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REFLECTIONS ON THE REVOLUTION IN EGYPT, PART I

HEARING

BEFORE THE

SUBCOMMITTEE ON
THE MIDDLE EAST AND SOUTH ASIA

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

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REFLECTIONS ON THE REVOLUTION IN EGYPT, PART I

WEDNESDAY, FEBRUARY 15, 2012

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE MIDDLE EAST
AND SOUTH ASIA,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:40 p.m., in room 2172, Rayburn House Office Building, Hon. Steve Chabot (chairman of the subcommittee) presiding.

Mr. CHABOT. Good afternoon. The subcommittee will come to order.

I am Steve Chabot, the chairman of the subcommittee. I want to welcome all my colleagues to this hearing of the Subcommittee on the Middle East and South Asia.

Just over 1 year ago, Hosni Mubarak resigned as President of Egypt in response to massive and sustained protests by the Egyptian people. Unfortunately, as the last year has illustrated far too well, freedom rarely marches steadily forward in a straight line. Over the past year, the Supreme Council of the Armed Forces, under the leadership of Field Marshal Tantawi, has ruled Egypt with the stated goal of turning power over to a civilian government as soon as possible.

Recent developments, however, do not leave me optimistic about Egypt's future. Over 1 year later, the Army is still in charge. Islamist groups hold a majority in the People's Assembly, the lower house of the Egyptian Parliament. The Egyptian economy appears to be on the verge of collapse. And the recent raids on civil society NGOs call into question the current government's commitment to democratic principles.

With nearly 47 percent of the elected seats in the Egyptian Parliament going to the Muslim Brotherhood and nearly a quarter to other Islamist parties, it is clear that Islamists will dominate the Egyptian political landscape over the next year. And it will be a critical year. It is during this time that the Egyptian constitution will be drafted by a 100-person constitutional assembly which is to be elected by the newest Islamist-dominated Parliament. It will then be put before Egyptians as a referendum.

Many question the Islamists' commitments to democratic principles. Elections are a necessary but not sufficient addition for democracy, and as countries like Egypt build its structures of government, it is critical that Egyptians establish key institutions of liberal government, in the classic sense: Freedom of speech; freedom

of assembly; equal rights for women, religious, and ethnic minorities; and a free press.

I am deeply concerned that the recent violence against the Egyptian Christian community, as well as the lawsuit brought by Islamists against Naguib Sawiris, an Egyptian Coptic businessman and liberal politician, for having tweeted a cartoon making fun of Islamists, may be indicative of the direction Egypt is heading in.

I am also concerned about the future of the Israeli-Egyptian relationship. The Muslim Brotherhood as well as other Islamist parties have made several troubling and contradictory statements regarding the future of the peace treaty with Israel. I would caution any future Government of Egypt to tread very, very carefully. The peace treaty between Israel and Egypt has helped secure peace in the Middle East for over three decades now. It represents an ironclad commitment between two sovereign states and should not be subject to political posturing. Any adverse alteration to it, its provisions, or its implementation will be taken as a sign that Egypt is no longer interested in being a force for peace and stability and would be met with tremendous opposition here in the Congress—on both sides of the aisle, I might add.

Perhaps the most urgent of the recent developments, however, are the raids on NGOs operating in Egypt. On December 29th, 2011, Egyptian Government officials raided the offices of numerous civil society NGOs, including the International Republican Institute, IRI; National Democratic Institute, NDI; and Freedom House, FH, as part of a criminal investigation into foreign funding of NGOs commissioned by Minister of International Cooperation Faiza Abul Naga.

Since these initial raids, the Government of Egypt has taken numerous actions which have directly escalated the situation. The Egyptian Government has barred at least six American NGO employees from leaving the country and, on February 6th, issued criminal charges against 43 people, including the Egypt country directors of NDI and IRI. Nineteen Americans have been charged, including Sam LaHood, the son of our former colleague in the House and current U.S. Transportation Secretary, Ray LaHood, and Charles Dunne, head of Middle East programs at Freedom House and the husband of Dr. Dunne, one of our witnesses today.

Just yesterday, the Government of Egypt slapped another travel ban on an American student in Egypt, and a top Muslim Brotherhood official threatened that any alteration to U.S. aid in response to the NGO raids would force a reevaluation of the peace treaty with Israel.

I cannot overstate the gravity of this situation, which seriously calls into question the Government of Egypt's commitment to the principles of democratic governance. These NGOs pursued a singular goal: To assist the people of Egypt in advocating for the protection of their own human and civil rights at this critical time of transition.

Decisions about assistance to Egypt must ultimately be shaped by the choices and policies made by the Egyptian Government. We have an interest in strongly supporting a democratic government that respects the rights of its citizens and rule of law, fosters greater economic opportunity, and observes international obligations.

But we would clearly have to reevaluate our support of any government that does not respect the institutions of free government, discriminates against or represses its citizens, or which pursues policies which are destabilizing in the region.

A refusal by the Government of Egypt to, in the immediate future, return all seized property, drop the travel ban it has instituted, drop all charges against both American and Egyptian NGO employees, and allow these organizations to operate free of constraints will certainly have a most negative effect on the broader U.S.-Egyptian relationship and will necessitate a reconsideration of U.S. assistance to Egypt.

For decades, Egypt has been a critical ally of the United States in the global war on terror and in the pursuit of Arab-Israeli peace. Egypt has been and I hope will remain a leader in the Arab world and a force for peace in the region. I hope our witnesses here today can help us understand the current trajectory in Egypt and help guide U.S. policy to ensure that a democratic Egypt rises from the ash heap of authoritarianism.

And I would now yield to the gentleman, the ranking member of this committee, Mr. Ackerman from New York, to make an opening statement.

Mr. ACKERMAN. I thank the chairman, especially for calling this very timely, important hearing.

The Egyptian revolution of 2011 is still unfolding, and its ultimate form and significance will not be clear for some time to come. But we meet today to consider what has occurred, what events and trends are currently under way, and depending on our courage or, perhaps, fools that we are, we might venture some guesses about where Egypt is heading.

In the midst of the macro-level crisis created by the revolution and the transition to a new government and a new form of government, there is also a very serious crisis that has developed relating to the operation of American-backed non-government organizations assisting Egyptians with the development of civil society and the non-governmental political infrastructure needed to sustain a healthy democracy.

As a general rule when it comes to foreign assistance to nations, I tend to rely on the political wisdom of my favorite philosopher, my mother. She would always say, "If you want to help me, help me my way." "Help me my way." When I go abroad, I hear it over and over, even if the exact words are different and it is said in another language. "Help me my way" is a demand for dignity. It is an insistence that progress can be achieved by agreement and cooperation or not at all. Even if she was at the doctor's office and being examined, she still wasn't going to be poked and prodded and stuck and stickered like a piece of livestock. She wanted to be helped, but she wanted to be helped on her terms, her way.

A non-negotiable demand for respect and dignity is at the very heart of what has been happening throughout the Arab world this year. So when we in the United States think about what our response should be to these amazing and unexpected changes, our first question should be: What is it that you want from us?

I do not and will not excuse the shameful assault on the 17 NGOs orchestrated by parts of the Egyptian Government. Naked

ambition fueled by demagoguery is to blame, along with the shameful unwillingness of responsible Egyptians to contain the damage. U.S.-Egyptian relations have already been harmed by this crisis, and if it goes unresolved or, worse, spirals out of control, it could very quickly legally foreclose our ability to provide any bilateral assistance. I think such an outcome would be a disaster for both nations.

I know that our diplomats are working hard to find a mutually acceptable solution that will de-escalate this problem and allow both sides to focus on the issues that matter most in our relationship. But our efforts have to be matched on the other side by their courage to act in Egypt's own best interest.

The problem is that Egypt today has a "sort of, kind of" government right now, and it is neither strong nor decisive, much less ambitious. Rather than having one powerful but increasingly sluggish, nearly dead hand on the switch, Egypt no longer has anyone clearly in charge.

And I don't say that as an insult to the men on the Supreme Council of the Armed Forces, or the SCAF. They are not, nor should they be, expected to be experts, politicians or domestic policymakers or elected officials. A certain hesitancy and caution regarding public policy in the administration of justice is highly appropriate for anyone in a custodial position. And, in general, the Egyptian military's ambivalence about power is something we should admire and appreciate.

There is a critical balance to be struck, and I will be the first to acknowledge that such a balance is hard to obtain. On the one hand, as unelected caretakers, the SCAF must be cognizant that it is operating without a popular mandate. And on the other, they have an obligation as patriots to govern in their nation's best interest until they hand power over to a new government.

