':

'[Hamas] will investigate all issues pertaining to financial and administrative corruption and subject to judicial punishment all people found guilty of corruption. [We] will stress transparency and accountability in dealing with public funds ... [and] modernize laws and regulations in order to increase the efficiency of the executive system [...].'

(Hroub, 2006b, p. 11)

There are also far-reaching programmatic aspects announced in accordance with the rule of law which should compensate for the deficits of the previous system:

'[...] stress the separation between the three powers, the legislative, executive and judicial; activate the role of the Constitutional Court; reform the Judicial Supreme Council and choose its members by elections and on the basis of qualifications rather than partisan, personal, and social considerations [...].'

(Hroub, 2006b, p. 11)

The programme does not differ much from that of Fatah (see Turner, 2009, p. 751). Hovdanek asserts that the dogmatic and maximal positions of the Charter are not named in the electoral platform of 2005. The militant liberation of Palestine with all existing instruments is no longer demanded, but the right to resist against the occupation is required. He registers: 'The moderation evident in Hamas's ideological documents was accompanied by moderation in behavioral policies along three dimensions' (Hovdanek, 2009, p. 62).

The three dimensions are: The participation in the elections 2006, the de-radicalisation regarding the use of force and the willingness to negotiate with Israel. Not mentioning Sharia in the programme does not persuade sceptical observers like Brown:

'Islamist parties from the Morocco's PJD to the Palestinian Hamas have downplayed shari'a in their platforms and emphasized issues like political reform, judicial independence, corruption, and democratic commitments as fully (if very generally) Islamic in nature. They have not abandoned Islamism by any means [...].'

(Brown, 2010, p. 7f)

But the creation of an electoral programme shows that the slogan 'Islam is the solution', is not even seen as a majority maker by Islamists. Tezcür's second hypothesis says: '[...] participation in relatively competitive and pluralist politics reinforces moderate tendencies at the expense of radical voices' (Tezcür, 2010b, p. 74).

The draft programme for a coalition government

The programme for the cooperation in a national coalition was never implemented, because the coalition of national government failed. Hroub sees in the purposes '[...] an obvious attempt to maintain a delicate balance between appeasing international observers and Hamas' own constituency' (Hroub, 2006b, p. 17).

But the willingness to form a government of national unity, together with the PLO, and even present a written concept, already shows Hamas' willingness to cooperate, '[...] cooperation across ideological lines does emerge in cases where it was previously taboo, so at least some change must be taking place' (Schwedler, 2011, p. 358).

The mechanism of negotiations and compromise often leads to moderation because of its pragmatic approach: 'Such moderation might be signaled through adoption

of political programmes, clear ideological statements, or even explicitly negotiated pacts' (Brown, 2010, p. 4).

The cabinet platform

The cabinet platform of March 27th, 2006, was presented by the new Prime Minister Ismail Haniyeh, as basis for the future work of the government and the Palestinian population was assured that the Hamas government would take care of the welfare of all citizens and in so doing, thoroughly, seek to reconcile with Fatah. For the first time, there was a kind of foreign policy expressed in diplomatic terms by Hamas.

The basic tenor was the links concerning the reliability of Hamas' promises ('[...] Hamas in power would be the same as the Hamas they had always known') (Hroub, 2006b, p. 20), which preserves consistency and which will show generosity. As the available credo, the legitimate right of resistance was then repeated, but also Israel's right of existence indirectly suggested because the future Palestinian state would be '[...] linking the Palestinian people at home and in the diaspora [...]' and thus was described as the entity of both parts, Gaza and the West Bank (Hroub, 2006b, p. 20 ff.).

Haniyeh proceeded in his speech in contrast to the two previous Hamas documents: On the one hand, the armed struggle was not mentioned even once and on the other hand, he admitted for the second time that within the context of the self-administration of Gaza, Hamas already stood in direct contact to Israeli authorities.

'The government and relevant ministries will take into consideration the interests and needs and mechanisms of daily life, thus dictating necessary contacts with the occupation in all mundane affairs: business, trade, health and labor.'

