

ENGAGING THE INTERNATIONAL COMMUNITY

Panel 4

Introduction: You are listening to the Middle East Institute's podcast series. To support MEI's programs and podcasts, please donate at www.MEI.edu. Thank you for your support.

Kate: Good afternoon everybody. If you could please take your seats we are starting the fourth panel of the day and we've got a lot to discuss. I'm Kate Seeyle with the Middle East Institute. Welcome, welcome back to the last and one of the most interesting panels of the day. We've talked...everybody if you could please sit down. We've talked throughout the day about what Egyptians can do to move forward on their political path to work toward greater stability, greater democracy, greater prosperity. We've talked about what Egyptians can do to work toward national reconciliation, healing the wounds, healing the divide. We've talked about how Egyptians can work to meet the demands and needs of the people for bread, freedom and social justice. Now we wanna change tack and talk a little bit about what the international community can do to help Egypt along on its path toward greater stability, prosperity and democracy. We have with us today a panel of academics and analysts who have been writing extensively on the U.S., Egyptian relationship and are well placed to discuss this topic with us today. I will start on our moderators. Left we have Amy Hawthorne. She's a Senior Fellow at the Atlantic Council where she's been writing on Egypt. Before joining the Atlantic Council she was an appointee at the U.S. Department of State advising on U.S. policy toward the Arab Spring countries. Next to her is Mohamed Elmenshawy, he is the Director of Languages at the Middle East Institute, he's also a scholar at MEI, and he is a very well-known columnist for the Egyptian paper El Shorouk. Next then we have Dr. Abdel Monem Said, who's Chairman in the Board, Chairman of the Board and CEO of Masry al Youm Publishing House and Director of the Regional Center for Strategic Studies in Cairo and then Jason Brownlee, Associate Professor of Government at the University of Texas at Austin where he teaches Mideast politics. This panel is in the very, very capable hands of Michael Wahid Hanna, who's a Senior Fellow at the Century Foundation where he's written extensively on the U.S., Egyptian relationship. So Michael I'd like to hand the panel over to you. Thank you all so much for joining us; it's a real privilege and an honor.

Michael: Thank you Kate and thanks everybody for persevering to the end of the day, and it'll be my job to agitate our panelists so maybe we'll get a little argument to keep you awake as well. Egypt, obviously from the start of the Arab uprisings was seen as a the sort of center gravity, and the outside world believed that what happened in Egypt because of its demographic, it's historical role in the Arab world, would have profound implications not just for Egypt, but for the region, and for that reason singled out the transition and Egypt and its potential success is something that the international community wanted to prioritize. The international community and the United States has not always been able to adjust to these changing times and the results of international interaction and engagement with Egypt are clearly

something of a mixed bag, and at times have yielded very disappointing results from the perspective of the international community. And I would like to start with Abdel Monem and I'd just like to ask whether Egypt really wants international support in the wake of the popular uprising of June 30th, the military intervention of July 3rd, we've seen a mood of hyper-nationalism sweep across the country where state media has stigmatized foreign countries, chief among them United States has stigmatized contacts with those countries and has suggested far flung conspiracies about the rest of the world and the intentions of the rest of the world vis-a-vis Egypt. This suggests a somewhat complicated picture. Based on this current mood, does Egypt think that its relations with the outside world are important, and does it care about outside assistance and international support?

Abdel: Let me start by thanking the Middle Eastern Institute for inviting me here and thank you for letting me to start this discussion. And I will tell you that Egypt cannot stay away from the rest of the international community. I'm sure a lot of Egyptians got a lot of problems that will need in some way or another to have good relations with other countries. The issue is what is the framework that we are talking about. What kind of relations that we want with the United States in particular. Which might some Egyptians will do what or say what if you remember "Fiddler on the Roof" in the 1970's in which the gentleman at the time said you know long live the Czar, but keep him away from us. So there is that fear of that to have the international community using the opportunity of Egyptian mounting problems in order to take off what the most important thing that Egyptians like to have, which is their independence. And that kind of independence got to be translated into a certain framework and I will emphasize the Egyptian, American relationship. President Obama said recently that we cannot keep the relationship with Egypt as business as usual. The business as usual never was defined. What is the business we have between the United States and Egypt? And do we have business or do we have a number of value that the United States want to implement in Egypt? And I think the long list of business that we have often completely ignored. I mean here when we talk about the United States in particular, and other of the international community if you want to make it the frame of a relationship based on sovereignty, it's based on reciprocity of interests, and in the case of the United States, there is a long list of American interests in Egypt as well. I mean usually the debate about the Egypt and the relationship with the United States is centered around aid. Should be cut off aid or not to cut off aid. I never was in my life enthusiastic about American aid to Egypt, it was important, it was helping. However, you know that was in exchange of a lot of interests in Egypt. Part of the business in Egypt something called overflight, and in a country that made two major wars in the last year over flights was an important interest for the United States and Egypt. Having access and easy access and in a way, you know first to run access through the Suez Canal was a major interest for a country that has a lot of battleships and nuclear ships that got to go and get secured from the Suez Canal. And a country that's making with Egypt a surplus in the

balance of trade of four billion dollars, you know that's also an interest. So in the American debate actually, and some of it I hear it today, was completely different from the kind of debates that we have back in Cairo and regarding this particular point that this relationship got to be a) based on interest to reciprocity, and in that sense I think I call here, I use the opportunity, that we need a serious dialogue about an assessment of Egyptian, American relations, that has been enduring for about 40 years now and it was helping the interests of both countries, but I find in the past few weeks, probably couple months, that this relationship is coming into a stage of tension of that's got to be explored and investigated by this panel.

Michael: Jason maybe you could touch now perhaps on what you think those interests are and perhaps what they should be, and assess for us what this bilateral relationship looks like and where it's gone wrong perhaps from both sides.

Jason: Yea I mean just to pick up on a question that Kate raised in her opening remarks about where they relationship should go from here and what international actors can be doing, I think answering that question begins with a sober of assessment of what the United States has done in the past, and what it's done wrong in the past when it comes to Egypt, and I think they're two key areas, two big mistakes the U.S. has historically made in its relations with Egypt. One of them is to minimize and neglect, and not take seriously, public opinion inside of Egypt. And the second is to support the kind of stability that was talked about in the first panel because it's kind of convenient, sort of authoritarian stability, and not take seriously the long term risks of that type of an arrangement. This is...if we wanna talk about business as usual between the U.S. and Egypt I'm not sure at this point if it has really changed; although Obama has said it's gonna change. I mean business as usual between Egypt and the U.S. means basically what Martin Indyk called the bargain, which is the U.S. supports authoritarian rulers in Egypt and they in turn suppress extremist Islamists. And the problem with that bargain during the past 40 years is that it produces people like Omar Abdel-Rahman, it produces people like Ayman al-Zawahiri, and it produces like Mohamed Atta. So I think the strategic benefits that Abdel Monem raises, while continue to have some value, but they're actually much less valuable than they were during the Cold War. I think the importance of Bright Star has shrunk significantly for example, those are the biennial war games between Egypt and...that Egypt and the U.S. participate in. And I think if we do a fresh cost benefit analysis of the traditional U.S., Egyptian partnership, we may find, from a just a realpolitik perspective on the American side, that it would make sense to change things.

Michael: In the midst of what is obviously a nationalistic moment, pro-military order emerging, there's been a contradiction in the sense that suggestions that the aid relationship be reformed or changed are also met with nationalistic fury, and yet this is obviously a type of dependent relationship. There's a bit of a contradiction there.

Mohamed maybe you could touch upon the sort the nature of that complicated relationship where you have a military, who's the biggest beneficiary of American aid, and yet a broader political climate where foreign entanglements are being stigmatized. Clearly a strange dichotomy there.