I don't envy their task, and having never stood in their shoes, I don't wish to be too critical. The job they are attempting is far more difficult than many suspect. But I truly believe that we are approaching a precipice beyond which our bilateral relations could suffer terrible damage. The image of Americans being captured in a Middle Eastern country following a revolution brings up some very unpleasant memories in this country. If people here conclude that Egypt is not on a path to democracy but is instead on its way to becoming another Iran, our bilateral relationship will not survive. We are not at that point yet, but we are getting closer every day.

When we ask the question, what does Egypt want from us, we may not be able to expect a strong, clear single answer. It won't likely be coming for quite some time. Instead, we should expect a diversity of answers, sometimes contradictory, sometimes counterintuitive, sometimes self-destructive, and maybe often delivered in a tone of anger, frustration, and impatience. We should expect something along the lines of, "If you want to help me, help me my way."

That is understandable. But it means we have to have some clarity ourselves about what we are prepared to accept and what we are ready to push back on. We can't and should not try to make Egypt's choices. We can and should make choices ourselves about

helping Egypt that respects Egypt's sovereignty, choices that support a genuine democratic transition, and choices that prevent any long-term harm to our relations or to regional stability and security.

Our interests and Egypt's interest in the United States strongly include but are much larger than the operation of these NGOs. That does not at all make the issue trivial. It is not. Both sides need to recognize the danger that this issue poses and redouble their efforts to ensure that this hopefully enduring and critical strategic partnership is removed from the grave jeopardy that it currently faces. Each of us, and right now I would say especially Cairo, needs to accept responsibility for this relationship and to act accordingly and soon.

I thank you, Mr. Chairman. I look forward to hearing from our distinguished panel, except for my homie, from whom I expect nothing because we grew up in the same 'hood, and that is Eric Trager, who I appreciate being here and his expertise as well.

Thank you, Mr. Chairman.

Mr. CHABOT. Thank you very much, Mr. Ackerman.

And now the Chair would invite members if they would like to make a 1-minute statement to do so or to pass, either way.

Mr. Turner, did you have any desire to make an opening statement?

Mr. TURNER. I will submit one for the record. I am interested in hearing what the witnesses have to say. I hope they can disabuse me of my pessimism as we watch Egypt in the balance between some democratic forces and sinking into a theocracy, a totalitarian theocracy.

I yield back.

Mr. CHABOT. Thank you very much.

And our distinguished colleague from Virginia, Mr. Connolly, is welcome to make an opening statement.

Mr. CONNOLLY. Thank you, Mr. Chairman.

And I want to echo the sentiments of our colleague, the ranking member, Mr. Ackerman. The Egyptian-U.S. relationship is very critical to Middle East peace. It has been a very important bilateral and multilateral relationship for many years, especially since Camp David. And the recent development with respect to the detaining of members of especially NDI and IRI, very troubling. I will give the Egyptians credit for doing one thing we can't do very well here in Congress, and that is, they have managed to bring Democrats and Republicans together.

But I would just cite, Mr. Chairman, the language of the Consolidated Appropriations Act that says, "Prior to the obligation of funds appropriated by this act under the heading Foreign Military Financing Program, the Secretary of State shall certify that the Government of Egypt is supporting the transition to civilian government, including holding free and fair elections, implementing policies to protect freedom of expression, association and religion, and due process of law."

Those are the goals this Congress set for this relationship and for the emerging Government of Egypt. I am all ears for the witnesses' testimony as to how the recent detaining of NGO reps comports with that language.

Thank you, Mr. Chairman.

Mr. CHABOT. Thank you very much.

I would now like to introduce our very distinguished panel here this afternoon.

We will start with Robert Kagan, who is a senior fellow at the Brookings Institution and is an expert and frequent commentator—I must say, I just saw him on TV this morning on one of the programs—on Egypt, the Middle East, U.S. national security policy, and U.S.-European relations. He writes a monthly column on world affairs for the Washington Post and is a contributing editor at the Weekly Standard and the New Republic. He is also a member of the board of directors at the Foreign Policy Initiative. Prior to Brookings, Kagan spent 13 years as a senior associate at the Carnegie Endowment for International Peace. From 1984 to 1988, he served as a member of the State Department's Office of Policy Planning. On more than one occasion, Kagan has been named one of Foreign Policy magazine's top 100 global thinkers.

Our next witness will be Michele Dunne, who is director of the Rafik Hariri Center for the Middle East at the Atlantic Council of the United States. She was a senior associate at the Carnegie Endowment for International Peace and editor of the Arab Reform Bulletin from 2006 until 2011. She is previously a Middle East specialist with the U.S. Department of State, where her assignments included serving on the National Security Council staff, on the Secretary of State's policy planning staff, and the U.S. Embassy in Cairo, and the U.S. Consulate General in Jerusalem, and in the Bureau of Intelligence and Research. She holds a Ph.D. in Arabic language and logistics from Georgetown University, where she was a visiting professor from 2003 until 2006.

Our next witness will be Eric Trager. Mr. Trager holds the Ira—and I have consulted with both sides of the aisle here. Is it "Weiner" or "Weiner"?

Mr. ACKERMAN. Two Jews are wrong.

Mr. TRAGER. "Weiner."

Mr. CHABOT. Well, we weren't sure. And I have to say, Mr. Ackerman said the odds were it was probably "Weiner." But, anyway, he was wrong as usual. No, actually, he is right quite often.

In any event—at the Washington Institute as a Ph.D. candidate in political science at the University of Pennsylvania, where his research focuses on Egyptian opposition parties. He was in Egypt during the 2011 anti-Mubarak revolts, and his writings have appeared in Foreign Affairs, the Atlantic, and the New Republic, among other publications. From 2006 to 2007, Mr. Trager lived in Egypt as an Islamic civilizations Fulbright fellow, where he studied at the American University in Cairo and received his M.A. in Arabic studies with a concentration in Islamic studies.

And our last witness will be Tamara Wittes, who served as Deputy Assistant Secretary for Near Eastern Affairs from November 9, 2009, until January 31, 2012, and in this role oversaw the Middle East Partnership Initiative. She also served at State Department as Deputy Special Coordinator for Middle East Transitions. During her time in government, she was central to organizing the U.S. Government's response to the Arab Awakening. Before joining the U.S. Government, Dr. Wittes was a senior fellow at the Saban Cen-

ter for Middle East Policy, a Middle East specialist at the U.S. Institute of Peace, and the director of programs at the Middle East Institute in Washington. Dr. Wittes was one of the first recipients of the Rabin-Peres Peace Award established by President Bill Clinton in 1997. Dr. Wittes holds a Ph.D. in government from Georgetown University.

And we want to thank all of our witnesses here this afternoon. We look forward to hearing their testimony.

And we would remind them that we operate under the 5-minute rule and there is a lighting system. The green light will be on for 4 minutes, the yellow light will come on telling you you have 1 minute to wrap up, and the red light means you are supposed to stop. So we hope you will stay within those bounds, and we hold ourselves to those same standards when we are asking questions.

So, Dr. Kagan, without further ado, we will be happy to hear your testimony.

STATEMENT OF ROBERT KAGAN, PH.D., SENIOR FELLOW, BROOKINGS INSTITUTION

Mr. KAGAN. Well, thank you very much, Mr. Chairman and members of the committee, and thank you for holding this hearing on this very important and difficult subject. Thank you for inviting me to testify.

There is a tremendous amount of expertise at this table, and it is all to the left of me. I am not an expert on Egypt. My involvement has come about as a result of the Egypt Working Group that Michele and I founded, which attempted to, beginning in February 2010, urge greater democratic reforms in Mubarak's Egypt. I am mostly a historian of American foreign policy, and I want to begin with just recounting a little recent history to dispel some of what I think are some myths that have grown up and may give us some guidance as we move forward.

When Michele and I formed this working group on Egypt in February 2010, our main effort was to urge the U.S. Government to urge the Egyptian Government of Mubarak to make some modest reforms leading up to the parliamentary elections in the fall of that year. We were not calling and, more importantly, the Egyptian people were not at that time calling for revolution or the overthrow of Hosni Mubarak or anything like that. They were calling for a more level playing field so that opposition parties could run and gain perhaps a small representation in a Parliament that was utterly dominated by the President's ruling party.

It was obvious to us and it was obvious to, obviously, many Egyptians that Egypt was growing restive, partly because of the inability of opposition to take part in any part of the government; partly because Mubarak was ill, people were speculating that he might be succeeded by his son Gamal, and those raised the tensions even higher. And it was very clear that even some modest reforms leading up to the parliamentary election might have defused a lot of this tension that was growing.

Unfortunately, Mubarak chose the opposite tack. He chose to tighten up. Not only did he not institute reforms, but he conducted the election in such a way as to assert even greater control over Parliament. Two months later, with the people amassing in Tahrir

Square, he began to talk about some of the reforms that we had recommended and others recommended, but by then it was too late. Had he made the same proposals in November 2010 that he made in January 2011, it is quite possible he would still be in power today, for better or for worse.