(Haniyeh, quoted from Hroub, 2006b, p. 22)

All in all, Hroub comes to the following conclusion:

'These three documents represent in themselves an evolution in Hamas's political thinking toward pragmatism and the "Palestinian mainstream", with the cabinet platform presented by Haniyeh reflecting very little inclination to radical positions. It is highly significant that the major reference to resistance in Haniyeh's speech highlights its importance to the past. Instead, the emphasis in the new phase is on state building.'

(Hroub, 2006b, p. 25)

So, moderation also won in moments of (electoral) victory. Jensen compared the recent documents with the Charter from 1988 and found that 'compared to the Charter of 1988 this is different in tone. In article 13 of the Charter it is stated: "There is no solution to the Palestine problem except through struggle (Jihad)." Two decades later Hamas is ready to use "all means" to find a solution' (Jensen, 2009, p. 148).

Hamas rules Gaza

The pragmatic dimension of Hamas is nearly exclusively connected to the sole reign of Hamas in Gaza since 2007 because on the one hand, Hamas did not have any government responsibility and consequently had less or none experience in the practice of comprehensive affairs of state. On the other hand, Hamas was confronted with huge practical challenges. In contrast to the fear of many Western commentators that Hamas will take advantage of the situation and establish a theocracy, Hamas concentrated on building state structures. 'The movement tried to be far more faithful to constitutional

procedures and legal mechanisms than Fatah had ever been' (Brown/Hamzway, 2000, p. 172). Hamas adopted all duties and responsibilities of a regular common welfare (e.g. police, financial office, judiciary, border control) and has managed the service of 32,000 government employees. Sayigh sees '[...] a viable model of Islamic government [...]' and describes details of a 'functioning public administration' (Sayigh, 2010, p. 2f).

'In notable contrast to other groups labeled "radical Islamists" for the sake of convenience [...], so observed by Bröning, "[...] Hamas implemented an all-encompassing institutional takeover of Gaza on all levels following the violent seizing of the coastal strip in 2007' (Bröning, 2011, p. 25). Brown contests this view when he writes:

'For Islamist movements, elections are not about governing in the new future but about building a movement, articulating an agenda, and using the limited openings that elections can offer.'

(Brown, 2010, p. 11)

But Hamas has already gone through these three steps. With the coming into power of Hamas in Gaza, Western style democracy has been established, but the new interior minister, Fathi Hamad, answered a frequently asked question, what Hamas really was with the following words: 'Hamas is not Taliban. It is not al-Qaeda. It is an enlightened Islamic movement' (Rodenbeck/Pelham, 2009). Bröning points out:

'Ruling Gaza has transformed significant parts of Hamas from a violent state resistance movement into a *de facto* state actor charged with administering a "real existing" political entity. This change of roles has resulted in significant challenges for Hamas, not only in technical, but also in ideological term; initiating an open-ended process of transformation.'

(Bröning, 2011, p. 24)

But the transformational process is not yet finished. 'Limited as it was, however, control of Gaza led to a deep transformation of the nature of Hamas as a movement' (Brown/Hamzawy 2010, p. 173).

Old structures still play a decisive role, because the forces of the new development, finally, could not come to the top. Again, Bröning points out: 'Ultimately, change and the resulting ambiguity are characteristic of a transitional shift from old to new, with the ultimate goal of integration into the formalized political sphere' (Bröning, 2011, p. 43). Such a constellation is the classical basic approach of moderation. As Schwedler writes: 'Moderation is thus produced through a combination of new structural constraints and the strategic choices of political actors' (Schwedler, 2006, p. 12).

This development might well be irreversible, as Tezcür, referring to Michels, argues: 'Once they commit to an electoral strategy, it becomes very hard to pursue alternative and complementary strategies' (Tezcür, 2011b, p. 75). According to this, the plausibility of a continuation of the moderation in terms of a prognosis is high.

Conclusion

In this paper the Inclusion-Moderation hypothesis was adapted to a modern context by making some modifications, so that observations made in the first quarter of the 20th century in Germany can be made fruitful for the analysis of an Islamist movement based on a coastal-strip at the Mediterranean subjected to a total siege. In case of participation in the political competition and in elections, the theory of inclusion indicates that parties must reduce their radical assumptions to a degree which is acceptable for the electorate.