Mohamed: Sure. Let's just remind everybody that Egypt received in the last 32, 33 years about 76 billion dollars in aid, military and economic aid, and average Egyptian won't feel any enjoyment or any pleasure of this 76 billion dollar aid because most of them went to the military and we don't know what happened exactly beside we have strong military, that's yes, but we don't see it in daily or affecting the Egyptian people. This equation between Egyptian and American relation was based on aid for cooperation. That's lasted for the last 33 years, since 1979 and I believe last even in last two months proved this equation need to be revisited completely. And business as usual, which aid for cooperation, doesn't work anymore in this changing dynamics of Egyptian politics. Internal politics of Egypt was not so significant to the relation between the sides. As Jason, the public opinion of Egyptian was not on the table for American and Egyptian side as well, nowadays it is, it's a big factor for everybody, even for the military, for Muslim Brotherhood, for the liberal Egyptian voice is to be heard, and 82% of Egyptians don't want any kind of aid from United States. So if we are took what reflecting the desire of Egyptian people aid should be stopped because that's what most Egyptian want. I believe that's a very romantic request, yet the equation should be changed. The structure of the relation based, was based in three, three foundations. Original security, Egypt played important role in Arab Israeli conflict, yet it's very much marginalized recently, played an important role against Iran, serving U.S. (inaudible) interest in this topic, it doesn't work anymore. Egypt must strong ally Saudi Arabia and they will not have strong relation with Iran, Egypt is the third country after Israel and United States doesn't have a full relation with Iran as of today. Second foundation for the relation was military (inaudible). And here the U.S. establishment, I believe they thought they have serious leverage and influence over Egyptian military. Last two months experience shows that to be a wrong assumption. When the Egyptian... Minister of Defense here or Secretary of Defense, Chuck Hagel, call each other they almost... his counterpart in Egypt, General Sisi, and ask him clearly don't use violence to disperse the sit in of Rabaa and (inaudible) and he did exactly the opposite and nothing happened in term of the changing equation of the relation as we speak. Stopping (inaudible) or for F16 jets and some Apache helicopter, but no serious discussion Washington of stopping the aid and the at least I propose in one of my article, freezing the aid for seven months. Egyptian military said there is nine month transition, we'll have full democracy by the time, so I would recommend to freeze this aid for nine months, stopping the military to military relation, no contact between the top officers on both sides, which very much would send serious message to military of Egypt, it's business not as usual, we need serious democratic process, that should include Islamists. U.S. interest is to have stable Egypt for what it means for the region, for the local security and the regional

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security, and excluding Islamists I believe is fatal mistake. You will not have a stable Egypt, it will be in direct hurt and damage to its interests, and I would love to freeze the aid, freeze military to military contact unless we have successful transition and seven months left, based on the roadmap announce in Cairo, and I would like to see inclusive process that includes Islamists, and then I would resume the aid and change the structure of the relation because old versions (inaudible) doesn't work anymore.

Michael: So Mohamed's positing on one level that the U.S. has shown that it has limited influence on political events in Egypt, and so in your estimation, Amy, if in fact aid was suspended, one, would the U.S. have influence, and would it actually change the direction, the trajectory of political events in the country?

Amy: I don't think that if the United States suspends military and/or economic... [adjusts mic] Is that better? I don't think that if the U.S. makes the decision to suspend military or economic aid it actually will have any short term influence over the decision making of the Egyptian authorities, they're going to do what they think is in the best interest of their country. But over the longer term, I think it could make a contribution to Egypt's political evolution, which is a very complex process that is mainly dependent on domestic factors, but international factors always play a role in every country's internal political developments, whether the country wants to acknowledge that or not.

[static or noise from microphone]

[laughter]

[adjusts mic again]

Okay, how's that? So I think what's important for the United States right now is to actually take steps that make its own position and its policy, our policy, much more clear. Even if in doing so we don't have an immediate effect on Egyptian government...

[becomes inaudible again]

[laughter]

I think the U.S., Egyptian relationship has been adrift and has been lacking in clarity and lacking in strategic focus for a long time. At the time of the January 25th Revolution, that was a moment for the United States and Egypt to try to refashion the relationship into something that made more sense for the new Egypt and made more sense for U.S. interests that go beyond security and strategic interests. The

foundational event, the key element of the U.S. Egyptian relationship, the Camp David followed by the peace treaty, is something that is really a distant memory now for the vast majority of Egyptians who are much too young to remember it. It's not a really meaningful event in Egyptian public consciousness, and it doesn't mean so much for the United States in a daily way either. Of course it's very important to U.S. interests, but it no longer serves as an animating force, a real strategic guiding partnership for the U.S. and Egypt. So I think that at the time of the revolution, the United States should have started to restructure its relationship to Egypt to be...have it include goals that go beyond security and strategic cooperation. That didn't happen, for reasons that we can discuss later on the panel, but now I think the United States faces a real moment of truth where we have to make a decision about what is really important to us with respect to Egypt and for that reason I think we should suspend aid until Egypt is much more clearly on a democratic path, and that will at least make it clear that the U.S. long term interest in Egypt includes a successful democratic process, that that is really something that's in the U.S. interest. And that if we continue military aid, if we continue business as usual, the signal that we will be sending is that we accept what the Egyptian government is doing and I don't think that the United States government should send that signal, I think we should send a different signal.

Jason: Yea I think I mean just to continue on this line of thinking, I mean we can just ask the question what does, since we're kind of U.S. focused right now, what does the U.S., what does Washington want from Egypt right now, and it doesn't have much to do with the peace treaty because that's basically self-sustaining at this point. It doesn't have much to do with overflight rights and Suez Canal passage rights because, I mean just frankly, that's not a big priority, the main priority would simply be you know to el-Sisi, one request, please do not create more terrorist, like please full stop, don't create more terrorists. So basically do not reproduce the exact domestic policies and repression of the Mubarak era that we went through in the 1990's and that led to such a horrible spiral of violence. So I would say you know if people in this town were serious about kind of fighting a war on terrorism that would be the top priority.

Abdel: I...this kind of talk that I just hear that's enough to infuriate a lot of Egyptians, and really will make a lot of things in the Egyptian American is much more tense than it is now. One factor that's completely excluded from that kind of logic, that there is something called Egyptian patriotism, and country as old as Egypt and they got revolution, talked about human dignity, the idea that you know that the Minister of Defense of United States, called the Minister of Defense and asked in Egypt and asked him to stop doing that or doing that, I think that's exactly what Egypt witnessed for 70 years, was British occupation and was privileges for big and foreign countries. That is something is not...I don't think it is not in their agenda in Egypt right now, however for the revolutionaries or for the reformers like me, although the

word reformers are not considered very well nowadays. However, I have another suggestion that we need to define our relationship. Are we partners, are we strategic allies? Are we enemies, are we friends? This terms I know, I mean these things are you know I can define what the relationship between the United States and Italy, or the United States and Turkey or the United States and Thailand, with any other country in the world, and that's what I want the Egyptian, American relations to be exactly like. I mean we don't want a privileged relationship that leads to orders from Washington to Cairo. We can talk, we can negotiate, we can ask and seek common interests. Actually many of the facts that was said, we in the 1990's warned the United States over and over and over again with how terrorism is rising, since actually a Cold War event called the War in Afghanistan against the Russians. So there was a cooperation and there was to get the Jihadists into Afghanistan. And we cooperated with that with the United States, but as we get into the 90's we were hit in Egypt by a wave of terror and we warned and warned and warned the United States of these terrorists, and the result was the United States invited Omar Abdel-Rahman to come to New York and to live in New Jersey and start his first, you know compartment of the World Trade Center. I mean that was not our doing, to give him a visa to the United States, it was not that Mohamed (inaudible) was living in Hamburg, it was not in Egypt, it was in Hamburg when the Hamburg (inaudible) was formulated. So here it was international community for reasons that needs you know a lot of hours to discuss that helped in creating certain band of people that they think that they can change the world into a better place or an Islamic place or an Islamic (inaudible). And these people are after us now, again. You know I was one of the people who came to Washington in February 2003 and warned against the Iraq War, and many of the lectures we made and sometimes in official second track kind of messages, that it shouldn't happen. That the issue between the United States and Egypt is like this: either we consider Egypt a state or consider it to be a kind of a satellite something.