I am reviewing this history because I fear there is a myth growing about what happened in Egypt and what the U.S. role may have been. The U.S. did not throw Mubarak under the bus, as many autocrats in the region and some folks here in the United States seem to believe. Mubarak threw himself under the bus. And the only thing the U.S. did was not jump under the bus with him. The Obama administration actually was late, I think very late, reading the writing on the wall in Egypt, although, thankfully, made the right decision in the end.

The question we face now is, are we continuing to repeat this mistake? We are faced with a similar situation that we were faced with Mubarak. We have an Egyptian military that is essentially saying, it is us or the radicals. And, of course, that was precisely how we got into the situation in the first place. We chose Mubarak and we got the Muslim Brotherhood that we have today in the position of power that they are in.

So, as a result, we are left with less-than-ideal choices. There is an Egyptian military, which, although it has presided over free and fair elections, relatively, nevertheless shows constant worrying signs it is unwilling to relinquish power and allow an open and democratic Egypt to develop. Then there is the Muslim Brotherhood, which won those elections and whose own commitment to openness remains to be tested.

Now we are also faced with a crisis regarding the NGOs. And, again, we need to be clear who the source of this crisis really is. It is not the Muslim Brotherhood. Unfortunately they have joined in, but it was not their decision to move in this direction. It was not public opinion in Egypt; this action is not the consequence of the revolution.

And so, in that respect, I think comparisons with Iran are wrong. The NGOs were already being targeted under Mubarak's Egypt. And this latest stage in Mubarakism without Mubarak is what we are facing right now. It is being carried out by holdovers from the old regime, backed and, by all evidence, encouraged by the military, which, by the way, despite what people seem to think, is trying to hold on to power, not relinquish power.

And let me just say in conclusion that the issue here is not just these NGOs. If it were just the question of these NGOs, we might, you know, be looking for room for compromise. But this is just the beginning of the process. As Michele has brought to my attention and I think to the committee's attention, there are other NGOs in Egypt that have not yet been targeted but who fear that they will be targeted. This effort to quash the NGOs is about quashing an open process in Egypt which the military feels threatened by. So I think we have to take it seriously as part of a broader problem, not just a specific issue.

Mr. CHABOT. Thank you very much, Dr. Kagan.

[The prepared statement of Mr. Kagan follows:]

Robert Kagan

Senior Fellow in Foreign Policy, the Brookings Institution

"Reflections on the Revolution in Egypt"

February 15, 2012

House Committee on Foreign Affairs

Subcommittee on the Middle East and South Asia

Mr. Chairman, members of the committee,

Thank you for inviting me to testify on one of the most important issues confronting the United States in the Middle East, the transition of Egypt from autocracy to democracy. I come to this issue not as an expert on Egypt. Fortunately, you have my colleague, Michele Dunne here, who is a genuine expert. Together we founded and co-chair the bipartisan Working Group on Egypt, and it has been a great privilege for me to work with her and the other members of our group. My expertise, such as it is, is in American foreign policy and strategy, writ large, and also in the history and traditions of American foreign policy. And in that vein, let me begin by recounting a little recent history.

When Michele and I formed the working group in February 2010, our main effort was to urge the U.S. government to urge the Egyptian government to make some modest reforms leading up to the parliamentary elections in the fall of that year. We were not calling, and more importantly, the Egyptian people were not calling for revolution or the overthrow of Hosni Mubarak, or

anything like that—just a more level playing field so that opposition parties could run and gain perhaps a small representation in a parliament that was utterly dominated by the president's ruling party. It was obvious to us, as to many others, that Egyptian society was growing restive. When it became clear that Mubarak was ill, and there was much speculation that he might be succeeded by his son, Gemal, tensions rose further. It seemed clear that the parliamentary elections provided an opportunity for President Mubarak to show that he was listening to his people and was prepared to give them a greater say and participation in their own governance -- even if the change was only marginal and modest.

Unfortunately, President Mubarak took the opposite tack. He not only did not institute reforms, he conducted the election in such a way as to assert even greater control of the Parliament. Two months later, with the people of Egypt in Tahrir Square, he began to talk about some of the reforms many had recommended. But by then it was far too late. Had he made the same proposals in November 2010 as he made in January 2011, it is quite possible he would still be in power today - for better or for worse.

I review this history because I fear there is a myth growing about what happened in Egypt, and what the U.S. role may have been. The U.S. did not "throw Mubarak under the bus," as many autocrats in the region, and some folks here in the United States, seem to believe. Mubarak threw himself under the bus, and the only thing the U.S. government did was not jump under the bus with him. The Obama administration was late -- very late - reading the writing on the wall in Egypt, although thankfully it made the right decision in the end. I don't know what critics of our policy, then and now, would have recommended: that we urge the Egyptian military to kill the protestors in Tahrir Square, conduct an Egyptian version of Tiananmen Square? Because that is what it would have taken to prevent the revolution at that point, and I doubt that the Egyptian military would have carried out such a massacre--at least in part because the generals could not count on field commanders to follow orders to shoot fellow Egyptians--no matter what position the United States took.

It is important to remember this now when we are clearly faced with some difficult options and scenarios in Egypt. If there was a failure of policy that produced the present situation, it was the US policy, under successive

administrations, to treat Mubarak as if he were Egypt, to support him as he cracked down on the secular opposition and civil society, to believe him when he declared that the choice was him or the Muslim Brotherhood. It was his policies that made this a self-fulfilling prophesy, and American acquiescence to those policies.

As a result, we are left with less than ideal choices. There is an Egyptian military which, although it has presided over free and relatively fair elections, nevertheless shows constant worrying signs that it is unwilling to relinquish power and allow an open and democratic Egypt to develop. Then there is the Muslim Brotherhood, which won those elections and whose own commitment to openness remains to be tested.

Now we are also faced with the crisis regarding the NGOs. And again, we need to be clear who the source of this crisis really is. It is not the Muslim Brotherhood. It is not public opinion in Egypt. This action is not the unfortunate consequence of revolution. If anything it is the consequence of the incompleteness of the revolution. The NGOs were already targeted under Mubarak's Egypt. This latest stage in Mubarakism without Mubarak. It is being carried on by holdovers from the old regime, backed and by all evidence encouraged by the military. They are eager to discredit Egyptian and American

organizations that promote government accountability, transparency, and human rights as "agents" of foreign governments, playing into their storyline that the protests and riots against military rule are directed by foreign powers -- another old Mubarak-era trick.

Let's not keep making the same mistake over and over again. We make a mistake if we cling to the Egyptian military as the only safe harbor in Egypt. The military and other holdovers from the old regime wish to pose a choice to the West -- it's us or the Islamists. Mubarak posed the same choice. He crushed the liberals and left the Islamists to flourish. So we chose Mubarak and we are now reaping the consequences.

We need to deal with the reality of the new Egypt. That reality is that relatively free and fair elections have produced a parliament dominated by the Muslim Brotherhood. Our only rational course is to work with the Brotherhood, the liberals, the secular forces and other representative groups in Egypt to try to build a better future for the Egyptian people. I do commend the administration for reaching out to the brotherhood leadership. Because Egypt is no longer ruled by a single strong man, we have to be sensitive to and respond to popular sentiment in Egypt--even when we may not like the flavor of popular opinion.

As in our dealings with all nations, however, we have to be clear about the red lines--what we are willing to support with tax-payer money and what we are not. Egypt is the recipient of an enormous aid program. We do not provide aid out of charity--though Americans do wish the Egyptian people well and want to help where they can. We provide aid to achieve certain goals. Today those goals can be easily stated:

1) That any Egyptian government support an open political system, with civilian control of the military, a free media, respect for individual rights, including the right to worship freely and the rights of women, freedom from torture and arbitrary arrest, and with regular free and fair elections.

2) That any Egyptian government remain at peace with its neighbors and continue to abide by peace agreements, including that with Israel.

3) That any Egyptian government use American aid for the general well-being of all Egyptians and not just for the few.

We can and should hold to these principles, and condition our aid on these principles, regardless of who is in power in Egypt. For American interests in these goals are clear.

Thank you, Mr. Chairman and members of the committee.

Mr. CHABOT. Dr. Dunne, you are recognized for 5 minutes.

STATEMENT OF MICHELE DUNNE, PH.D., DIRECTOR OF THE RAFIK HARIRI CENTER FOR THE MIDDLE EAST, ATLANTIC COUNCIL

Ms. DUNNE. Thank you, Mr. Chairman, for the honor of testifying before the committee. By agreement with my colleagues, I am going to focus on the economic issues of post-revolutionary Egypt.