Whether the basis for the transition to democracy by the moderation has already been set, may be doubted, because the permanence of state supporting institutions (civil service) are required for such and the development of a longer period of time creating traditions which guarantee the compliance of democratic rules (acceptance of an election defeat).

The theory of moderation was found applicable across space (from Germany to Gaza) and time (from 1911 to 2013) and employed as an instrument to check the core question: Does the political inclusion of Islamist actors lead to their moderation?

The presented analysis of the five categories (of the Inclusion-Moderation Hypothesis) on the basis of the two variables (ideological and programmatic-pragmatic sphere) gives evidence to the effect that Hamas has indeed undergone a limited moderation by inclusion in the political system.

In this, according to the theory, it does not matter whether the participation in the political system was made only for tactical reasons in order to gain political power or in acceptance of the democratic election model as a future state model, because the core point is the question of moderation of a group through participation in the political system. In line with Tezcür's formula: 'Ideological transformations are accompanied by behavioral change guided by strategic interests' (Tezcür, 2011b, p. 83).

The moderation is not only visible within abstract strategy papers or indirect conclusions from certain patterns of behaviour, but (risking) the participation in elections.

Endnotes

1 This concept is blurred due to the colonial history of Palestine.

2 E.g. non-violent behaviour against Israel.

3 Fatah was not willing to accept the outcome of the elections and a military power struggle broke out. In the wake of these events, Hamas took over the sole reign in Gaza in anticipation of a coup. Israel declared the Gaza Strip an 'enemy territory' and has since been blocking it by sea, air and land.

4 The agreement was signed to end the military conflict in the Gaza Strip between Hamas and Fatah.

5 According to Fares Akram and Jodi Rudoren, Hamas is using new textbooks for the first time since taking control of the Gaza Strip in 2007.

6 Tezcür's first hypothesis: 'First, behavioral moderation is accompanied by ideological change.'

7 Other reasons for the victory of Hamas in the 2006 elections were the de-legitimation of Fatah and the stagnation respectively the failure of the so-called peace process.

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Abstracts

Ahmed Abd Rabou: Democracy as Civilian Control. Civil-Military Relation in Post-Revolution Egypt

The Egyptian revolution of 2011 reveals one of the most important prerequisites for democracy to take place, which is civilian control over the military institutions. When Mubarak stepped down in February 2011, he left the country under the leadership of the Supreme Council of Armed Forces (SCAF) and despite the period under a democratically elected president, the military has remained deeply involved in Egyptian politics. In this paper, civil-military relations in Egypt will be reviewed to decide upon the future position of the Egyptian Armed Forces on the political scene.

Ali A. Alraouf: From the Sacred to the Profane. Shifts in the Mental and Visual Image of Midan Al Tahrir.

The paper aims at articulating an alternative urban political approach addressing the relation between public spaces and revolutions. The definition of 'public space' includes openness and accessibility by all social categories without any distinction and permitting multiple social uses. The paper analyses the fluctuation of Midan Al Tahrir's image as a tool by which people can be subconsciously and consciously mobilised to advocate or resist the achievements of the revolution. All through the 18 days in the 25th January Revolution and until today, Tahrir has become the symbol for freedom and social cohesion. By exemplifying the protest on Midan Al Tahrir, this paper argues that for more social justice to be attained in a post-revolutionary Cairo, people need to claim their Midan; not only as places for protest but as arenas to practice social life and exhibit solidarity and integration.

Heba Amr: Localising Authoritarianism: The Case of Egypt's Waste Policy

This paper discusses the latest developments in Egypt's solid waste policy, particularly since the entrance of multi-national companies, and situates it within the country's authoritarian social contract. The main research questions tackled are: How did the implementation of the reform plans in Egypt's waste policy affect local authoritarian dynamics from 2000 till 2011? And how did these dynamics change in the course of the last few years since the 25th January revolution? The two analysed case studies, Alexandria and Qena, show how the ongoing modernisation efforts go hand in hand with a reproduction of the authoritarian logics of action at the level of the governorates.