Michael: Well I mean the un...there are warnings now coming from the other side. Those warnings were not listened to from the United States, we saw a fairly disastrous decade of foreign policy in the region by the United States, but now there are warnings coming from the United States. Clearly the U.S. has a divergence of opinion about what is happening in Egypt and understanding of the dangers represented by the current course. If this is a relationship of equals, isn't your ally and friend given a fair hearing? Why the complete divergence in understanding the objective reality of what's happening? When you see the theory of the case on the United States' side and many of its allies in the western world, you come away with a very different fundamental reading about the basic dynamics of what's happening in Egypt than you have on the Egyptian side. We have two quite different narratives about what's happening in Egypt.

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Abdel: If you me couple minutes just to define what's are the lines here. The United States look at Egypt as a crisis like the one say in Syria or in Somalia in which you have parties and usually got to be inclusive with each other and live happily ever after. That's not the case in the Egypt. In Egypt is a very existential issue. I mean we are talking about the moment in which Abraham Lincoln faced before the Civil War in which the United States lost 600,000 people. When it was identity of the state, the Declaration of Independence was under severe threat from the southern states; Egypt is living exactly in the moment of 1933 in Germany of 1979 in Iraq in which countries are faced with a historical existential moment in which you have to decide what to do with the state itself. Luckily the basic values of what we have in Egypt, the basic values of what people are trying to do, succeed or failing, will depend on a lot of factors, not one of them is the United States. But you know that is the Egyptian movement, the revolution, whatever you call it, is seeking a democratic, civic and modern state. That is the idea that the founding fathers of Egypt in 1922 vote for Egypt. Since then we have failed and succeeded and evaluation of that will be left to history. However, I don't think that there is any question of the United States about these three goals and I think if we are as partners, not as followers or dependents or anything, we can come into terms of what should be done in Egypt. We hear today that you know there is a roadmap and this roadmap could be you know the proof in the pudding here. I will not say that the United States will have a saying in Egypt if it cut the military aid or whatever aid for any certain period of time. I said in the beginning that I never was enthusiastic about the American aid for economic and for you know other reasons. But I found that to use to pressure them, to make them do the right thing, make sure to do something that's will guarantee a backlash. Don't forget the 1950's.

Michael: Mohamed do you agree with that general description?

[applause]

Mohamed: Unfortunately, no. Generally I don't agree with what Dr. Said said. The state of Egypt, it's a mess. This state has failed and lost six decades. The Republic of 1952, the military make people believe that they owe him the independence of the British Crown. They own him the starting...the establishment of the Republic. It's a mess. The state failed and lost six years. Illiteracy in Egypt in 2013 in Arabic language is about 40%. In 2013 40% of Egyptian can't speak or write their name. They can't ride a bus because they can't read the bus number. They are nonfunctional, they can't...and that is the lack of the state Dr. Said mentioned. The state, he talks about I believe I will call it the Cairo elite. This elite who rules the state and the state serves them, none of them or their kids go to public school, state school, public hospital, or public transportation. I now, financially I belong this state. My son will never ride public transportation in Egypt like most Cairo elite who controls the state and the state serves their interest in 60 years, and now we want

this revision of this state to serve the same Cairo elite again. It's, I believe it's failed, it's time for changed. We wished...the revolution against Mubarak will change, but we failed, mostly failed us as well, and now we are returning the clock to the back, we need to serve the state. The state really is a mess, doesn't even deserve to exist. It's not Norway, it's Cairo, Egypt, Upper Egypt, which really most Cairene can't even communicate because we are from Sinai and that's why we have this crisis in Sinai. It's not terror, that's the last chapter of this crisis. I talk (inaudible) from Sinai, I'm from Cairo, I'm very (inaudible) to them. These people in Sinai can't own land, can't work, can't (inaudible), can't go to public beach there. Cairo elite owns everything in northern coast from West Alexandria to Libya and (inaudible) and they want to use the state and reproduce Mubarak regime and more young form, more smart arm because they learn from (inaudible) in the last 18 months, and now we want to defend the state. The state failed Egyptian people as I understand. Egypt million, eight million Egyptians are abroad because of this failed state, so reproducing the state I believe it's just insulting to all Egyptians.

[applause]

Amy: Is this working? Okay, good. With all due respect to Dr. Abdel Monem, from where I sit, I think the real existential threat to Egypt is not Islamist, it's not the Muslim Brotherhood, notwithstanding the disaster, the complete disaster that was Morsi's tenure in power. The real existential threat is poverty, ignorance, underdevelopment, Egyptians who are not treated with dignity and respect, who are tortured and abused by their government, who don't have jobs, whose government doesn't make efforts to build a better life for them, all the things that Mohamed mentioned. That is the real existential threat to Egypt and that is the crime that Egyptians have suffered under for decades. This is not the responsibility of the United States to solve this problem. In my view there are things that we can do to help, there are things that we can do to hurt. It's really Egyptians' responsibility, but I think we should be clear on what the real, real problems facing Egypt are. And in that regard, yes, Egypt and the United States will continue to cooperate going forward on security and strategic matters, those are very important interests to the United States, they're important to the Egyptian government, and they have been for a long time and they'll continue to be. But in my view, what we can't have with this Egyptian government is a partnership. In my view, when there is an Egyptian government that takes genuine steps toward a democratic civic state and a humane state, and a state that respect the rights of its citizens, that is the kind of Egyptian state that the United States can build a partnership, a close relationship with, with all the benefits that that brings. In the meantime I would never argue for cutting relations, I don't even necessarily think we should permanently cut our aid program, and we will have close strategic cooperation because Egypt doesn't do those things because it's a client state of the United States. Egypt is a proud country and it knows what its strategic interests are, and it cooperates with the United States on the things

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that are in its own interests, and that's how it should be. Egypt doesn't pursue counter terrorism in the Sinai or peace with Israel because of a billion dollars in U.S. military aid. No, Egypt pursues those things because its leadership thinks that that is in Egypt's interests, so those things will continue. But beyond that I think this is a moment where the United States should pull back, should reassess, should stop and think about how it wants to position itself with the Egypt that is emerging. I think it's also clear from what my colleague said, that most Egyptians at this moment don't want the United States to pursue a close partnership with it. So I think both sides at this moment need to kind of step back and take stock and take a deep breath and that's where I think we are.

Michael: If we're thinking about a retooled bilateral relationship, what are the strategic interests that underpin it? I mean what's this relationship about? I mean U.S., Egyptian relations can't be about the bilateral relationship, there has to be something undergirding that. So what is it? What are the convergences of interests that can sustain this bilateral relationship going forward? And I put that to

[talks over him]

Jason: Yea I would just say that I mean I think we're having a productive disagreement on this panel and it relates to a perception of what is going on right now in terms of the roadmap, and maybe also in terms of our interpretation of where Egypt and the U.S. came in the past 40 years. But my concern, I'm definitely...completely agree with you that people in Washington shouldn't be you know sending orders to Cairo or um...and that's exactly why in my writings I call for the U.S. just to stop participating in the in what is basically amounting to the reproduction of authoritarianism in Egypt. It's not to say that Egypt shouldn't be independent, to the contrary, it should absolutely be independent, but if there's gonna be a massacre taking place, if there's gonna be another Rabaa, if there's gonna be...

[applause]

more repression of activists from across the whole political spectrum, I don't want the tear gas canisters with made in the U.S.A. landing on those activists. And I don't want; you know my tax dollars and aid money from the U.S. going to that. I want us to pull out, to divest from authoritarianism in Egypt.

Michael: I mean, well to follow up on that I mean are...do...does the United States have interest in maintaining this relationship? And the reverse, I mean does Egypt, what are Egypt's interests in maintaining and continuing perhaps a different kind of relationship, what are Egypt's interests in this? I mean clearly this isn't a case of

charity, Egypt has strategic interests, what are those interests and why would this relationship continue into the future?