So, Egypt 1 year after the fall of Hosni Mubarak is a confused place in which the political transition is still disputed, insecurity is rampant, civil society is more harassed than ever, and an economic crisis is looming. Transitions from authoritarian government are typically difficult and lengthy, but in Egypt's case the fact that much of the Mubarak-era state remains intact is really complicating matters.

Egypt's economy has been one of the victims of this situation, and an approaching economic crisis threatens to disrupt an already-troubled political process. Getting the economy back on its feet after the Egyptian revolution would have been a difficult task under any circumstances, but the Supreme Council of the Armed Forces, the SCAF, and the cabinet officials they have appointed have made it much harder than it needed to be.

There are three things that the SCAF-led government has done and is doing that are particularly hurting prospects for an economic recovery. One of them is failing to reform police and internal security. The second is manipulating the political transition to serve military interests. And the third is mishandling offers of international assistance.

On the first issue, on security, reforming the interior ministry, internal security forces, and getting regular uniformed police back on duty should have been a top priority for the SCAF. They certainly had the mandate to do that, but all they chose to do was to put the former interior minister on trial and to leave the rest of it more or less alone.

We have seen the results of this. The lack of effective policing and the resulting rise in crime and insecurity were demonstrated quite horrifically on February 1st with the soccer riot in Port Said, as well as in many other instances, including of anti-Christian violence during the year. Tourists and investors will not return to Egypt until security does.

Regarding the second factor, the political transition, businesspeople and investors always cite this as a problem. It is certainly a problem regarding the democratic transition itself, but it also inhibits economic recovery. There needs to be a clearer political timetable and one that is designed to serve the national interests, and not narrow interests of the military in protecting their prerogatives, so that investors can have the confidence to put capital in again.

Regarding foreign assistance, the transitional government's decisions have been very ill-advised. As I am sure you are aware, they turned down a $3.2 billion loan from the International Monetary Fund and a $4.5 billion loan from the World Bank in June of last year, deciding instead to hold out for cash assistance from Arab and other donors. So far, only $1 million in such assistance has ac-

tually arrived because all the donors, including the Arab donors, want to see a clear economic plan and sound policies.

The Egyptian Government has now reengaged with the IMF and World Bank, but now it is going to be more complicated because of the existence now of an elected Parliament. And these institutions, such as the IMF, feel they now need the buy-in of the Parliament, which is dominated by Islamist forces that really don't have any experience in handling these kind of issues.

Moreover, the transitional government has put at risk the assistance from the United States, as has already been discussed at this hearing, through this unprecedented campaign against American as well as Egyptian NGOs. This crisis and the other decisions regarding foreign assistance stem from a common approach, and this is the insistence of the transitional government that foreign aid must be delivered as direct budget support—not project aid, not support to NGOs, not investment. They want direct budget support with no strings attached.

Because of all of these missteps, an economic crisis is brewing. Foreign currency reserves have dropped by more than half and perhaps as much as 70 percent. The government now only has enough currency on hand to pay for needed food imports, particularly wheat, for a few months. Unemployment has grown greatly. Ranks of unemployed workers have swelled by 37 percent in the last year. So a collapse of the Egyptian pound, hyperinflation, and a food shortage as a result of dwindling reserves have all become real possibilities.

What all this means for the United States is that we really are challenged in this situation to try to indicate clearly to Egyptians that we are ready to support them as long as they remain committed to a genuine democratic transition, and, in fact, we would like to increase our support. But we simply need—it needs to be clear where they are going.

I think now is not the time to give up hope on Egypt, but I agree with what the members have said, that we have to be clear about what the United States is willing to support, and that is a real democratic transition.

Thank you very much.

Mr. CHABOT. Thank you, Dr. Dunne.

[The prepared statement of Ms. Dunne follows:]

Egypt's Political and Economic Transition at a Crossroads

Subcommittee on the Middle East and South Asia
Committee on Foreign Affairs
U.S. House of Representatives
February 15, 2012

Testimony by

Michele Dunne
Director
Rafik Hariri Center for the Middle East
Atlantic Council

Thank you, Mr. Chairman, for the honor of testifying before the subcommittee. I will focus on the economic issues in post-revolutionary Egypt.

Egypt one year after the fall of Hosni Mubarak is a confused place, in which the shape of the political transition is still disputed, insecurity is rampant, civil society is more harassed than ever, and an economic crisis is looming. Between the United States and Egypt, relations have deteriorated to a point where a suspension of US assistance is a real and imminent possibility. Transitions from authoritarian government are typically difficult and lengthy, so some of this is not surprising, but in Egypt's case the fact that much of the Mubarak-era state infrastructure remains intact complicates matters. Egyptian demonstrators in February 2011 forced the overthrow of Mubarak and relied on the military to see them through to democracy, which made their uprising shorter and less violent than some others in the region. But there are also costs associated with that choice, which have become increasingly apparent over the last year.

Egypt's economy has been one of the victims of this disorderly transition and an approaching economic crisis threatens to disrupt an already troubled political process. Getting the economy back on its feet—after a popular uprising that repudiated the Mubarak regime's liberal economic policies because of their association with corruption—would have been a difficult task under any circumstances, but the Supreme Council of the Armed Forces (SCAF) and the cabinet officials they appointed have made it much harder than it needed to be through a series of poor policy decisions. They have run through Egypt's foreign reserves at a breakneck

pace, expanding the country's already bloated bureaucracy in order to provide employment and promising increased public sector wages for which they cannot pay. They have recently been forced to undertake limited austerity measures, rolling back fuel subsidies to industry, as it has become clear that they cannot sustain the current spending trajectory.

Needed: Security, a Clear Political Transition, and Foreign Assistance

Beyond decisions on economic issues themselves, the SCAF-led government has hurt prospects for post-revolutionary economic recovery by failing to reform police and internal security, manipulating the political transition process to serve military interests, and mishandling offers of international assistance. Reforming the interior ministry, the various internal security forces, and regular uniformed police should have been a top priority for the SCAF during the last year. All had lost legitimacy in the eyes of the public through systematic human rights abuses before and during the January 2011 revolution. When the SCAF assumed executive powers on February 11 last year, the military had the mandate to do a thorough housecleaning but failed to do so beyond putting former Interior Minister Habib al-Adly on trial. The lack of effective policing and resulting rise in crime and insecurity, seen most recently in the February 1 soccer riot in Port Said in which 74 Egyptians were killed, strongly discourage the domestic and foreign investment badly needed to get the economy moving again. The SCAF's failure to respond to the demands for justice and accountability from the families of the more than 1000 demonstrators killed during the past year, as well as the tens of thousands subjected to human rights abuses and military trials, has fueled ongoing protests. Tourists and investors will not return to Egypt until security does.

Egyptian businesspeople and investors cite lack of clarity about the political transition timetable as another factor inhibiting economic revival. For months the SCAF resisted calls for a roundtable process or a joint civilian-military leadership to make important decisions about the sequence and timing of the democratic transition, seeking to maintain control until a new constitution was written in order to enhance the role of the military in the new Egypt. Even setting aside the troubling political implications of such actions, Egyptian and foreign investors need to see a clear political timetable, one designed to serve the national interest rather than that of the SCAF, in order to have the confidence to begin putting in capital again.

The transitional government's decisions on foreign assistance also have been ill-advised. They turned down a $3.2 billion loan from the International Monetary Fund and a $4.5 billion loan from the World Bank in June 2011, deciding instead to hold out for cash assistance from Arab and other G20 donors. Only $1 billion in grant aid (from Saudi Arabia and Qatar) has actually arrived, as all donors have insisted that they need to see a clear economic plan, blessed by the IMF, before giving further assistance. The Egyptian government has now re-engaged with the IMF and World Bank and new loans are likely, but they are taking some time to arrange because international institutions are understandably hesitant to reach agreements with the transitional government and are seeking broader buy-in, particularly from the Islamist forces that now dominate the elected parliament.

Moreover, the transitional government has put at risk the $1.5 billion assistance package from the United States through an unprecedented campaign against American as well as Egyptian non-governmental civil society organizations. This crisis and other decisions by the transitional government on foreign aid show a common approach: an insistence that foreign aid must be delivered as direct budget support to the Egyptian government—rather than project aid, grants to Egyptian NGOs, or investment in the economy—with no strings attached. Rather than working cooperatively with international donors and creditors to martial support for a democratic transition, the military-led government has behaved as though Egypt could afford to dictate terms, a failed strategy that has only served to isolate the country from international partners in its hour of greatest need.