Heba Talla Atef Sayed Emam: Impact of the Arab Spring on Balance of Payments. An Egyptian and Tunisian Case Study

By being able to promptly get rid of their tyrannical regimes, Egypt and Tunisia sparked the Arab uprisings and brought hope for freedom and democracy to the rest of the region. Yet, Tunisia and Egypt are still struggling to resurrect political, economic and financial stability. On the economic side, the two economies were adversely affected by the prevailing turmoil in the post revolution phase. Sluggish growth, high unemployment, widening budget deficit and deteriorating external sector were among the repercussions of such disorder.

Ilka Eickhof: My Friend, the Rebel. Structures and Dynamics of Cultural Foreign Funding in Cairo

The images of the Arab uprisings are all too familiar. In the fields of political science, sociology and history, countless pages have been devoted to explain and account for the changes which occurred over the past three years. What has been left understudied so far are the structures and frameworks of intervention and regulation in the cultural field, on which this paper will concentrate. The increased interest of the Western global North in cultural and artistic productions from the Arab World in the frame of the so-called Arab Spring raises questions regarding the entanglements and dynamics of foreign cultural politics and international relations, politics of funding, and of representation.

Nooh Alshyab & Raed Khasawneh: The Impact of the Arab Spring on Remittances Flows to Jordan

Remittances from migrant workers imply a significant inflow of foreign capital for many developing countries which has been proven to be more stable than other capital flows. Remittances by emigrants are a very important source of external capital for Jordan, too, which exceeds international development assistance and foreign direct investment. The present study thus aims to empirically analyse the impact of the upheavals and transformations that are ongoing in the Arab World on remittances inflowing to Jordan. One of the challenges herewith is the short time horizon to which the research question relates. A statistical framework based on bi-variate Pearson's correlations over quarterly data has been adopted to solve this issue. The empirical results corroborate the idea of profound changes occurring in the patterns of remittances to Jordan after the Arab Spring. In particular, the paper shows that the Arab Spring has not only sharpened the reduction in remittances, but it has also disrupted previously existing correlations and trends.

Laura Gribbon: The Commodification of Egypt's Revolutionary Martyrs. Interpretive Frames, Mediated Narratives and Imagined Solidarities

This paper analyses the various ways in which certain iconic Egyptian martyrs have been depicted since the death of Khaled Said in 2010, in an attempt to understand how their memories have been co-opted, commodified and used by a number of actors to propagate ideologies and strengthen solidarities. The multi-valence of dead heroes and victims has provoked heated debate regarding elements of truth and narratives of injustice as Egypt's revolution has continued to evolve. This has been evident at every level, from the cover-up efforts of police, government and morgue officials, to popular debates as to how deserving individuals are of the 'martyr' crown.'

Benedikt Grossmann: Moderation by Inclusion? The Political Participation of the Palestinian Hamas

The central question of this paper is whether the political participation of the Palestinian Hamas has led to its moderation. The theoretical basis is the Inclusion-Moderation Hypothesis, which was originally applied to parties of socialist and Christian provenience before a remake of the theory, with the focus on Islamic parties, was recently drawn up by Günes Murat Tezcür and Jillian Schwedler. The empirical analysis of

Hamas through statements, documents and political action shows a certain change of its ideological and programmatic approach, reaffirming the transformation of Hamas into a party without a state.

Amal Hamada: Understanding the Military Role in the Egyptian Revolution. Comparing February 2011 and July 2013

The question of civil-military relations in Egypt is a crucial factor in understanding the power structure and the broader picture of the political map in Egypt. In February 2011 and in July 2013, the Egyptian army intervened in the political scene forcing two presidents out of office responding to popular demands on the streets. While the February event was hailed by the world as the great Egyptian popular revolution, the same international powers remained hesitant to recognise the second intervention as a revolution and at the end decided to adopt a 'wait and see' policy. This paper is an attempt to analyse the difference between two crucial scenes in the history of the Egyptian revolution on four levels: a) the interactions preceding the interventions, b) the setting of the interventions, c) motives of the interventions and d) lastly their implications. The paper ends with a discussion of different approaches to understanding the military role in the Egyptian revolution since 2011.