Abdel: Well I think we are not talking about Egypt in particular, Egypt is part of a region and since Second World War we have a number of things that made the United States interested in the region and it made the region interested in the United States. It...certainly we have (inaudible) oil, we have the you know all the waterways, the Suez Canal and the other areas. There is also the American mission in the world to make you know the world safe for stability in many ways, and I think Egypt was an important and (inaudible) since 1970's in doing this. And let me say something, Egypt has done a lot of sins and we didn't manage the country very well, but the picture I'm hearing here it has nothing to do with Egypt that they left yesterday only, I mean we have (inaudible), we talked about it, but Cairo is not only (inaudible), Cairo has about 20 million people in it, there is Gameleya, there is (inaudible), there is (inaudible), there is other quarters in Cairo. Even the number we got, 25% of poor, that mean we have 75% are not poor out of 85 million people who stayed in Egypt and live there. I know there is a very spotlight on everything that's bad in Egypt and I know more than what you know of bad in Egypt, but I think there's a lot of good things in Egypt as well. And Egyptians have tried to deal with underdevelopment and other problems, they did better some countries and they did worse than other countries. And so there is nothing special about Egypt, but it will remain the business of Egyptians, that is the point. Are we capable, and we can talk about a number of important interests that we have in the region. One number one interest, how to look at the Middle East after the Arab Spring. All you know are we going to move from one revolution to another? I mean I hear in the last panel about you know judging the government, judging the Muslim Brothers, but not judging the revolutionaries I mean who took us from one bad regime to another, to another. Is that the cycle that can work out in terms of under very noble and very important and very respectable kind of values, but in reality it took the country down hell. It took us to the Muslim Brothers, it took us to the (inaudible), it took us to Al Qaeda. That look at the region, at Syria, at Iraq, at Yemen, at Libya, and now the entire region is in fire in many ways, so how we sit of that? A second important I thought until very recently that United States is interested, not to have another (inaudible) again. I'm afraid that we are not the one who is riping or fertilizing the ground for terrorists, I mean terrorists are there. Many of them are trained by the CIA in Afghanistan. They came back under Morsi, Morsi released them from prisons and they came out and went to see Sinai in order to blow up the gas pipeline between us and Israel and also to kill Egyptian soldiers who were a very minority because of the history between us and Israel. So here you know that is (inaudible) interest because we like it or not, and certainly we dislike it, that having terror as a discipline of its own, based on religious (inaudible) religious values, are really something of a common interest. Number three, I think Egypt always very good for American you know investment and economic values. I mean we have the best General Motors factory in the world,

actually in the time when General Motors were going to tubes; actually it was making money out of Egypt. So here you know there is a lot of economic interest, Egypt has a geopolitical as well as geostrategic values in the region. I mean Egyptian military was not you know given the money or made with a Bright Star with United States, it was to make them United States Army to work in a Middle East environment. And that was every two years in which one of the largest maneuvers made in the entire world after NATO. So here we have...we cannot have it both ways, talk about we let us talk about strategic issues, the word strategic means very important, very important goals, very important strategic posture, and then we say but these guys got to follow that one. I am with you know I don't take me wrong I mean we want to work very hard to reach into a civic democratic and modern country, that's why we are fighting people who did actually try to take the country to the Middle Ages. They want to make Egypt another Iran. I am surprised totally that they didn't find one study in the United States about the constitution of 2012 with its clauses that's very closed and taken from the Iranian constitution.

[interrupts him]

Michael: On this point, I had huge problems and I wrote extensively about my problems of that constitution, but frankly, it was a constitution not supported by the United States, it was a constitution written by Egypt's elected representatives and passed in a referendum. I was quite dismayed, but the notion that this is the fault of the international community, I mean there is a disconnect where these are the actions of Egyptians, if we wanna talk about independence, aren't these the results of independent democratic processes in Egypt as much as we might be dismayed by the outcome?

Abdel: The (inaudible) here is twice or double. Now number one the outcome of the constitution I think we might not disagree that it was referring to the direction of a religious state. Second, the procedure of making that constitution. Number one the judiciary refused to supervisor the referendum and the only, the Muslim Brothers members of the judiciary who made the supervisor of the referendum. Number two that there was an actual rigging that took place in that referendum and never the constitution as simply that made that constitution really it was approved by the high constitution of court. Number three President Morsi himself, the day he got the constitution he said we will make a commission to amend it. That is the first time in history that the day the constitution was made the constitution was voted for was the same day in which the President is telling his people we need to amend this constitution because he knows that the Egyptian people was that angry because of that constitution, and it was the first of the revolt of June 30th that was approval of that constitution in that way. It was not criticized, it was not evaluated, it was not followed by our friends in here in Washington.

Michael: Amy, there's a lot of talk about aid, but having just recently returned from Egypt and having a pretty wide ranging set of meetings, it's clear that the diplomatic community, and the international community more broadly, is out of ideas, not knowing really what to do next. In your estimation, and thinking beyond simply the question of foreign military assistance, what is the sort of near term of agenda for the United States and more broadly for the international community?

Amy: I think it has a positive and maybe we could say a negative element. First the positive element could be the United States and other international actors laying out much more clearly, in a way that Egyptians can really understand, I think we've really failed to do this so far, what is possible in a close relationship with the United States, what the international community can offer to Egypt far beyond foreign aid, which I agree very much with Dr. Abdel Monem, is not something that is really that beneficial to Egypt anymore and it was already a bit on autopilot at the time of the January 25th Revolution, it needs to be rethought. But what are all the other things that the international community, and in particular the west, can offer Egypt? Investment, technical support, trade, all kinds of things that are what Egypt really, really needs to succeed, not more foreign aid, whether it's from the Gulf or from the United States, that actually creates the kind of dependency in Egypt that I think Egyptians really don't want, it's unhealthy in the long run. So first I think the international community, especially the United States, should lay out a vision of what we can really offer an Egypt that is moving in a positive direction politically and economically. In my view we haven't done that yet, we didn't do it clearly after January 2nd, and we haven't done it now, so that's the first thing that's a positive vision of what is at stake, what can the benefits be of a strong relationship with a democratizing Egypt, and Egypt that is modernizing and moving in a positive direction, respecting the rights of all of its citizens. In a more negative sense, in my view, it's very important right now that the United States government doesn't do anything, say anything, take any steps that would lend support or condone or endorse in any way, what's going on right now in Egypt. I think we should just step back, say a lot less, be much more quiet. It doesn't necessarily mean criticizing every moment, that's not necessarily always appropriate, and it's not even penetrating into Egyptian public opinion or consciousness. I don't think Egyptians wanna hear that right now. But we should definitely avoid lending our support or endorsement to what's going on, which unfortunately I think includes a lot of very troubling things. The reinstatement of the state of emergency, a wide crackdown on many Egyptians, not only the Muslim Brotherhood and Morsi supporters, but others as well, many troubling developments. I think that many in Egypt want the United States to support the roadmap and endorse what's happening in Egypt right now, and I don't think the United States should, so I think that should be our sort of near term horizon, is just pulling back and saying when you're on a clear democratic path, we will acknowledge it, we will recognize it and we will congratulate you, but in the meantime we're not going to kind of contort ourselves to adjust and accept to what's

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going when it's not, it's not a democratic path right now. Doesn't mean it couldn't be in the future, but right now it's not.

Michael: Jason you wanna jump in?

Jason: Yea just one way to help in terms of aid would be debt relief. For the United States to completely forgive all the debt that Egypt accumulated, especially during the Mubarak years and that's something that the U.S. has not really put on the table. The only time that Obama did it was to offer a billion dollars in debt relief at a time coinciding with an additional loan of a billion dollars, so essentially the debt load remained the same. So I think debt relief is a basic idea and something that Egyptians have called for that the U.S. could do to help.

