President Al-Sisi Puts Egypt Back on its Feet

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Key Points

- President Al-Sisi inherited a country on the brink of collapse due to the so-called "Arab Spring."
- Egypt needed a strong leader to pull the country from the turmoil, consolidate political control, and restore stability and order.
- President Al-Sisi focused on the economy as the key to stability, social, and public security.
- Egypt's economic development vision focuses not only on economic growth, but also social justice.
- The government is effectively countering extremism and successfully stunted radical ideology.
- Egypt exercised a balanced and responsible foreign policy to address regional tensions.

Introduction

As some have observed, the Muslim Brotherhood government that followed the 2011 revolution completely failed and created a power vacuum. However, Brotherhood rule in Egypt effectively ended the utopian idea that political Islam works for both Islamists and non-Islamists. Following mass protests against the Muslim Brotherhood's Mohammed Morsi's rule, Egypt removed Morsi from office, briefly operated under an interim government, and then elected President Abdel-Fatah Al-Sisi in May 2014. President Al-Sisi inherited a country on the brink of collapse due to the so-called 'Arab Spring.' This crisis prompted widespread protests and created a nationwide disturbance that threatened Egypt's stability and national security.

President Al-Sisi's government faced various challenges that stretched beyond political division and internal unrest. He inherited an economy in crisis, a disillusioned society, public insecurity, political instability, and deteriorated regional and global relations. Egypt experienced a difficult period in which it deteriorated politically, economically, and socially. Egypt's population suffering peaked due to the disastrous revolution which caused the economy to collapse, empowered terrorists, and cost Egypt its historical, regional and global political influence.

Many did not envision that Egypt would so quickly stand back on its feet, overcome its pains, and achieve such a comprehensive renaissance as it has. Since Al-Sisi's 2014 election, the country shows increasing signs of recovery and a positive outlook. A new path towards stability and prosperity emerged.² Although President Al-

¹ Ashraf El-Sheif, "The Egyptian Muslim Brotherhood's Failures," Carnegie Endowment For International Piece, July 1, 2014, https://carnegieendowment.org/2014/07/01/egyptian-muslim-brotherhood-s-failures-pub-56046 (accessed March 2, 2021).

² Staff, "Country Strategy Paper: Egypt," African Development Bank, November, 2015,

https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Egypt-CSP-2015-2019.pdf (accessed March 2, 2021).

Sisi inherited a country after years of turmoil, his government quickly managed, through significant reform efforts, to provide vital political, economic, social, and security developments. The wide range of government-implemented reforms are helping the improvements gain momentum.



An Islamist Alliance: February 5, 2013, the first visit to Egypt by an Iranian president since the Iranian Islamic Revolution in 1979

Analysis

Internally, President Al-Sisi has worked to overcome the numerous economic and security challenges and political divisions that hindered development. He chose an economy-focused strategy as the key to maintaining stability and social and public security. Egypt promoted long-term economic programs that provide critical structural reforms to address the economy's root problems.³ Egypt in the last few years also began a series of national megaprojects including housing, infrastructure, transportation, and energy. As a result, the Egyptian economy maintains positive economic growth despite the COVID-19 pandemic.⁴ Egypt's economic development vision focuses not only on economic growth, but also towards social justice and protecting the most disadvantaged citizens. Further, Egypt's government now effectively addresses extremism and has reduced radical ideology.⁴ President Al-Sisi has significantly increased stability in the country and gained the people's trust as they witness tremendous improvements in Egypt's stability, economy, and society. Finally, Egypt successfully restored its diplomatic relations with historic regional and global powers.

Restoring Order & Stability

Egyptians suffered high crime rates, violence, and social instability rampant after the 2011 protests. The country needed a strong leader to pull the country from the turmoil, consolidate political control, and restore stability and order. Al-Sisi's government rose to the challenge and relatively quickly stabilized Egypt. After witnessing the Muslim Brotherhood government's failed ideological and organizational transformation, and its

³ Altayar Staff, "Egypt celebrates its economic achievements despite the pandemic," *Altayar*, November 4, 2020, https://atalayar.com/en/content/egypt-celebrates-its-economic-achievements-despite-pandemic (accessed February 27, 2021). ⁴ World Bank. "The World Bank in Egypt," https://www.worldbank.org/en/country/egypt/overview (accessed January 25, 2021).