Serious Economic Risks

The economic results of these missteps have been disastrous, and a crisis is likely within the next few months. Egypt's reserves of foreign currency have dropped by at least 55 percent and perhaps as much as 70 percent (analyst estimates are more dire official statistics from Egypt's Central Bank), from $36 billion to $10-16 billion, over the last year. The government now only has enough currency on hand to pay for needed food imports, particularly wheat, for a few months at most. The ranks of unemployed workers have swelled by 37 percent, and tourism revenues in 2011 were one-fifth of what they were in 2010. The Egyptian pound has lost only 4 percent of its value against the US dollar in the last year, but analysts believe the currency is facing a much steeper drop as the government loses the ability to continue propping up it up through spending reserves. A collapse of the Egyptian pound, hyperinflation, and a food shortage as a result of dwindling reserves have all become real possibilities. And this might well unfold while the country passes through a particularly sensitive political phase; the writing of a new constitution, election of a president, and transfer of authority back to civilians are all supposed to take place between now and the end of June.

Implications for the United States

The challenge for the United States is to indicate clearly to Egyptians that it is ready to support them as long as they remain committed to a genuine democratic transition, but not if the new Egypt will be even more repressive than the old one. If Egypt holds a free and fair presidential election, the military returns to its barracks, the constitution writing process is fair and inclusive, and civil society organizations are allowed to work without harassment, the United States should support the transition through continued bilateral assistance, debt relief, and opening free trade talks. As soon as a freely elected civilian government is in place, the United States should propose a bilateral process to review all forms of military and economic assistance, as well as trade policy, in order to reinvent a partnership based not only on shared strategic interests but on mutually beneficial economic and trade ties that will propel Egypt into the international community of free and prosperous democracies. If, on the other hand, the military-led government continues to hound American and Egyptian civil society organizations, manipulates the constitution writing process to win for the armed forces a continuing political role and freedom from oversight and accountability, and allows unreformed security services to carry out abuses unchecked, the United States should suspend assistance until Egypt returns to

a democratic course.

A transition to rule by elected civilians, security reform, and freedom for civil society are essential not only to ensuring that Egypt's transition leads to democracy, but also that it leads to sound economic growth that generates jobs and gives Egyptians hope. After thirty years during which the United States supported authoritarian leadership in order to secure peace but turned a blind eye to the costs in terms of corruption and human rights abuses, it is the least that we owe to the Egyptian people, who came out by the hundreds of thousands a year ago calling for dignity, freedom, and economic opportunity.

Mr. CHABOT. Mr. Trager, you are recognized for 5 minutes.

STATEMENT OF MR. ERIC TRAGER, IRA WEINER FELLOW, WASHINGTON INSTITUTE FOR NEAR EAST POLICY

Mr. TRAGER. Thank you, Mr. Chairman.

I have submitted testimony for the record, so I would like to use my time to emphasize two key points.

First, the current tension in American-Egyptian relations is entirely due to the acts of the Supreme Council of the Armed Forces, also known as the SCAF, which is the military junta that has ruled Egypt since Hosni Mubarak was forced from power just over a year ago.

In December, the SCAF-appointed government raided 17 pro-democratic NGOs, including some of those that are supported by the United States, and it has recently referred 43 NGO workers to criminal court, including 16 Americans. As part of this inquisition, six Americans have been prevented from traveling, including the son of the Treasury Secretary.

At any point during the past 2 months, the SCAF could have intervened to defuse the resulting tension with Washington. They could have intervened in small ways, such as by simply letting the American democracy workers leave the country, or it could have intervened in bigger ways, such as by firing the government minister who is most responsible for these investigations. But, instead, the SCAF has doubled down, accusing the NGOs and their mostly Egyptian staffers of aiding a nefarious foreign plot to destroy the country. Indeed, the top headline of yesterday's Al-Ahram, Egypt's state-run newspaper, read, "American Funding Aims to Spread Chaos in Egypt."

So we should have no illusions about the intentions of Egypt's military leaders. They are telling the Egyptian people that the United States is evil, while cracking down on the handful of Egyptian activists who are favorably disposed toward Western democracy.

Second, this situation is likely to worsen as the SCAF devolves power to the recently elected Parliament, which is dominated by the Muslim Brotherhood. The Brotherhood has overwhelmingly supported the crackdown on the NGOs and intends to appoint one of its senior political officials as Minister of International Cooperation so that it can monitor future contributions to pro-democratic NGOs. In its most recent statement, issued earlier today, the Brotherhood said that American funds had been used "for the demolition of Egypt and the destruction of society."

The Muslim Brotherhood holds similarly hostile views on other U.S. interests. Brotherhood leaders have repeatedly called for putting the Camp David Accords to a popular referendum, which the Brotherhood apparently sees as a viable strategy for sinking the Egyptian-Israeli peace treaty without being blamed for it directly. The Brotherhood's rise also spells trouble for Egyptian Christians and secularists. When I visited Egypt in December, Muslim Brotherhood parliamentarians told me that they intend to criminalize criticism of the sharia. It should be noted that these kinds of theocratic prosecutions are already taking place.

We should harbor no illusions about the Brotherhood's ability or willingness to change. For starters, the Muslim Brotherhood is not like most other political parties. Becoming a full-fledged Muslim Brother is, in fact, a 5- to 8-year process during which a Muslim Brother's commitment to the cause is tested repeatedly as they ascend through five tiers of membership. This is not an organization inclined toward rethinking its ideology, since every member has been indoctrinated in it.

Perhaps more importantly, the very structure of Egyptian politics will likely encourage the Muslim Brotherhood toward more extreme, rather than moderate, positions. Its top political competitor is the Salafist Nour Party, which finished second to the Muslim Brotherhood and controls nearly a quarter of the Parliament. The Nour Party seeks to implement Islamic law as it was practiced in the time of the Prophet Muhammad. Non-Islamist parties, by contrast, are weak. They are deeply divided among far-left nationalists, socialists, and a smattering of liberals, and their support seems unlikely to grow.

Egyptian domestic politics will, thus, be a competitive theocracy between two competing Islamist visions, that of the Muslim Brotherhood and that of the puritanical Salafists. Recognizing that the Brotherhood has proposed a coalition government in which Salafists will be given control over the education ministry, the prospect of Egypt's next generation being educated in Salafist-run schools suggests that the U.S.'s current challenges in Egypt will likely grow more difficult in the future.

For Congress, this unfortunate outlook means two things. First, in the short term, foreign military aid should be suspended until, at the very least, the American democracy workers are permitted to leave Egypt. American aid to Egypt is not an entitlement; it is one component of a broader partnership between Washington and Cairo. And the most basic aspect of that partnership, or any partnership between countries, is that citizens be permitted to travel safely within each other's borders.

Second, Congress should ensure that future aid to Egypt is conditioned on the achievement of narrow U.S. interests. These include protecting equal citizenship rights of religious minorities, abiding by Egypt's 1979 peace treaty with Israel, and cooperating with the United States in combating violent extremism.

Thank you for listening.

Mr. CHABOT. Thank you very much.

[The prepared statement of Mr. Trager follows:]

Eric Trager
Ira Weiner Fellow
The Washington Institute for Near East Policy
February 15, 2012
"Reflections on the Revolution in Egypt"
House Committee on Foreign Affairs, Subcommittee on the Middle East and South Asia

Testimony

Mr. Chairman:

One year after mass protests toppled longtime dictator Hosni Mubarak, Egypt is heading in an illiberal, anti-western direction. The Supreme Council of the Armed Forces (SCAF), which assumed power following Mubarak's resignation, has deployed deadly force against protesters; subjected over 12,000 Egyptian civilians to military trials; raided pro-democratic NGOs; encouraged anti-western xenophobia through its state-run media; and placed travel bans on six American democracy workers. Islamists' sweeping victory in the recent parliamentary elections will likely exacerbate this disturbing trend, given the Islamists' theocratic domestic agenda and hostile foreign policy outlook.

The Muslim Brotherhood (MB), whose electoral alliance won a 46-percent plurality, aims to establish an Islamic state in Egypt by making the *sharia* the primary source of Egyptian law. While the *sharia* is a broad set of legal principles that can be interpreted variously, the MB's public statements suggest their commitment to an extreme agenda. MB leaders have called for banning beach tourism; outlawing interest-based banking; and criminalizing criticism of the *sharia*, which would undermine the citizenship rights of Christians and other non-Islamists.[1] MB leaders note that, under Article II of Egypt's 1971 Constitution, the *sharia* is "the principal source of legislation,"[2] and they emphasize the importance of retaining this clause in Egypt's next constitution.