Amy: Just to quickly jump in on that. Actually the United States did offer debt relief and this is something that was very, very unpopular with the United States Congress, and it took a lot of work for the Obama Administration to get Congress to agree to a debt swap, which essentially would relieve one billion dollars of Egypt's debt to the United States and use those resources for development projects in the interests of the Egyptian people. So it actually would have worked out very well for Egypt, but it's just not possible, it costs the U.S. money to do this, it's not just a writing off of the debt, it costs the U.S. Treasury money and in this fiscal environment with what's going on in Egypt now, no matter how much we might wanna do that, I can assure you the U.S. Congress is just not going to support that kind of initiative.

Jason: But I think that is very instructive then. I mean if you're not willing to actually spend money in such a basic way that Egyptians are calling for as something that would help relieve the burden in their economy, then what does that say about all the other stuff that you're willing to do?

Amy: Well actually...sorry...we did offer that. The Congress authorized a debt swap, we presented it to the Egyptian government and they actually said that would they would like more, because of their urgent fiscal situation, was immediate budget support, so that's actually then what the United States proposed to do and that is now what's held up in Congress. So actually it was the Egyptian government that said they didn't want the debt relief.

Abdel: Well I may just say one word here. I believe it's premature to talk about investment and relief aid and debt while the political situation is in stagnation. What Egypt is witnessing now a roadmap that excludes the (inaudible) and all three elections Egypt witnessed. This is a dilemma for a nightmare; this is a formula for disaster. We talk about investment and the political situation is more important and more appealing for most Egyptians. Economy is always a disaster in Egypt last four

(inaudible) there is no severe crisis in Egyptian economy, there is a severe crisis in political landscape in Egypt about excluding Islamists (inaudible) popular support unfortunately. Popular support of excluding Muslim Brotherhood which leading for a disaster, new generation of terrorists and unstable, not only Egypt, the entire Middle East.

Michael: One of the immediate effects, and this will be my last question then I'll open it for questions from the audience, one of the immediate effects of the ouster of Morsi was a reconfiguration of regional relationships with UAE and Saudi stepping in to provide...and Kuwait stepping in almost immediately to provide aid to Egypt, and a different relationship emerging with Qatar and Turkey, do you think Dr. Abdel Monem that this is representative of a new regional alignment? Is this a sort of set of relationships that is going to endure going forward, and are you concerned that despite the talk of independence and patriotism and nationalism, that a new kind of dependency is now emerging?

Abdel: Well I certainly am worried about any kind of dependency and I wish that the new era that we are you know started in June 30th will go along and as everybody could be disturbed about you know emergency situations you know but also I understand the security situation that warrant only couple...another couple month, we are not talking about years, we are not talking about decades, the situation is quite different. However, I want to just get back directly to your point, that this is our original alliance, that was the alliance with the United States. Egypt with the Gulf countries, with Jordan, with Morocco, and now with Libya, I mean these countries supported Egypt and that is the core of the moderation alliance that was working with the United States on these issues with Israel, on how to deal with Iranian you know state, and also with the situation that the United States got trouble with like in Iraq War and Afghanistan and other places, I mean the whole extended and greater Middle East. So that's what we were working, I mean that was anchor and then came the changes that took place in January, 2011 and what happened later and we started to have a very strange and other configurations of power in which a country like Egypt with all the problems we have, you know became like a satellite of a country like you know which I , with all due respect, (inaudible) and let you know Turkey started to talk about new (inaudible) and coming back to a kind of Turkish you know kind of I won't say dominance, but I would say an attempt to repeat history in one way or another. But that was something that was you know that was the one which was out of place. The original that we are coming why the Saudis, Emirates, the Kuwaitis, Libyans, the Moroccans and others, are supporting Egypt because we are on the front line, we are on the front line that we were in in the 1990's and we are now on the front line of fighting terrorists. Terrorism that's used religion, actually a lot of Egyptians voted for Morsi, most of the revolutionaries stood by him, he signed with them something called the Fairmont Agreement in which he agreed that he would change the constitutional assembly, he didn't. He signed with them that he

will make a coalition government of all included, you know political forces, he didn't. He started the process of brotherization in Egypt and now we are into the process of de-brotherization of Egypt. The Freedom and Justice Party is included, he will not be dissolved, he will be part of the coming elections and they have the full right to give the votes and come back into the process, to veto the process before it starts and look over all the strategic interests we are talking about. I think it will have a lot of lack of wisdom.

[talks over him]

Michael: Let's turn to; you probably can weave it in. Let me turn to the crowd...

[applause]

There's microphones that will be passed around, please state your name and affiliation and I know there's a good number of Egyptians in the crowd, so I will make this warning real, please questions and not speeches and speeches. So please keep it to a question. I'll start off right here in the front row.

Male: (inaudible) from Georgetown University. This question is directed to Dr. Abdel Monem Said, being a prominent figure in the field of journalism in Egypt, to what extent do you think that there is now a strong movement for the freedom of the press, along with the other freedoms, political freedoms, economic freedoms, social freedoms, the political, the most important part here to augment this, what (inaudible) used to call Her Majesty journalism. To what extent there is now a movement in Egypt, whether amongst those who are drafting the constitution, to what extent there is a strong movement toward the freedom of press in Egypt?

Abdel: Well the Egyptian press and the Egyptian media has changed drastically since the beginning of this century and one of the major changes that took place that you know first there was an explosion of technology, so satellite television and electronics, and also the printed press and their movement from the hands of the states actually to the private and independent sectors. And that happened in the late years of Mubarak by the way, I mean it was not new totally. Then came the Revolution and the whole explosion became doubly so and it took kind of you know variations in relationship to the constitution of 2012, and then in the current debate on Egypt. However, I must say that the majority of Egyptian media now, and it is mostly private and independent, I mean nobody's seeing the Egypt government television because it's so lousy, and as well as many of the so-called national press, but it is you know the private press. There is a very strong coalition that's not understood also in the United States, now between the Egyptian people, who came out in tens of millions in June 30th and July 26th, and those people and the institutions of the country which everybody was mocking as being just remnants of

the past. That's what we got, the judiciary, the media, the army, the intelligence and security community, Al-Azhar, the Christian Orthodox Church, most of the civil society save some, and these kind of coalition decided that Egypt is not going to be another Iran, that that's not the direction that we started with in 1922. So I think the media now, most of the independent media, is taking I will say double positions in a way, supporting the roadmap almost all of it. Second, they are taking an attempt, serious attempt, not through movement in a sense coming to the street, but writing the articles that's related to the freedom of the press for instance. So the freedom of the press, the press syndicate and many of the independent writers have started to suggest what kind of changes that will happen on that section of the constitutions. Others are doing the same in other fields. So there is much more organized, institutionalized, way of how the freedom of expression and the freedom of the press will be like in the coming constitution.

Michael: A quick follow up on this and I'll take my prerogative as the moderator, but on the issue of the press, one of the most dismaying developments for me is to see the role of the press on both sides, and I don't distinguish either side here, in terms of propagating conspiracy theories. The idea that ambassador Anne Patterson is supporting armed terrorism in Egypt, that the United States is actively plotting to partition the county, and these ideas are being touted, the role of the press in stigmatizing dissent. In (inaudible), the magazine, I think it's this weekend now, has on the front the (inaudible), the Fifth Column with pictures of (inaudible), (inaudible), people that are...that might have different views about the current transitional process, but clearly aren't traitors to their country. And so how exactly is Egypt going to democratize with a press that is oftentimes conspiratorial and irresponsible?

[applause]

Abdel: That's shameful and I will agree with you totally that you know when you are into a period of political mobility to the acute state for about three years, you are...I'm not making any justifications, it is simply shameful and I'm glad it is not in the (inaudible).

Michael: Question right over here.