Florian Kohstall: Groundhog Day. Electoral Processes from Mubarak to Morsi

This paper questions common assumptions about elections in transformation processes. Since the 2011 uprising in Egypt, elections have neither proven a suitable tool to found a new democratic order, nor did they simply reproduce the authoritarian legacy of the past. They rather complimented the uncertainty of the transition period and have been constantly challenged by continuous street protests. By looking at three electoral processes from the constitutional referendum in March 2011 to the presidential elections in July 2012, I analyse how rulers have adjusted the legal framework to accommodate popular demands and how voters have perceived these changes in order to better understand the meaning of elections in times of political crisis.

Shaimaa Magued: The Religious Market in Egypt: Understanding Islamism in the Realm of Politics

Under the Mubarak regime, neither political parties nor religious groups had a significant influence on the political scene. They were intimidated by the repression of the state which dominated the executive and legislative authorities and engineered jurisdictions that reduced democratic transition to a façade. The regime also instrumentalised Al-Azhar incarnating mainstream moderate Islam versus radical Islamic opposition. Religion was given a safe haven in state politics thanks to the second article of the constitution establishing Islamic jurisprudence ('Sharia') as the main source of legislation. In light of the Islamists' wide public networks among the low-middle and modest classes that became the backbone of their parties, this study aims to interpret their political persistence in spite of the state repression through the Religious Market Theory.

Ebaidalla Mahjoub Ebaidalla: Youth Unemployment in the Arab World. An Analysis of Causes and Possible Ways Forward

Motivated by the unfavourable impact of high youth unemployment rates in the Arab World, this paper aims to investigate the determinants of youth unemployment in the Arab countries. The study uses both descriptive and econometric analysis, focusing on economic environment, demographic and institutional factors. The empirical results show that youth unemployment in Arab countries is significantly influenced by the economic situation, demographic characteristics and institutional quality. The role of education on youth unemployment is found to be positive, implying that the Arab region suffers from the problem of mismatching skills, which reflects the weakness of education policies in the region. The results also reveal that corruption and inefficient bureaucracy increase youth unemployment, indicating the significant role of institutions quality in youth employment. Finally, the paper concludes with some policy recommendations aiming at building effective strategies to improve employability of youth in the Arab World.

Nadia von Maltzahn: Governance of Culture in the Wake of the Arab Revolutions. Preliminary Observations on the Case of Egypt

Cultural policies define a national vision for culture and provide frameworks for institutional practice to translate this vision on the ground. In this paper, I map the evolution of Egypt's cultural policies since the 1952 revolution, focusing in particular on post-2011 governance of culture. Following the 25th January Revolution, what is the role of the Ministry of Culture, and what is the role of the independent sector? What is the relationship between state, society and culture? It will be shown that while institutional structures have largely remained the same, agency in Egypt's governance of culture has changed.

Nashwa Mostafa: International Labour Migration and Institutional Quality. Analysing the Impact through the Channel of Financial Remittances in a Sample of Arab States during the Period 2002-2012

Most Arab states are undergoing reform movements aiming to achieve economic growth and social welfare through establishing the rules of rational governance and building new institutions, all of which have coincided with the outbreak of the Arab Spring revolutions in a number of them. Within this framework, the current study aims to identify the impact of international labour migration on the economic and political institutional quality in the labour-sending Arab states through the channel of financial remittances. With a view of this target, the methodology of this study is based upon a descriptive approach and an econometric approach. Descriptively we illustrate the theoretical framework, literature review and the application framework by which we analysed the status of the sample states during the period 2002-2012. As econometric approach we employed a regression equation (unbalanced panel data) estimated by the generalised two-stage least squares method which we applied to twelve Arab states: Egypt, Tunisia, Libya, Syria, Yemen, Morocco, Algeria, Sudan, Djibouti, Iraq, Jordan and Lebanon for the period 2002-2011.

