

U.S. Senate Committee on Foreign Relations Crisis in Egypt Testimony of Ambassador Dennis Ross Counselor, the Washington Institute for Near East Policy July 25, 2013

Good morning Chairman Menendez, Ranking Member Corker, and distinguished Committee members. I am pleased to appear before the Committee again. The last time I appeared was to address Syria and the challenges of the civil war—challenges that affect our interests morally and strategically. Today, I am here to talk about the recent events in Egypt. While the nature of the challenge and our choices for responding are fundamentally different, there should be no mistaking that both our values and strategic interests are also very much at stake.

Egypt is the largest Arab country; historically, its influence has been felt politically and culturally throughout the region. It has often been the trendsetter or bellwether, and today its direction is sure to affect the shape of the Middle East.

The Arab Awakening may have begun in Tunisia, but it was Tahrir Square that captured the imagination of the region and much of the world. And it is again the events in Tahrir Square and elsewhere on Egyptian streets that a new, unsettling reality in Egypt is being created. A democratically-elected leader was removed and is now under arrest. In Egypt itself, however, a majority seem to feel that this was the only possible option open to the Egyptian public. They saw a leader and his Muslim Brotherhood backers incapable of dealing with Egypt's problems and more focused on control than governance.

Though the claims may vary on how many people turned out on the streets of Cairo—with some estimates ranging as high as 13 to 14 million people—there is no disputing the fact that massive, unprecedented numbers of Egyptians demonstrated and called for the removal of a leadership that they saw leading their country to ruin. Many who had voted for President Morsi felt betrayed by his leadership that they saw as exclusionary, authoritarian, intolerant, and incompetent. The numbers that responded to the Tamarod (rebellion) petitions on recall, as well as to the call for demonstrations on June 30 to demand that Mohammad Morsi step down, are simply staggering. A critical mass of Egyptians signed the petition,s and the opposition embodied all classes and walks of life. No doubt the economic breakdown, the rise in prices, electricity black and brown outs, the gas and bread lines, the absence of law and order—and the seeming indifference and inability of the Morsi-led government to address these daily problems of life—triggered much of the opposition.

It is not an exaggeration to describe what happened on June 30 as a popular uprising against the Morsi-led government—a popular revolt that the military used to remove the Egyptian president and crack down on the leadership of the Muslim Brotherhood. For many in the Middle East, this second Egyptian revolution constitutes an important course correction. Certainly, that explains why

Saudi Arabia, the UAE, and Kuwait have pledged over \$12 billion of assistance to Egypt, and they have already begun delivering on that assistance.

Others challenge this narrative of a popular uprising that triggered military intervention and the replacement of the Morsi-led, Muslim Brotherhood dominated government. They see not a course correction, but a democratically elected government removed by the Egyptian military. This is certainly the argument of the Muslim Brotherhood and their supporters in Egypt, and they hope to gain international support for their demand that Morsi be reinstated. They say they will not rest until he is reinstated and threaten to disrupt life in Egypt until this happens.

The United States is not the central player in the drama that is being played out in Egypt today. But we are also not a bystander. For understandable reasons, we must be deeply troubled when a democratically elected leader is removed not at the ballot box but by the military. In addition, it is hard to escape the reality that Egypt today is deeply polarized between those who support the removal of the Morsi-led government and those who oppose what they call a coup and the new interim civilian government that has now been appointed. The prospect of bridging this divide in the near term is very small. Though there are rumors of mediation efforts between the Brotherhood and the military or those in the new interim government, it is hard to see an agreement any time soon. The Brotherhood insists on Morsi's reinstatement and the military absolutely rejects such a possibility.

Some hold out hope that a compromise may yet be possible; one in which Morsi would be reinstated for a brief symbolic time, would then step down in favor of a technocratic interim government, and new elections would then take place for president. In an atmosphere in which there were both bridge builders and a readiness on the part of the main protagonists—the military and the Brotherhood—to reach a compromise, it might be possible. But such an environment does not exist today and is not going to exist any time soon.

Instead, the military and security forces have cracked down on the leaders of the Brotherhood, arrested hundreds of their followers, and closed down their media outlets—and they have done so with support and applicate from much of the Egyptian public, including from many, but not all, liberal voices. In addition, a new civilian interim government has been named with no Islamists in it. Moreover, 11 of the 34 members of the new cabinet served as ministers under Mubarak. The polarization is real. As much as we might inveigh against it, we should have no illusions that it is a temporary phenomenon.

The Muslim Brotherhood may speak of a coup and of democracy cheated. But in power, the Brotherhood did not act democratically. By appointing primarily members of the Brotherhood to key positions, issuing decrees to deny judicial oversight, pushing a law to remove 3000 judges, drafting a constitution only with Islamists, rushing through a referendum on that constitution, using its thugs to brutalize protestors outside the presidential palace, prosecuting those who insulted the

president, and failing to address a collapsing economy, the Brotherhood alienated a majority of the Egyptian public. This is not just the "deep state" reacting. This is not just a return of the "feloul"—or Mubarak apparatchiks—resuming control.