Tarek: Hi Tarek (inaudible) with the Atlantic Council. I wanted to approach this idea of foreign fund....go back to this idea of foreign funding. Mohamed you mentioned that we can't talk about investment and so forth with political stagnation, one of the things that counters political stagnation is an active civil society, yet civil society in Egypt lacks a lot of times the resources and capabilities to act on domestic funding and so I wanted to get each of your perspectives on the situation of foreign funded NGOs today and I mean there were reports of activists who were being investigated,

which were subsequently denied, what is that state now? How...is foreign funding, does foreign funding to NGOs in Egypt today still make sense?

Mohamed: Let's remember what happened in December 29th of 2011. Egyptian security operated several offices of NGOs, must funded, foreign funded NGO, and they have this famous trial and I believe 19 people sent to what nine, average five years in jail and some of them maybe in the audience here can (inaudible) foot in Egypt because (inaudible). But the, I would like to distinguish between the government, foreign funded and nongovernment foreign funded. The government funded, and I will specify here any fund given by U.S. aid or U.S. government or affiliate organization are not welcome by most Egyptians. I believe the outcome of this funding and the ways they produce the report and do some investigation is highly appreciated, however it doesn't make them depend on local funding. You give them easy funding from U.S. government or U.S. funded organization and you didn't teach them how to raise fund in Egypt and that was the case for last 30 years, and that's why I believe most Egyptians don't like it beside I doubt there is any government fund without agenda or some goals, whether you give it to NGO or to government, that's no secret. If I give aid to any government or to any NGO, I should have some expectations, otherwise it's not a charity, let's admit it, it's not a charity, the foreign fund. So let's distinguish between the government funded which most Egyptian won't like, and the non-government funded, like (inaudible) works in Egypt with great reputation last 60 years and they do (inaudible) good job in Cairo and outside Cairo and no one touches them, the security during Mubarak or SCAF or Morsi, no one come close to them because they are not government. But the government funded organization is very problematic and I believe it makes more hurt than more help to most Egyptian and what cause they serve.

Michael: Anybody else wanna touch on that?

Amy: Sure I agree with Mohamed that foreign funding of Egyptian NGOs is very controversial, and it's not widely popular in Egypt to say the least. However, it is part of international law and norms that NGOs have the right to associate with and receive funding from any partners around the world as long as that funding you know does not promote terrorism or violence. So even though it may be very unpopular, it still is a right, it's part of the freedom of association, it's something that the United States and other countries should defend in my view. And in that regard, I think that the verdict in early June in the NGO trial convicting 43 American and Egyptian and other nationals working for U.S. and German funded democracy organizations in Egypt, really is a thorn in the side of U.S. Egyptian relations. It certainly isn't a front burner issue, it's not something that is driving calculations about the relationship going forward, but the fact that this verdict was handed down and American citizens and others were convicted for basically carrying out peaceful democracy education activities with the full knowledge of the Egyptian government, is something that's

really, really shameful, and I think until a verdict is corrected or resolved in some way, this will be a block in a really, really strong and full relationship with Egypt. And in that regard I also wanted to follow on what you said, Michael, about the press. It has been incredibly disturbing in these recent weeks to see what has been in the Egyptian press about the United States government, our President, our Ambassador, our other officials. This is another reason why I think the United States can't continue business as usual with Egypt right now. These articles are in the state owned press, as well and on privately owned media as well. I very much appreciate and welcome what you said to condemn this, but until an Egyptian official says this in Egypt to Egyptians, then I won't really believe that this isn't going to stop any time soon. It's very, very, very disturbing and it actually doesn't bring credit to Egypt.

Michael: All the way to the back of the room.

Male: Hi, Mohamed Younis from the Gallup Organization. Amy, this question is for you. I notice that you ended your last point on sort of what gives credit to Egypt. I think here in Washington we have a tendency to focus on what Egypt is doing wrong, which is very fair and I think there are a lot of mistakes being made, but you know the sentiment in the region really is that the Obama Administration has just completely dropped the ball on the Arab Spring, completely. They really do not have a clear vision and position on what the U.S. government's role should be in the region, particularly with Egypt. Could you specifically sort of share with us what you think the Obama Administration, from today moving forward should do to rehabilitate that image? Should they try to rehabilitate that image? Because I think that when you say sort of stepping back, a lot of us who have been following Egypt very closely, feel like that stepping back really happened probably about 18 to 20 months ago because there hasn't been sort of a clear position on a lot of the things that have happened in Egypt coming out of the U.S. government, with this idea that you know we're no longer the central player to Egypt and Egyptians sort of this is their process and they need to own it. So moving forward, specifically what do you think President Obama should be doing and saying to the Egyptian people?

Amy: Well as I said, at this very moment I actually don't think the United States should be, I think we should say a lot less, I think our messages are just getting lost in Egypt, I don't think they're penetrating, I don't think they're getting through. As I said, I think the immediate things the United States should do should be to suspend our aid program until Egypt is clearly returning to or on a democratic path. I think we should speak out at the appropriate time forthrightly about the things in Egypt that we think are concerning in terms of democracy and human rights. I think we should offer, as I said, a clear vision of what the United States could provide or could work with Egypt on once relations are on a better path and Egypt is more clearly on a trajectory to democracy. This was actually something I thought we should have done under Morsi, it's not limited to...to this new Egyptian government, I thought we

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should have done this earlier, to offer something to provide an incentive to show what is at stake with a good rela...you know in terms of a good relationship with the United States. Those are the things I think we should do. I think what we shouldn't do is rush to kind of embrace, or approve or sort of accept exactly what's going on in Egypt now politically, that's for Egyptians to decide and they're going to do what they want to do, but the United States doesn't necessarily need to be actively supporting it in any way, in my view it's not in our strategic interests.

Male: Hi my name is (inaudible) and I have this question for the panel in regarding to what's going on in Egypt right now and our relation with Egypt vis a vis the rise of the Russian and China in terms of the region, so.

Mohamed: Let me tell you something. Egyptian military officials love United States, they love to come here, they love to come train here, spend some time, learn English. You ask them would you prefer to spend some months in Moscow or Beijing instead of Washington, they would say boldly no.

[laughter]

So nothing here to fear of Russian and Chinese influence. I believe it's a mess, there is love relation between the military of Egypt and the United States and it won't change any time soon.

[inaudible comment or question]

[starts mid-sentence, question from a male in audience]

Americans and I love both countries, what I'm saying here, I'm saying the U.S. influence is diminishing a lot because of so many reasons and then at the same time you get the rise of the another players like China and Russia. So well first of all I guess, let me

[talks over him]

Michael: Are Russia and China going to play a bigger role in Egypt going forward?

Mohamed: Sure I will agree U.S. influence and leverage is declining in the entire region, not only in Egypt, however, there is no alternative or vacuum to fill by other forces, meaning here Russia and China. I believe the mask of more influence of China and Russia in the region is mask, it's not real. There is huge distance between the political culture and the political establishment between the two countries, Russia and China from one side, and Egypt and the (inaudible) Arab countries. The

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Egyptian military and real elite are western oriented and there is no threat of switching their compass toward Russia or China any time soon.

Male: So we are western oriented now?

Mohamed: Yes.

Male: (inaudible)

Mohamed: The elite Egyptian, as I said.

[laughter]

Abdel: I just uh...aside from that you know nice inclinations of Egyptians who come to the United States, which country is a great country, outside of that I don't think only it was Morsi who started to play that game, is to come back to the game of playing he went to Russia, he went to China, he went to Brazil, he went to India, and there is some school of thought in Egypt, we got to diversity our relationship and I'm one of the people who say let us have a good relationship with everybody, particularly with United States. And in that sense you know I'm saying that that's the school of thought, but always yield not much. I mean there is very little in Russia, there is very little in China to offer to Egypt, and Egyptian industry and Egypt army and Egypt all trade banking investment schools are much more tuned to American and western alliance at large. And in the last four decades, as I said, we have a very neat kind of relationship that I thought it was helping for both sides, Egypt and the west as well, because Egypt no matter what it is weak and faced with problem. It's a very important legitimizing factor in the Middle East who has good relationship with Egypt is ultimately will have a good relationship with the rest of the region.