⁴ GIS staff, "GIS Dossier: Al-Sisi's Egypt," *Geopolitical Intelligence Services*, June 5, 2019, https://www.gisreportsonline.com/gis-dossier-elsisis-egypt,politics,2893.html (accessed January 24, 2021). ⁶ Ashraf El-Sheif, "The Egyptian Muslim Brotherhood's Failures"

inconsistency with modern democratic politics, ordinary Egyptians viewed former Field Marshal Al-Sisi as the best option to rescue the country.⁶

President Al-Sisi took immediate strategic action to restore stability and security. One important decision President Al-Sisi made was to separate religion and politics. Morsi had merged the two which greatly disturbed

Egypt's entire political system and caused dismay particularly among Egypt's secularists, liberals, and Coptic Christians. President Al-Sisi remained focused on Egypt's domestic situation and avoided foreign entanglements. He prioritized economic development, education, and countering immediate and proximate security threats. 6

The government successfully calmed radical ideology and effectively addressed extremism by approving stringent new anti-terrorism laws to counter growing terrorist groups in the country. Those laws were intended to freeze terrorist assets and prohibit their participation in politics. Anti-terrorism laws, along with large-scale operations to counter terrorism and eliminate the Islamic State (ISIS) in the Sinai Peninsula, have slowed the pace of ISIS Sinai attacks.



President Al-Sisi started large-scale operations to counter terrorism and eliminate the Islamic State (ISIS) in the Sinai Peninsula

⁵ Gawdat Bahgat, "Egypt in the aftermath of the Arab Spring," *Accord*, January, 2015, https://www.accord.org.za/conflicttrends/egyptaftermath-arab-spring/ (accessed January 24 2021).

⁶ GIS staff, "Al-Sisi's Egypt"

⁷ Staff, "Egypt's al-Sisi imposes strict anti-terrorism laws," *BBC News*, August 17, 2015, https://www.bbc.com/news/world-middle-east33955894 (accessed March 3, 2021).

President Al-Sisi demonstrated the courage to acknowledge the problems facing the country without avoiding unpopular policy measures to ensure political stability and security. Al-Sisi also enforced continuous coordination and cooperation between the army and local police forces. This cooperation directly improved security stability, evidenced by declining crime rates and decreased terrorist operations throughout Egypt. However, some international actors still criticize the government over human rights abuses while trying to improve political and social stability. The president and Egypt's Senate dismissed such accusations as an international pretext to intervene in Egypt's internal affairs.

Fixing the Economy

Egypt's economic reform programs have achieved remarkable economic progress. The economy is not only recovering, but growing. Analysts expect that growth to continue for the next five years. ¹⁰ The International Monetary Fund (IMF) assessed in 2020 Egypt achieved the largest annual inflation rate decline among emerging markets. The economy's development and rising monetary reserves have also lowered unemployment. ¹³ Longterm reform programs that exploit Egypt's geographical location are key to the economic development process. For the first time in its history, Egypt's economic vision seeks critical structural reforms to address the economy's core problems. The government is trying to tackle the most disadvantaged sectors by achieving macroeconomic stabilization, employment, debt reduction, and social protection. Further, the government has reformed spending policies and increased focus on infrastructure projects. ¹¹

In recent years, Egypt launched a series of national mega-projects. President Al-Sisi is rebuilding the country to advance the comprehensive development wheel. The first mega-project was the New Suez Canal which was implemented in one year instead of the three originally planned.¹⁵ The project's concept is to establish a new, parallel canal. The project's objective is to increase national income from hard currency and maximize redundancy in the Suez Canal. The project will also help reduce transit time from 18 to 11 hours, while reducing ships' waiting times to three hours.¹² Another mega-project was the Suez Canal's economic zone, which is one of the largest national projects that consists of six ports and four industrial zones.¹³ The project is

⁸ Euroweek Editor, "Restoring Order: Sisi Puts Egypt back on the right track," Global Capital, May 1, 2015, https://www.globalcapital.com/article/rc0kr5jp7ph9/restoring-order-sisi-puts-egypt-back-on-the-right-track (accessed March 3, 2021).