The interim cabinet led by Prime Minister Hazam El-Beblawi has a number of highly credible figures in it who don't represent the so-called deep state. Beblawi, himself, is a well-respected economist. Similarly, two of the deputy prime ministers, Hossam Eissa and Ziad Bahaa El-Din are genuine liberals, one a co-founder of the Constitution Party and the other a founding member of the Social Democratic Party. The Minister of Finance, Ahmed Galal, spent 18 years at the World Bank—and there are others whose background and experience qualify them as genuine technocrats. But, as noted above, there are also those who were part of the era of Mubarak governance. And General El-Sissi is not only the Defense Minister and Commander of the Military, he is also one of the deputy prime ministers—something that adds to the suspicion that the military, for all its talk of not wanting to govern, is the force behind all decision-making.

At this point, there can be little doubt that the military is the key arbiter of events in Egypt. The question for us is what to do now. The last thing the United States wants to see is for Egypt to become a failed or failing state. Certainly, we would like to see Egypt proceed on a path that promotes a representative, inclusive, tolerant government that tackles its problems and respects minority and women's rights and fulfills its international obligations, including its peace treaty with Israel. The challenge for us is to adopt policies, recognizing the limits of our influence, that still offer more of a chance to see Egypt move in that direction.

Some argue that we should cut off assistance to Egypt. They say there was a coup; our law requires a cut-off; our principles demand it; and for the sake of consistency and credibility we should act accordingly. I respect this position but disagree with it. I don't do so easily. But I do so because I fear, at least at this juncture, that cutting off assistance would mean losing whatever leverage and influence we might be able to employ in Egypt today. Presently, the military is the most important actor in Egypt, and we must take into account that it has extensive public support.

The moment we cut off assistance, we not only will trigger a backlash from the military but also from a wide segment of the Egyptian public. We will be seen as trying to dictate to Egypt against the will of the people. Our claims of simply following our laws and our principles may ring true here but will not in Egypt. Nor will they have much resonance elsewhere in the region where the preoccupation remains largely centered on Syria and where the widely held perception is that America's principles don't seem to be guiding us there.

Furthermore, we should have no illusions: the Saudis and Emirates will be quick to fill in for lost American assistance at least in the near term. And while we may be focused on getting the Egyptian military and its new civilian government to exercise restraint and to be inclusive, the Saudis and Emirates will urge just the opposite. They see the Muslim Brotherhood and the rise of political Islam

as a mortal threat and believe they must be suppressed—not included or treated as legitimate political participants.

In arguing against a cut-off of assistance, I am, at the same time, also arguing that we must use our leverage. Without exaggerating our leverage, it is fair to say we have some. The Egyptian military surely does not want us to cut our assistance in part because they have become dependent on US weapons and a broad support structure—something that is in our mutual interests. But beyond wanting to avoid the practical consequences of seeing pipelines potentially cut and material supplies put on hold, the military also does not want us to lend credence to the Brotherhood's narrative of a coup. That would surely will hurt Egypt's standing internationally—making meaningful assistance from others outside of the region far more difficult to obtain.

The real issue, therefore, is how to try to use our leverage and to what ends. Here I would focus on:

- Trying to get the military to truly go back to the barracks;
- Acting with restraint and minimizing their own use of violence;
- Ensuring that the interim government is empowered to make decisions and deal with real problems—and that means as an example not deferring discussions with the IMF but actually concluding them;
- Having the transition process be transparent;
- Emphasizing that only those who advocate violence would be excluded from the political process and elections;
- Committing to having international monitors come in to observe the elections, even if that requires less haste and more preparation for those elections;
- And, lastly, demonstrating a clear commitment to building civil society and its institutions.

This last point is critical. One of the clearest signs that the military and the interim government are serious about building a fair and open society and advancing the cause of representative government would be to pardon those representatives of those civil society groups who were found guilty of violating Egyptian laws. The military and interim government should act to revoke those laws and support the drafting of new ones that would permit NGOs to operate freely and effectively with financial support from inside and outside. If there are to be repeatable elections that are fairly contested and more likely to be respected—and a real space opened up for political pluralism— Egypt must build the institutions of civil society. We should use our leverage to press for this.

We should also press to permit the Muslim Brotherhood to participate in elections—assuming they are not encouraging their supporters to engage in violence. If they choose not to participate, let that be their decision.

None of this will happen easily, and there are no guarantees that even if we seek to use our leverage we will succeed. But cutting off the assistance now won't end up serving our interests or our values. Egypt's political future is bound to be messy and to move in fits and starts. We should try to use our leverage quietly for now, but there should be no doubt on the part of the military and the interim government that we will become more vocal and if there is no responsiveness, we will be prepared to cut off assistance.

I don't reject cutting off assistance or reshaping it in principle. I reject it now because I think it will backfire and not serve our hopes and aims for how Egypt should evolve. Our stakes in Egypt remain high. It makes sense for us to stay in the game and try to affect Egypt's course, and not make a statement that will render us largely irrelevant as Egyptians shape an uncertain future.