Michael: Woman on the right hand side here.

Female: Hi I can see from our composition here that there is a link between the media in Egypt and the democracy and a lot of people here are really bothered by our media, the private one. You two comment on what is the media here in the United States is doing. I see that the media here is bashing the Administration and their stand on Egypt much more than Egyptians so I'd like to know your comment and if you want to link it to democracy too or not. Thanks.

Abdel: Well I'm not the Chairman of the Washington Post unfortunately, so don't look at me.

[laughter]

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[applause]

Mohamed: I have something to say about the American media. I believe the most American media news about Egypt are from Egypt based American journalist who are on the ground there and they report, in my opinion, what they see and what they witness. And the big story of Egypt in last two months is the killing of the sit in at Rabaa and Annata and they reporting the killing is big news anywhere in the world when you kill few hundred people, or 1600 as some people accounted that, its huge front page news anywhere in the face of the earth. It doesn't matter who kills them, were they armed or not, what their goal, what their assessment of political scenarios or what you want, that's not important for reporters. I do some reporting as well. When there's killing, especially when it comes by in hand of the security (inaudible) it's huge news and that's why Egyptians, most Egyptians criticize the American coverage, which I believe, reading it from here, is very balanced and wise. They criticize Morsi, they criticize SCAF, they criticize the killing, and they criticize everybody who doesn't do good stuff by their western oriented and western standard. Trying to apply Egyptian standard for American reporting, it's a mistake and that what I believe most Egyptian are doing, try to apply Egyptian standard of journalism to American one, and here don't have Minister of Information to control American media and tell them this red line, this here is a station you can't get, and that's not the case in United States. I believe it's very fair reporting about the event in Egypt in eye of most American here.

[applause]

[crosstalk]

Male: I would like to speak. You sir are not telling the truth.

Mohamed: No I say what I believe in.

Michael: Let's just stop. We're gonna have to move on, no, no, no. We're not gonna take, we're not gonna take speeches from the floor.

Male: The media here when one church was burned about a year ago, the whole media was talking about how things are (inaudible)...

[talks over him]

Mohamed: It's widely reported, it's widely reported American media, widely reported American media burning of a church.

Male: In December 2012, when people were killed...

[crosstalk]

Mohamed: It was widely reported as well.

Male: Don't tell me they were fair, they were not fair. They were unfair and you know it.

[applause]

Male: (inaudible) I wanted to (inaudible) this question, I wanted to put it in my panel but I couldn't. In 2011 we came and our first priority was economy, economy, economy and the U.S. did not support the economy and in our perspective that mean that they did not support the Revolution, so when do you think actually I mean I'm optimistic about Egypt's future no matter what, and I know we will do it anyways, but the U.S., are they willing to actually, are they going to ever like really seriously decide to really push for and invest in Egypt and support the actual economy in Egypt, and there's other ways than doing the U.S. aid and other stuff, and you understand what I mean. Or they're just gonna wait to see whoever's gonna come in power and they like and then they're gonna do go about it.

Michael: In other words does anybody in the international community have a real plan to support the Egyptian economy, whoever wants to take that.

Amy: I take your point, I agree with it very much. I think there are really two things that the United States can offer to Egypt that would really make a difference to Egypt's future, trade and investment. Investment really has to do with how business people perceive the political and security environment in Egypt. There isn't that much the United States government can do, that really is in the hands of Egyptians. So there's actually a lot of American businesses that were interested in investing in Egypt, and in fact about almost exactly a year ago, the U.S. Chamber of Commerce organized one of the largest business delegations in the world, to Egypt, 100 CEOs and top leaders of top American businesses. They went to Egypt; they had a very, very, productive week there. As they were giving their press conference, a mob of protestors was breaking into the U.S. Embassy, the Egyptian security forces were unfortunately nowhere to be seen. That sent a terrible message and it actually undid the positive messages that those business leaders had taken away and they were very reluctant to invest. So this is really something that the U.S. actually would very much like to encourage, Egypt has so much going for it in terms of talent and human capital and resources and strategic location, but when businesses look at Egypt, they wanna see security, stability, and that's not happening right now. In terms of trade, I think the Obama Administration made a big, big mistake in my view, by deciding not to offer a free trade agreement, to put that on the table as something

that Egypt and the U.S. could work together toward. It's a very complex process, it's very hard, difficult, but for a variety of reasons, mostly having to do with domestic politics, the Obama Administration decided not to offer that to Egypt early on, and I think that was a mistake. I think we should have done that, that would have been something very positive for Egypt to work toward and I hope in the future that might be back on the table if conditions change.

Michael: Jason you want to add something?

Jason: Yea if I could respond to your question. I mean I find myself being in the position of the Debbie Downer on this panel, but so be it. I think the quick answer to your question is no that within the U.S. government there are not the kinds of incentives to provide serious economic relief to Egypt, regardless of what type of regime is in Egypt. I mean the U.S. enjoyed very friendly relations with Mubarak, but the structural adjustment programs and...didn't go very far, they weren't helpful for the kind of Egyptians that you're working with in (inaudible). So and I don't think, yea we're not gonna see a free trade agreement. That didn't happen under the Bush Administration and in research for my book; David Welch explained it to me very plainly. He said if you look around the region, the U.S. signs, the region of the Middle East, the U.S. signs free trade agreements with countries with which it does not trade.

[laughter]

So that's when you're gonna get a free trade agreement, when there's no trade to begin with. With Egypt the U.S. has a trade surplus so there's no material incentive there for the kinds of trade that would be beneficial. So I think that's important to clarify because otherwise there is a sort of risk of moral hazard in which Egyptians might keep expecting that somehow U.S. aid is going to bring a bailout or is going to bring relief. And so, although I deliver a dismal message, I mean I hope to some extent clarity can be helpful.

Abdel: There is a middle way that I suggested before, I mean many times that I got here to Washington was that American aid should be go and to American corporations. I mean instead of the money is going to Egypt, you use it as an incentive to American business to do business in Egypt, particularly as I said, we have a lot of success stories, so that is the kind of relationship that I look for in which we will have a win/win situation, the United States got a surplus and also we...our exports to the United States improved by the QIZ agreement, which was a quasi-kind of free trade area and certain kind of commodities that's made by Egyptians, but with an Israeli component. So we got actually to the United States over a billion dollar of this kind of an agreement. So that's the middle way, I mean that's one of the

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ways in which you are not giving anybody else; you are giving to your own people, your own workers and your own investors.

Michael: Okay let me take two questions together here because we're running out of time. The gentleman in the middle. Wait for the microphone please. Thank you.

Male: My name is (inaudible) from Democracy for Egyptian Americans for Democracy and Human Rights. My question is, taking into consideration three different facts that currently, right now, which number one shutting down the media channels, all the media channels that might have a different opinion from all the media channels that currently being permitted to work and allowed. Second, have and taking into consideration the arrest of the young women in Egypt where a few days ago the youngest detained, six year old girl from Cairo (inaudible), last week and this is the youngest detained ever in the Egyptian history because of its...her political opinion or being out against the coup. If she would say that ...

[talks over him]

Michael: Let's get to the question.

Male: The third one, classifying Egypt as a second, the second worst country in killing journalist. What is the role of the current media with all its different types in protecting the civil rights of the Egyptians?

Michael: Thank you. Let me take one more question and we'll bundle them together. Right here in the middle.

Male: My name is (inaudible), Chatham University and my question is actually to Jason. I like the goal you articulated that we should ask the regime in Egypt to at least stop producing more terrorists. How to personalize that? What would be your operation plan to do that after 3000 or 4000 killed?

Michael: Jason you wanna start us off?