⁹ Mustafa Zaki, "4 سنوات ^{كا}ف عهد السيسى تعيد الأمن والاستقرار.. انحسار الإرهاب وتراجع معدلات الجريمة" [Four years during Sisi's era restore security and stability and the decline of terrorism and the decline in crime rates], June 2, 2020, http://gate.ahram.org.eg/News/1964852.aspx (accessed March 3, 2021).

¹⁰ Staff, "المؤسسات الدولية تتوقع استمرار الأداء القوى للاقتصاد المصرى" [International institutions expect the continued strong performance of the Egyptian economy], Youm7, February 20, 2021, https://www.youm7.com/story/2021/2/20/5214392 (accessed March 29, 2021).

¹³ Mohammed Abu Zaid, "Egypt expects economic growth between 2.8 and 4% in 2021," *Arab News*, November 29, 2020, https://www.arabnews.com/node/1770221/business-economy (accessed March 16, 2021).

¹¹ Altayar Staff, "Egypt celebrates its economic achievements despite the pandemic", *Altayar*, November 4, 2020, https://atalayar.com/en/content/egypt-celebrates-its-economic-achievements-despite-pandemic (accessed January 23, 2021). ¹⁵

RT Staff, "مصر تنفذ م ^رشوعات ضخمة" [Egypt is implementing huge projects], *RT*, July 30, 2020, https://arabic.rt.com/business/1129613 (accessed March 14, 2021).

¹² Suez Canal Authority, "Facts and Figures," https://www.suezcanal.gov.eg/English/About/SuezCanal/Pages/NewSuezCanal.aspx (accessed March 26, 2021).

¹³ Patrick Werr, "Suez Canal Economic Zone to setup investment arm," *Reuters*, January 23, 2020, https://www.reuters.com/article/usegypt-economy-suezcanal/suez-canal-economic-zone-to-set-up-investment-arm-idUSKBN1ZC1UF (accessed March 26, 2021). ¹⁸ RT Staff, "شوعات ضخمة" [Egypt is implementing huge projects], *RT*, July 30, 2020, https://arabic.rt.com/business/1129613 (accessed March 14, 2021).

strategically located next to the Suez Canal and the most important international trade routes. The government has also built several tunnels to link Sinai with other Egyptian governorates.¹⁸

Moreover, the government has completed several housing projects to suit limited and middle-income groups, and was able to begin the giant "Zohr" gas field project in the Mediterranean. After being halted since 2010, Egypt can now implement many gas and petroleum exploration operations throughout the country and in Egyptian territorial and economic waters. The government has also mitigated the country's electricity crisis and recently constructed five new airports. In addition, Egypt started to construct the new administrative capital east of Cairo due to its prominent location and proximity to the Suez Canal and regional roads. The new capital aims to transform Cairo into a leading political, cultural, and economic center for the Middle East and North Africa through a thriving economic environment. During the first phase, the government plans to populate the new capital with about 0.5 M people and 40 to 50 thousand government employees. It plans to increase capacity to 100,000 employees after three years. The city's total area is 170 thousand acres. Upon completion, the government projects a 6.5 M population and 2 M new jobs. In plans to increase capacity to 200,000 employees after three years.



The new administrative capital east of Cairo

Egypt is currently constructing railways considered as some of the most important infrastructure and transportation projects in the region. ¹⁶ This brilliant initiative was implemented just in time to preempt Israel's ambitious plan to build an Israeli version of the Suez Canal. Israel announced plans to build a new rail freight link, called the Red-Med Project, that would connect Eilat on the Red Sea with Ashdod on the Mediterranean and link Europe to Asia. ²² However, the new Egyptian project will run from Ain Sokhna on the Red Sea to New Alamein on the Mediterranean, passing through the new administrative capital. Egypt signed a Memorandum

[[]Egypt is implementing huge projects] "مصر تنفذ م ⁽شوعات ضخمة " [Egypt is implementing huge projects]

¹⁵ New Urban Communities Authorities, "العاصمة الإدارية الجديدة" [New Administrative Capital], http://www.newcities.gov.eg/know_cities/NewCapital/default.aspx (accessed March 14, 2021).