Radwa Samy Abo Shady: Hidden Economy in the Arab Spring countries. An Egyptian Case Study

There is no doubt that most of Arab Spring countries' economies were growing at a reasonable growth rate in the prerevolutionary era, yet the people didn't realize this progress, which was made clear through their demands 'Bread-social justice and freedom'. This can be justified as some of those economies – mainly Egypt and Tunisia – were facing chronic and severe economic problems. This study tries to provide an all-encompassing idea of the economy, as most activities within the economy are classified as 'hidden economy' or 'informal economy', which make them escape accountability and anti-corruption measurements. Thus, the country is wasting an important opportunity to benefit from and make the best efficient allocation of resources, as there is always something which is hidden from the public. Hence, the study defines different types of informal economy and tackles most of its multi-disciplinary effects, such as the economic, social, political and legal ones.

Regine Schwab: De-constitutionalising the Egyptian Constitution

In this paper I look at the role of political communication during transformation periods. I argue that the post-revolutionary Egypt was characterised by a political language full of cleavages and an inability to compromise. This became particularly visible during the constitution-writing process in 2012 in which worldview or identity politics prevailed. As a consequence, the actual content of the constitution became more and more irrelevant. The paradoxical outcome was a final constitutional document on the one hand, and a deep rift between the two major political forces as well as within society at large on the other, which culminated in the 30th June protests of 2013.

Aliaa Wagdy: The EU's Stance towards the Rise of Islamists to Power. The Case of Egypt in the Aftermath of the Arab Revolutions

This paper studies the European Union's stance and policies towards the rise of Islamist parties in the southern Mediterranean. The main focus is on the Egyptian case; where the Muslim Brotherhood, represented in the Freedom and Justice Party, won both the legislative and the presidential elections. The main question the paper addresses is: Dealing with the new regime in Egypt, does the EU address specific issues or does it consider the Islamist rise as an issue per se? The methodology of the paper is to track the EU stance towards the rise of Islamists to power in Egypt over two points of time: the first parliamentary elections 2011/2012, and the presidential elections (May/June 2012). The European position is studied on two levels, the discourse of EU officials, and policies endorsed by EU institutions towards the new regime.

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Arab Revolutions and Beyond: Change and Persistence

Proceedings of the International Conference

Tunis, 12-13 November 2013

Naoual Belakhdar, Ilka Eickhof, Abla el Khawaga, Ola el Khawaga,
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This publication is based on the proceedings of an international conference entitled 'Arab Revolutions and Beyond: Change and Persistence', which was held within a multilateral project called 'Challenges and Transformations in the Wake of the Arab Spring' (2012-2014). The project is funded by the DAAD (German Academic Exchange Service) and it builds upon the longstanding partnership between Cairo University in Egypt and Freie Universität Berlin in Germany, specifically between the EuroMed Study Program at the Faculty of Economics and Political Sciences (FEPS) and the Centre for Middle Eastern and North African Politics at the Otto-Suhr-Institute, Department for Political and Social Sciences. The project includes additional partners from Jordan (German Jordanian University), Tunisia (University of Tunis and University of Sfax), and Libya (University of Benghazi), thus also contributing to a much-needed intra-Arab debate about both the role and situation of social science research and teaching.

The project addresses the challenges of the current political and social transformations and their ramifications for higher education and the social sciences in Egypt and the region. The overarching objective of the project is to enter a productive dialogue about theories, methodologies and topics in social science research among Arab and German researchers. All partners share a strong interest in better academic teaching and more innovative research in order to foster knowledge production. The project includes researchers in different stages of their careers and from different disciplines (political sciences, economy, sociology). It reaches out to students and teaching staff alike and it aims to strengthen multilateral networks.

The call for papers for the conference specifically invited young researchers from the Arab region to participate and intended to create an interdisciplinary forum for the debate of the social, economic and political impacts of the Arab Transformations. The interdisciplinary volume presented here assesses changes and continuities in the field of economic, political and institutional developments, as well as in the cultural and knowledge-production dimension that have taken place in the course of the two years since. It tackles economic, political and social questions and brings together researchers from different disciplines.