Jason: Okay, okay so we'll start with that, that question. Well I think it begins with something that's...a theme that's run through several of the panels today, which would be an inclusive political process, which would mean ending immediately the crackdown against the Muslim Brotherhood, releasing Muslim Brotherhood leaders, allowing Muslim Brotherhood figures who are in self-imposed exile to return. Basically getting them to buy into the political process so that they and their cadres will feel included and so that you will not have a return to the 1990's where you just basically have a single party state with nominal participation from non-Islamists movements, and then you have the Muslim Brotherhood basically being in jail. So I

think that would be, that would be a basic step, it does not require any, it doesn't require a magic wand, it just requires political will.

Michael: Anybody else have thoughts on the first...

[talks over him]

Abdel: I just you know I ask many of my American friends to tell me what the United States is doing or can do with a secret organization that nobody knows about its membership or its financial, or its international connections, and also if it is proven and entire history of it, that it is keen on keeping weapons. And I agree that we have to be inclusive and in this way we got to apply the law to the letter to anyone who disturbed the process of marching towards democracy. But in the same time, you know we should not allow again, and I am repeating here how existential is it...it is you know what happened in Germany, what happened in Iran, you know fascist organizations that capabilities of really torpedoing the future of countries, and they pay at the end a very heavy price. The Freedom and Justice Party will participate in the coming elections of Egyptian parliament and I agree with people, who will say, even with all the march, the kind of talk and the religious channels, it should be allowed to be aired. I, you know Egyptian I think (inaudible). The current balance of power in Egypt allows that there is no one should be taken out of freedom of expression and getting out, it's word out.

Michael: We'll take two last questions; we'll start in the back over here. Okay (inaudible) go first.

Male: Thank you. This is a question for Dr. Said again. Dr. Said, after January 2011 you wrote a series of articles with a title "Why We Failed" or "How We Failed" and I think you were probably, and you still are, the only senior figure of Mubarak's party and Mubarak's regime who has actually attempted to, at this introspection, I'm not talking about an apology, but at least an acknowledgment of the participation and the failure. But your analysis was based on saying that within the regime there were the forces of reform to which you belonged, and they were the forces of the status quo. So my question now is now that these forces, two years later, has the balance shifted at all? Have the forces of the status quo, and particularly the establishment of the security intelligence military establishment, have they changed positions on any of the issues that you tried to push from within Mubarak's party and failed?

Michael: We're gonna take a couple just so we'll get two, we'll get to two last questions and we'll start here right next...right over here and we'll take your question to wrap it up.

ENGAGING THE INTERNATIONAL COMMUNITY

Panel 4

Male: Hi my name is (inaudible) from the Arab League in .D.C. The panel is about engaging the international community, so I'd like to pick the panel's mind, what should Egypt do in a nutshell to engage the international community, just in one, two, three steps? Thank you.

Michael: Last question over here. One second for the microphone.

Male: My name is Mustafa (inaudible). Very quick question. As Egyptian I agree with the statement that they Egyptian, American relation cannot go as business as usual because I really believe that the U.S. has taken too much for too little, 1.3 billion dollars a year (inaudible), most of it is F16 fighter jets that are obsolete, U.S. Army's not using with the plans to retire whatever they have in the future years. The rest is m1a1 tanks, all these people with reports that we're seeing are not very beneficial right now to the Egyptian military. On the contrast, the U.S. is getting things like expedited access to Suez Canal and other benefits in Egypt, so I really believe that the...and also tired of whatever the U.S., Egyptian relation comes on people talk about the aid, as if this is the only thing. What I would like to hear from now on from you is, government and administration, is when you U.S., Egyptian relation comes they talk about things like investment in Egypt, mutual relation, trade, free trade, that's what we should be talking about. My question to Dr. Abdel Monem Said, do you think there is in the foreseeable future that we would start hearing from the Egyptian administration that we are sick and tired of this and this relation cannot be going as usual. Thank you.

Michael: Okay so why don't we start from the end, Jason, and we'll come down the line.

Jason: Okay, okay well to respond to the prior question in the back and it relates to this question too. I guess if you're asking how the...how I would...my recommendations for engaging the international community or engaging the United States, I would just offer one recommendation which would be start refusing U.S. aid and all the strings that come attached with it.

Michael: Abdel Monem?

Abdel: I just called at the beginning for a serious assessment, including the aid issue, we should not outright talk about the F16 and all the weapons in this way, it depends on many strategic balances. So I think we need an assessment for sure, but this assessment should be based on our 40 years of friendship and real strategic, and even human being to human being alliance between Americans and Egyptians. I mean all the polls that made by major American corporations on public opinion polls were saying that Egypt were in a favorable place by the American public. As (inaudible) was saying about you know I did wrote a series of articles

about why did we fail during Mubarak era in which I assessed you know the situation. Now it's very difficult to make another assessment and I do some assessments, but it can be wrong as anything I write, you know that's because the situation is very fluid. For three years you know everybody is in many ways you know moving in and we have been too wrong and we have been too right. And between these two polls I think it is a time now for Egyptians, that's why you know foreign help will do little except in technical issues. I wish very much, for instance Indian government is government is offering us an electronic system that they used in India for making sure of integrity of the election process for instance. That's the kind of help that I think will be...providing monitors for the elections and also assessments of our constitutional build up. All these are things that can be helpful and to settle for a country that might, we might not be you know in complete admiration of it, but at least can achieve you know some of the most important things that we want to have, particularly as I said, civic, democratic and modern.

Michael: Mohamed?

Mohamed: I believe the structure of the aid as we know now; it's poisoning the relation between Egypt and the United States. And as long as it is there in the current fashion it will still poisoning the relation between the two sides. So if you want to have good relation between Cairo and Washington, get rid of the this way of giving aid to Egypt. Go fund science lab in Upper universities or high school. It's very poor and there is no, anything students can learn in public school in Upper Egypt. Most Egyptian will value that highly and if you spread English language in Upper Egypt, which very poor part of Egypt, instead of supporting the military, you will be highly appreciated by most Egyptians. But giving the aid as it is, it's poisoning the relation. U.S. Congress, especially the House, believe they are entitled to tell Egyptian what they should do in any aspect of Egyptian political life because of this aid, and Egyptian government from its side, doesn't educate American public and policy committee in the House especially, what U.S. get in return of this aid. U.S. have at least an average hundred air flight access through Egypt aerospace a year. Meaning, 3.3 a day, that's huge. That's very valuable for the Department of Defense, but most people of the Congress don't know that and Egyptian state doesn't promote it here in Washington for a lot of reasons which I fail to understand. So changing the formula of the aid is the only way to have healthy relation between the two countries.

Amy: In terms of what Egypt can do to position itself to attract support from the international community, if it wants that support, an Egypt that is open to the world, not xenophobic. And Egypt that is tolerant, an Egypt that is trying to promote and activate the talents of its youth that make up the bulk of its population. An Egypt is clearly on a path to political stability, that's a more stable environment where investors can come and that there are reliable rules of the game and processes in place. An Egypt that doesn't resort to violence to solve its political problems. This is

the kind of Egypt that the world will want to support and look favorably upon. The Egypt that has unfolded in the past couple of years unfortunately is not that Egypt, and I think that the real Egypt is struggling to get out, and it's along the lines of the vision that I described, but unfortunately it's not the Egypt that we're seeing today.

Michael: Thanks for the questions and thank you to the panel.

[applause]

Kate: Just to wrap up there have been a lot of differences of opinion expressed here today, but I think one thing we can all agree upon is that this conference has been exceptional in terms of the diversity of views and opinion expressed here today. And I want to thank all of our panelists and all of our moderators who've come from...

[applause]

Cairo and Canada, and Texas and elsewhere, for sharing their views and insights. This conference has been on fire on Twittersphere with many people in Egypt tweeting that they wish this kind of conference could take place in Cairo. And we hope it can in the future, but in the meantime, MEI is deeply honored to be able to host this depth of conversation about a country that is very dear to all of here. So thank you all for joining us and I look forward to coming to our annual conference on November 15th.

[applause]

Discussion panel ends