MB leaders have struck similarly uncompromising tones in their foreign policy stances. They have repeatedly called for putting the Camp David Accords to a popular referendum[3], which they apparently view as a strategy for sinking Egypt's peace treaty with Israel without being blamed for it directly. The MB has further accused Israel of working to destroy the Al-Aqsa Mosque in Jerusalem and demanded that "urgent measures" be taken to stop this – despite the fact that Israel is doing no such thing.[4] They

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[1] Eric Trager, "Where Did Nick Kristof Get the Idea That the Muslim Brotherhood Is Moderate?" The New Republic (14 Dec. 2011): <http://www.tnr.com/article/world/98471/kristof-egypt-muslim-brotherhood>.
[2] "Constitution of the Arab Republic of Egypt 1971," Egypt State Information Service <http://www.sis.gov.eg/En/LastPage.aspx?Category_ID=208>.
[3] Manar Ammar, "Muslim Brotherhood to Never Recognize 'Raping, Colonizing Criminal Entity' Israel," Bikya Masr (1 Jan. 2012): <http://bikyamasr.com/52324/muslim-brotherhood-to-never-recognize-raping-colonizing-criminal-entity-israel/>.
[4] Hany al-Waziri and Ghada Mohamed al-Sharif, " 'Freedom and Justice' Reject the Formation of 'National Women' ... and Accuse the 'SCAF' of Ignoring Parties," (Arabic) al-Masry al-Youm (12 Feb. 2012): <http://www.almasryalyoum.com/node/653556>.

have also accused the United States of funding NGOs to interfere in Egyptian politics[5], and the MB has hinted that it will seek new legislation to limit foreign funding of NGOs[6], which would undercut Washington's ability to aid pro-democratic organizations.

While some analysts have suggested that the MB might moderate once in power, there are three reasons why this seems unlikely. First, the process through which the MB selected its parliamentary candidates practically ensures that its parliamentary delegation will adhere to the organization's strict ideological outlook. Prospective parliamentary candidates were vetted by at least four levels of MB leadership before being cleared to run for office. As a result, the MB's parliamentary delegation overwhelmingly consists of longtime members, including many who served as officials at various levels within the organization's nationwide structure. They are therefore highly unlikely to veer from the MB's theocratic principles.[7]

Second, the MB's previous parliamentary record demonstrates their commitment to radicalism over realism. For example, in 2008, the MB's parliamentary bloc voted against a law banning female genital mutilation (FGM), with MB parliamentarian Saad El-Katatny saying at the time that FGM was a tradition that should remain legal for medical and "beautification" purposes.[8] El-Katatny is now Egypt's parliamentary speaker.

Third, the Salafist Nour Party, whose electoral coalition finished second in the recent elections by winning 24 percent of the parliamentary seats, will likely constrain the MB's ability to pursue a moderate agenda. In contrast to the MB, which interprets the *sharia* in terms of its "intentions," the Nour Party aims to implement Islamic law as it was practiced during the time of the Prophet Muhammad. The Nour Party's ideological strictness will enable it to cast the MB's slightly less rigorous approach to Islamic jurisprudence as un-Islamic, thereby forcing the MB to toe a more conservative line.

The results of the recent parliamentary elections also suggest that non-Islamist parties will likely play a minor role in post-Mubarak Egyptian politics. The most promising of these parties is the Egyptian Bloc, an electoral coalition dominated by two newly formed secularist parties, which won just under 7 percent of the parliamentary seats. But since much of this support came from Egypt's Coptic Christian minority, the Bloc is viewed as a sectarian party and its support is not expected to grow significantly.

Moreover, although the Wafd Party – which won approximately 7.5 percent of the parliamentary seats – bills itself as Egypt's historic "liberal" party, its recent alliance with

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[5] MENA, "Muslim Brotherhood Denounces US in Foreign Funding Crisis," Egypt Independent (9 Feb. 2012): <http://www.egyptindependent.com/node/648211>.
[6] "Freedom and Justice Welcome the American Assistant Secretary of State" (Arabic), al-Shaab (26 Jan. 2012): <http://www.elshaab.org/thread.php?ID=14413>.
[7] Eric Trager, "Egypt One Year After Tahrir: Trager," Lecture (24 Jan. 2012): <http://www.youtube.com/watch?v=a43y0yJzYSg&feature=results_video&playnext=1&list=PL2C53A1D782EC50D8>.
[8] Liam Stack, "Egypt's Child Protection Law Sparks Controversy," The Christian Science Monitor (24 Jul. 2008): <http://www.csmonitor.com/World/Middle-East/2008/0724/p05s01-wome.html>.

the MB significantly undermined its non-Islamist credentials. The Wafd has also echoed the Islamists' foreign policy positions, and Wafdist chairman al-Sayyid al-Badawi recently accused the United States of interfering in Egypt's affairs and dealing with Cairo like a "child."[9] Many of the remaining non-Islamist parliamentary parties, such as those from the far-leftist Revolution Continues Alliance (RCA), are similarly inclined towards anti-western populism, and have meager public support.

While the non-Islamist parties have emerged as strong critics of the SCAF and endorsed demonstrations against military rule, the Islamists have pursued a *modus vivendi* with the junta. In this vein, the Islamists have routinely denounced the demonstrations and ordered their followers not to participate – a move that has bolstered their support among the broader public, which desires a return to normalcy. The MB has further cooperated with the SCAF by appointing a retired general – rather than one of its own members – as chairman of the parliament's National Security and Defense Committee. The key question moving forward is whether the SCAF-Islamist comity yields a protected position for the military under a new constitution, such as limited autonomy over its budgets and authority over Egyptian foreign policy.

While Washington's historic relationship with Egypt's military might lead some to conclude that such an arrangement would be beneficial to American interests, the SCAF's performance over the past year suggests otherwise. The military's use of deadly force against protesters has often exacerbated domestic instability and undermined prospects for economic recovery. Moreover, the SCAF's gratuitous raid on pro-democratic NGOs demonstrates the junta's unreliability as a partner for promoting political moderation in Egypt. The travel bans that it has placed on American democracy workers, including the son of Transportation Secretary Ray LaHood, also raise important questions about the SCAF's political intelligence. Finally, Washington cannot bet on Egypt's military retaining its long-term authority over Egypt's foreign policy: the Islamists intend to hold the SCAF to its June 30, 2012 deadline for withdrawing from power, and they will likely push to further curtail the military's powers thereafter. For the Islamists, Turkey is a model in this regard.

Indeed, one year after Mubarak's resignation, the United States finds itself without any reliable partners in Cairo. For this reason, U.S. policy towards Egypt should emphasize two strategies.

- First, policymakers should use their conversations with the MB to emphasize "red lines" on key U.S. interests in Egypt, which include adherence to the Camp David Accords, cooperation in combating violent extremism, protection of religious minorities, and ensuring Americans' safe travel in Egypt. Washington should not be afraid to use its leverage in protecting these vital interests. That leverage starts with the $1.3 billion in annual foreign military funding, but should also include Washington's influence in the various international organizations to which Egypt will turn for help as its economic crisis deepens.

[9] "Al-Sayyid al-Badawi: The Military Council Is Like Someone Clutching Coals and Will Leave Power" (Arabic), al-Youm al-Saba' (12 Feb. 2012): <http://www.youm7.com//News.asp?NewsID=600991>.

- Second, Washington should frame its relationship with post-Mubarak Egypt in terms of narrow common interests. Recent conversations with newly elected MB parliamentarians suggest that the MB and U.S. share a common interest in stabilizing the Sinai Peninsula, which is presently overrun by increasingly violent Bedouin tribes that have attacked Egyptian security personnel, kidnapped tourists, and detonated a gas pipeline that services Israel and Jordan. Washington should be especially concerned about terrorists striking Israel from the Sinai, since this could severe catalyze a crisis in Egyptian-Israeli relations that will be harder to contain once the MB is fully empowered.

Respectfully submitted,

Eric Trager

Mr. CHABOT. Our final witness this afternoon will be Dr. Wittes. And you are recognized for 5 minutes.

STATEMENT OF TAMARA WITTES, PH.D., FORMER DEPUTY ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AFFAIRS

Ms. WITTES. Thank you, Mr. Chairman, Ranking Member Ackerman, distinguished committee members. With your permission, I would ask that my full statement be entered into the record.

Mr. CHABOT. Without objection, so ordered.

Ms. WITTES. Thank you.

And I would like to emphasize that I represent only myself here today. I have no institutional affiliation.

While the events of the past year have unsettled many observers, the fact remains that Egypt's year-old revolution presents the United States with a strategic opportunity—an opportunity to advance our interests through a stronger partnership with the Egyptian people and with a democratic Egypt. But the next 6 months presents special challenges to seizing that opportunity for a new partnership in the years to come.

The Supreme Council of the Armed Forces has committed to transfer executive authority to an elected President by June 30th. But right now the Egyptian people are facing a deteriorating economy, an interim government with questionable intentions, police and intelligence services who fail to provide basic security, and a set of political elites who have yet to adjust to having real responsibilities and real accountability.