¹⁶ Oxford Business Group, "Egypt addresses major transport infrastructure projects,"

https://oxfordbusinessgroup.com/overview/topspeed-addressing-bottlenecks-through-major-infrastructure-projects (accessed March 26, 2021). ²² Blair Cunningham, "New Rail Freight Link Could Become 'Israel's Suez Canal," *Haaretz*, April 10, 2018, https://www.haaretz.com/.premium-rail-link-may-be-israeli-suez-canal-1.5322153 (accessed March 14, 2021).

of Understanding (MoU) with Siemens for the \$23 B project. Egypt estimates this new electric 1000-kilometer-long railway network will save \$280 M in fuel and reduce pollution.¹⁷

Restoring Relations

President Al-Sisi's government is committed to reasserting its political position through a well-defined, and more active, foreign policy. It is determined to fix and restore its relations with Egypt's neighbors and other regional and global powers, as ties deteriorated during the Muslim Brotherhood's rule. Already, Egypt has restored closer and more pragmatic ties with various regional and global actors. For example, Egypt has restored and strengthened relations with various Arab and African states, and global actors like the United States, Europe, and Japan. Egypt also extended diplomacy to other Great Powers China and Russia. Eurthermore, Egypt exercised a balanced and responsible foreign policy to address regional tensions including the crisis in Libya, and the Grand Ethiopian Renaissance Dam (GERD).

The Libyan crisis was one of the most critical foreign policy challenges Al-Sisi's government faced as it directly threatened Egypt's national security. Egypt effectively managed the crisis by expressing a firm but not impulsive position, and did not fall for provocations to drag Egypt to war inside Libya. Further, Egypt sent a strong message to Turkey in Libya, threatening direct and internationally legitimate military intervention. President Al-Sisi drew a line between Aljufra and Sirte, called it Egypt's red line, and warned Turkish-backed mercenaries crossing it would directly threaten Egypt's national security. Nevertheless, Egypt is a cornerstone in the international efforts to resolve the Libyan crisis. Those efforts showed some recent success after a decade-long Libyan civil war. A new National Unity Government, led by Abdul Hamid Dbeibah, recently took office with representatives from both warring factions. ²⁰

On the other hand, the conflict with Ethiopia regarding the GERD crisis still poses a serious challenge to Egypt as it threatens Egypt's only water source. Egypt believes that, by unilaterally filling and operating the dam without any agreement protecting downstream countries' Egypt and Sudan's rights, Ethiopia would increase tensions and risk a serious conflict.²¹ Egypt is solely concerned with the mechanisms of filling and operating the dam, but is not generally opposed to building it.²² In the latest development, the Ethiopian government

¹⁷ Staff, "How will express trains transform Egypt's transport map," *Egypt Today*, February 10, 2021, https://www.egypttoday.com/Article/1/98465/How-will-express-trains-transform-Egypt%E2%80%99s-transport-map (accessed March 14, 2021).

¹⁸ State Information Services, " يسى انجازات السياسة الخارجية ي الجازات السياسة الخارجية [Foreign Policy achievements of President Al-Sisi], https://www.sis.gov.eg/Story/204544?lang=ar (accessed March 26, 2021).

¹⁹ Abdelatif, Almenawy, "AL-Sisi sends sharp, clear message to Turkey on Libya," *Arab News*, June 26, 2020, https://www.arabnews.com/node/1695876 (accessed March 26, 2021).

²⁰ Murat Sofuoglu, "Can Libya's new unity government work towards ending the civil war," *TRTWORLD*, March 16, 2021, https://www.trtworld.com/magazine/can-libya-s-new-unity-government-work-towards-ending-the-civil-war-45055 (accessed March 16, 2021).

²¹ BBC Staff, "سد النهضة: مصر ترفض تهديد أمنها الما يئ وإثيوبيا تقول إن المفاوضات لم تنته بعد" [GERD: Egypt rejects the threat to its water security, and Ethiopia says the negotiations are not over yet], BBC, June 30, 2020, https://www.bbc.com/arabic/middleeast-53230173 (accessed January 23, 2021).

²² Amer, Ahmed, "يسى: نتفهم حق اثيوبيا ^{كى}يف التنمية السي," [Al-Sisi: We understand Ethiopia's right to development] *Al Ahram Gate*, July 5, 2015, https://gate.ahram.org.eg/News/490238.aspx (accessed March 26, 2021).

opposed a recent Sudanese call for new mediators, including the US, European Union, and African Union. This obstinate Ethiopian position is perpetuating the conflict.