Dr. Dunne has outlined the risks of a crisis, and the Egyptian people need and deserve the support of the international community in facing all these challenges. But the behavior and choices of the current transitional government make it exceptionally complex to support Egypt during this crucial phase.

Over the past year, the SCAF came to behave not so much as a caretaker but as a political actor seeking to shape the transition to accord with its own preferences. The crackdown on independent civil society groups in Egypt is part of a broader struggle taking place between those working to advance a transition to democracy and elected government and those who are seeking to preserve their own positions, power, and perks from the old system. The latter group are willing to manufacture crises and to blame outside forces and hidden conspiracies to advance their selfish cause.

The goal of this manufactured crisis over NGOs is not primarily to tweak the nose of the United States. Dozens of NGOs have been caught up in this investigation; the vast majority of them are Egyptian. The goal is to demonize an entire sector of Egyptian society by associating them with an alleged foreign conspiracy and by making the current government the defender of Egyptian interests.

America's aid to Egyptian civil society is and has been an expression of our desire to move beyond a U.S.-Egyptian relationship that was largely defined by government-to-government interactions and to build a broader partnership with the Egyptian people. And, thus, the dispute over U.S. Government funding to NGOs working in Egypt is not about the law and it is not about money. It is about control. Although the SCAF themselves are the greatest bene-

ficiaries of American taxpayer funds, they are apparently now willing to risk that aid in an effort to deflect criticism of themselves at home. It is a very shortsighted and self-defeating approach.

But the United States cannot afford to take a shortsighted approach to Egypt's transition. It is in American interests to build a cooperative partnership with the Egyptian people, which can be stronger, more lasting, and more equitable than the one we had with Hosni Mubarak. A democratic Egypt will enhance regional stability, strike a blow against violent extremism, and improve the prospects for liberty elsewhere in the region and indeed around the world.

To respond to this crisis by immediately terminating all financial assistance to Egypt would be a strategic error. This is the time to continue our outreach to the Egyptian people, to support their efforts at democratic development, to respond to their urgent economic needs, and to forge the basis for mutual understanding and a new partnership with a democratic Egypt.

Mr. Chairman, I am confident in the Egyptian people's determination to achieve a transparent, accountable government that respects their rights. And the United States has a keen interest in the outcome of their efforts. I am equally confident in the interests that Americans and Egyptians share as the basis for a renewed partnership between our two countries. We share interests with the Egyptian people in combating terrorism, in advancing regional peace and security, in preventing the spread of nuclear weapons, and in promoting a dynamic Egyptian economy rooted in free markets and open to global trade.

But that renewed partnership must be built with the Egyptian people and with the democratic government that answers to them. Right now what we must do is preserve the possibilities of partnership and avoid playing into the hands of those within Egypt who do not support those efforts to betray us as enemies of the Egyptian people and of Egypt's national interests. It is simply not true.

If we are respectful of Egyptians as they undertake their political process and if we are consistent and transparent in our continued outreach, I believe that we will find the basis for a stronger partnership moving forward.

Thank you for the opportunity to share my views.

Mr. CHABOT. Thank you very much.

[The prepared statement of Ms. Wittes follows:]

Reflections on the Revolution in Egypt
testimony by
Tamara Cofman Wittes, Ph.D.
before the
House Foreign Affairs Subcommittee on the Middle East and South Asia

February 15, 2012

Chairman Chabot, Ranking Member Ackerman, distinguished members of Congress: thank you for inviting me to join you today for this timely and important discussion.

Egypt's revolution is a year old, and its transition to democracy will be the work of several more. While the events of the past year have unsettled many observers, Egypt's transition was never likely to be smooth or simple. The fact remains that this historic development presents the United States with a strategic opportunity to advance our interests through a stronger partnership with the Egyptian people and with a democratic Egypt. But the next six months present special challenges on which we must focus our attention if we wish to be able to seize that opportunity for a new partnership in the years to come.

The Supreme Council of the Armed Forces has committed to transfer executive authority to an elected president by June 30, 2012. In the meantime, the Egyptian people are facing real and growing concerns. They face a broken and deteriorating economy in which forty percent of their people live on less than $2 a day. They face an interim government that appears desirous to preserve as much as possible of the former regime. They face a pervasive set of police, security and intelligence services who continue to meddle in domestic politics, the media, and many other aspects of society, while failing to provide basic security for the populace. And they face a set of political elites who have yet to adjust to having real responsibilities and real accountability to the people.

Most urgently, the economic deterioration of the past year could result in an economic crisis in a matter of weeks or months. The Egyptian people need and deserve the support of the international community in facing this economic crisis and in establishing the foundations for lasting democracy and prosperity. But the behavior and choices of the current transitional government make it exceptionally challenging to support Egypt during this crucial phase.

Mr. Chairman, I am confident in the Egyptian people's determination to achieve a transparent, accountable government that respects their rights. And I am confident in the interests that Americans and Egyptians share as the basis for a renewed partnership between our two countries. But that partnership must be built with the Egyptian people and with a democratic government that answers to them. Right now, what we must do is preserve the possibilities of partnership -- to continue our outreach to the Egyptian people, to continue to support their efforts at democratic development, to respond to their urgent economic needs -- and to avoid playing into the hands of those within Egypt who do not support those efforts to portray us as enemies of the Egyptian people and of Egypt's national interests. It is simply not true.

A Strategic Opportunity

The revolution in Egypt was driven by deep, underlying trends that are evident across in Arab societies. As I wrote in my 2008 book, Freedom's Unsteady March, the status quo in the region was not stable. With the Arab Awakening, we have an opportunity now to advance lasting stability in the Middle East – stability that will only come through democratic and economic reforms that will write a new social contract between governments and citizens.

Egypt's democratic transition is important to us, and not only because Egypt's stability is important to us. As you know well, where democracy and democratic freedoms are valued, the world also gains in security. Democracies give people a stake in their governance and weaken the appeal of those who call for violence. A democratic Egypt will be a stronger partner for the United States in advancing our shared interests in security, stability, and prosperity for the region and the world. I will have more to say about these shared interests in a few moments.

Finally, there is a strategic opportunity in how the Egyptian revolution came about, that must not be lost in the uncertainty and confrontation that has ensued since last February. Young Egyptians did in eighteen days what Ayman al-Zawahiri could not do in eighteen years. The disciplined and determined young men and women of Egypt put forward a powerful repudiation to the narrative of extremists who preach violence and confrontation as the only means to achieve change, and who tried and failed to destabilize Egypt through terrorism in the years prior to the Arab Spring. And these young people have also put forward their own indigenously generated, positive vision for the future of their nation, a future defined by dignity, freedom and opportunity. We have a keen interest in seeing that positive vision succeed in triumphing over the dark visions of the extremists.

The Year That Was

The SCAF took power last February in an effort to preserve as much as they could of the state they knew, while seeking to respond to the demands of the people for a democratic government. But these two goals proved fundamentally incompatible. Over the past year, the SCAF came to behave, not as a caretaker, but as a power seeking to shape the political transition to accord with its own interests and preferences.

In this, the SCAF were opposed by political parties and by the young revolutionaries, as well as by Egypt's well-developed and professional civil society organizations, who have a long record of struggle on behalf of democracy and human rights and against authoritarian practices. The SCAF's preference for opaque decision making, its misjudgments of domestic politics, and its inability, or unwillingness, to restrain the police and security services in their violence against civilians have further contributed to the past year of tension and confrontation in Egypt.

Time and time again, public pressure for a genuine political transition through democratic means has compelled the SCAF to back down from decisions that would have strengthened their control and reduced the authority, transparency, and accountability of the new government. In early December they finally agreed to a date certain for the transfer of power back to civilian rule -- a much earlier date than they themselves preferred. This constant tension undermined the SCAF's

public position, as their intentions became increasingly suspect in the eyes of political elites and the public.

But the SCAF did commit to handing over power by July -- and they fulfilled one other essential commitment in shepherding Egypt to greater democracy: they enabled the freest and fairest vote in Egypt's modern history to elect a new parliament. Now, Egypt's elected parliament is acting as a further constraint on the SCAF and its appointed cabinet.

The Crackdown on Civil Society

As the military council and the members of their appointed governments have come under increasing pressure, they have resorted more and more to the habits of all autocrats in trouble -- they have blamed outside forces and hidden conspiracies, and they have manipulated the state-run media, wielded the intelligence services, and taken advantage of the hobbled justice sector to press their case. The crackdown on independent civil society groups in Egypt is a manifestation of this broader struggle. Beginning last July, the government began a press campaign against civic groups engaged in democracy and human rights work, labeling them tools of foreign agendas. The so-called "judicial investigation" was launched by a complaint filed by a minister in the military's appointed cabinet, the ridiculous charges made by her, the questions posed to the NGO workers in the investigation, and the "evidence" leaked in the press, make clear what a politicized investigation it is.