Abraham Accords

President Al-Sisi described the Abraham Accords as a step towards Palestinian-Israeli peace, which includes an independent Palestinian state, and a step towards stability and prosperity in the region. President Al-Sisi also described the normalization agreement between Sudan and Israel as furthering efforts toward peace and prosperity in the region. However, analysts think that this specific agreement would impact Egyptian influence in Sudan and incentivize Israel to pursue water projects in Sudan as it has in Ethiopia.²³ Nevertheless, the agreement between Sudan and Israel could create an opportunity for deescalating the tensions between Sudan, Egypt, and Ethiopia regarding the GERD.²⁴

Egypt-US relationships

The US should consider Egypt its "partner of choice" for security cooperation and Foreign Military Sales. Egypt and the US already have conducted years of military-to-military collaboration and must both leverage their existing relations. For the past thirty years, the US has supported the Egyptian Armed Forces to efficiently improve regional stability. Similarly, Egypt facilitates US military movement through the Suez Canal and overflights of its territories.²⁵ Under President Al-Sisi's leadership, Egypt has proven resilient to regional turmoil as its economy is growing. In addition, both countries share common interests across the region, particularly fighting terrorism. However, Egypt has historically diversified its military purchases in order to avoid being over-reliant on one country.²⁶

Conclusion

Despite some subjective international criticism, President Al-Sisi's achievements are tangible and measurable. Even his opponents cannot deny Egypt's recent outstanding achievements. In fact, President Al-Sisi is the strong leader Egypt needed to pull the country up from its turmoil and back on its feet. However, the country still faces many great challenges the government is committed to address. The COVID-19 pandemic has posed new difficulties to the Egyptian economy and could slow the pace of the economic reform. The tourism industry, one of Egypt's' major income sources, is also one of the sectors most affected by the pandemic. Further, terrorist activity continues to pose difficult challenges. Population growth also poses significant challenges regarding unemployment, poverty, and literacy, which all contribute to social unrest. The GERD is another significant security challenge. Finally, despite positive signs of Libyan national reconciliation, Libyan instability remains a security challenge for Egypt. Despite these challenges, President Al-Sisi is moving Egypt in a positive direction.

²³ Aman, Ayan, "Would Egypt support Sudan-Israel normalization deal?," Al-Monitor.com, September 1, 2020, <u>Would Egypt support</u> Sudan-Israel normalization deal? - Al Monitor: The Pulse of the Middle East (al-monitor.com) (accessed March 29, 2021).

²⁴ DW Staff, "يسى يرحب الاتفاق الإسرائي ي ل. الإمارا ي ع... عباس يرفض والسي" [The Israeli-Emirati Agreement: Abbas Rejects and Sisi Welcomes] , DW,13 August, 2020, https://www.dw.com/ar/a-54559978 (accessed February 19, 2021).

²⁵ Foreign Policy, "Egypt and America: 5 Things You Need to Know," https://foreignpolicy.com/sponsored/egypt-and-america-5-thingsyou-need-to-know/ (accessed March 26, 2021).

²⁶ Jameel Affifi, "اس تاتيجية تنوع مصادر التسليح المصرى" [Egyptian arms diversification strategy], *Al-Ahram Gate*, August 29, 2016, https://gate.ahram.org.eg/daily/NewsPrint/548234.aspx (accessed March 29, 2021).

Recommendations for the US/USCENTCOM

- Continue security cooperation activities with Egypt's Armed Forces to strengthen joint counter-terrorism efforts especially in Sinai and the Libyan border.
- Enhance Egypt's reconnaissance and surveillance capabilities to counter terrorist and weapon smuggling operations across the Libyan borders.
- Improve intelligence sharing mechanisms between CENTCOM and Egypt's Armed Forces.
- Continue providing military assistance to Egypt to protect the Suez Canal and secure international energy routes.
- Bolster coordination mechanisms between neighboring Geographical Combat Commands (EUCOM, AFRICOM, and CENTCOM) to address terrorist groups' movements throughout AORs.