But it is important to understand what this NGO crackdown is about. The goal here is not primarily to tweak the nose of the United States. Dozens of NGOs have been caught up in this investigation, and the vast majority of them are Egyptian. The goal of this crackdown is to weaken, delegitimize, and demonize an entire sector of Egyptian society -- its independent democracy and human rights advocates -- by associating them with an alleged foreign conspiracy. This is an effort to label human rights work itself as an illegitimate foreign agenda, alien and hostile to Egypt. And, of course, the military and its appointed government also benefit politically from portraying themselves as defending the sovereignty of Egypt against foreign intervention.

Unfortunately, American-Egyptian relations have been caught up in the desperate attempts of this transitional government to retain the upper hand in Egypt's newly dynamic domestic politics. And this is precisely because we stand up globally for the universal rights these civic groups espouse. America's aid to Egyptian civil society is an expression of our support for Egyptians' aspirations for accountable government, and our desire to move beyond a US-Egyptian relationship that is largely defined by government-to-government interactions. America's transition assistance was designed explicitly to reach out to a broader range of Egyptians and build a broader partnership with the Egyptian people.

The dispute over US government funding to NGOs working in Egypt is fundamentally about resistance by some in Egypt to a shift in our relationship from one that is government-to-government, to one that encompasses and includes the Egyptian people. It is not about the law, it is not about money -- it is about control.

Although the SCAF themselves are the greatest beneficiaries of American taxpayer funds, they are apparently now willing to risk that aid in an effort to deflect or avoid criticism of themselves at home. It is a very short-sighted and self-defeating approach, to be sure, but it appears to be the one they have chosen.

What the United States Must Do

Americans can and should be outraged by the behavior of Egypt's transitional government toward our citizens -- and outraged as well by its behavior toward independent Egyptian civic groups who are advancing universal rights, and the Egyptians who are exercising those rights. Americans might also reasonably feel anxious about the newly elected parliamentarians, who are unfamiliar to us, and whose ideas and preferences we do not fully understand.

But the United States cannot afford to take a short-sighted approach to Egypt's transition. At the heart of the Egyptian revolution, the deeper trends that produced it, and the aspiration of Egyptians for democracy, is a strategic opportunity for the United States -- to advance our interests and to build a stronger, more reliable and more equitable partnership with the Egyptian people.

American interests in the region remain largely unchanged, but the Arab Awakening has radically altered the landscape in which we must pursue those interests. I have argued for years, most notably in my 2008 book, *Freedom's Unsteady March*, that the United States must work to rebuild strategic cooperation in the region based not on the personalities in power, but on a genuine partnership with the peoples of the region rooted in mutual interests and mutual respect. Now events demand that we make that shift -- one which will result in far more reliable, longstanding, and meaningful cooperation than we could have had before. And we can do so while holding firm to our principles and our interests.

We must not lose this opportunity, which may be a once-in-a-generation event. We must see beyond the current crisis and work now to preserve the prospects for that broader partnership with Egypt and then seize it when the opportunity emerges from this transitional period.

A Foundation for Renewed Partnership

Egypt remains a country of strategic importance, and one in whose future we have an important stake. Egypt remains the most significant economic, political, and cultural force in the Arab world today. It is located across one of the world's great geostrategic crossroads, an essential pathway for global commerce and for the United States's global military reach. Egypt's peace treaty with Israel is a cornerstone of regional stability that has saved three generations of Israelis and Arabs from the destruction of wars like those that came before Camp David. Egypt's majority, its young people, want to build a nation that offers them the opportunities for betterment that their parents were denied, and that leads the region once again in commerce, culture, and diplomacy. And they know that in the twenty-first century, this will require Egypt to be tightly connected to the world -- and bound to the norms of international law, free markets, moderation and stability that we share.

Given the current context, in which American citizens are charged in a trumped-up investigation for undertaking activities protected under international human rights law, and in which economic assistance provided by the American taxpayer is being simultaneously hoarded by the powers that be, and debased as the reach of a hidden hand, it is tempting to respond by terminating all financial assistance to Egypt -- military and economic. But this would be a profound strategic error. This is the time to remain engaged, to demonstrate our support for Egyptians' aspirations, and to forge the basis for mutual understanding and a new partnership with a democratic Egypt.

America's interests lie in a positive, cooperative relationship with Egypt. We have long shared core interests in peace, stability, and moderation -- not only with Hosni Mubarak, but with the Egyptian people. Going forward, though, US-Egyptian cooperation on common interests must be built on a more mature, broader-based degree of mutual understanding between Americans and Egyptians -- including American respect for an Egyptian government that is rooted in the consent of the Egyptian people and is accountable to them. There is a sound foundation on which to build that mature bilateral partnership:

- Egyptians have suffered greatly from Islamist terrorism, and they reject violence against civilians at a higher rate than any country in the world. So we have a strong shared interest in countering terrorism.

- Egyptians have suffered greatly from war -- Arab-Israeli wars, but also other conflicts in their neighborhood. They want to build up their own society and its future, and they know that their security requires that their neighbors in Libya, in Syria, and in the West Bank and Gaza, enjoy peace and stability as well. So we have a strong shared interest in regional stability and in Arab-Israeli peace.

- Egypt has been a stalwart opponent of nuclear proliferation. Egyptians are proud of their country's leadership in international efforts to control weapons of mass destruction. As the region and the world continue to confront the dangers of Iran's nuclear program, we have a strong shared interest in preventing the spread of nuclear weapons, and countering Iran's efforts to undermine regional stability.

- Finally, Egypt's newly elected leaders will need a dynamic economy to care for and advance the prospects of their 85 million citizens, and they need close links to the preeminent education, scientific research, and technological innovation offered in the United States. Likewise, the United States has an interest in seeing other nations join the global economy and contribute their knowledge and creativity to solving global problems. So we have a strong shared interest in seeing Egypt move toward a more open economy and greater trade with the world, which will provide wider opportunity and greater prosperity for the Egyptian people.

Based on all this, I am confident that Americans and Egyptians have a great deal of work we can usefully do together, to advance our shared goals in the Middle East and beyond.

Continued Outreach, Consistent Engagement

To effect that broader partnership, we must stay engaged in Egypt during its difficult transition. We must support the Egyptian people as they continue to demand, and to exercise, their universal human rights to free expression, to free association, to vote and to protest. We must also support the Egyptian economy to prevent further suffering, and to help lay the groundwork for a new, democratic government to be able to deliver for its citizens. And we must continue to reach out to and engage with new political actors and with a wider range of Egyptian society -- from cities and villages, from secular parties and Islamist parties, from new parliamentarians and from the civil society groups who will keep those new parliamentarians honest.

Over the past year, the United States government has worked assiduously to reach out to new political actors and to more and more areas of Egyptian society. We have found an interest in engagement, a desire for dialogue, and some foundations for cooperation. It is imperative that we build on this foundation to establish the elements of constructive cooperation to advance our goals in the region.

This is particularly true with respect to the newly elected parliament. The Muslim Brotherhood's electoral coalition now holds nearly half of the lower house of parliament. They are beginning to question the decisions and policy direction of the military-appointed government, and they are -- quite rationally -- very focused on the economic suffering in Egypt and the need to prevent a wider economic crisis. They have engaged in talks with the IMF and with others in the international community about the economic crisis, and they appear to be looking for pragmatic solutions. They are interested in trade and investment -- in fact, because the Brothers were largely excluded from civil service jobs under Mubarak, the movement as a whole has a general bias toward the private sector, free trade, and entrepreneurship. This is another foundation for cooperative relations. Finally, it's clear that the Brotherhood's priority is domestic affairs -- especially economics -- and they are not interested in bellicose rhetoric or provocative actions that would threaten regional stability or hamper the return of tourists and investors to Egypt. So far, they have made appropriate assurances about Egypt's fidelity to all its international agreements, including the Camp David treaty.

There are questions to ask about the new parliamentarians' commitments to core democratic principles, such as equality under the law for all citizens, including women and minorities. We can and should raise these issues in our diplomatic engagement, but these are questions that should primarily be asked and answered by Egyptians. We will see some important indicators on these issues emerging during the constitution-drafting process in the coming months. From an American perspective, we should judge the Brotherhood and others in the new parliament by what they do, and so far there appears to be a basis for dialogue and a potential for constructive partnership. There are, no doubt, issues on which we disagree. But we work with political actors around the world with whom we are not in complete agreement. We work around the world with parties, leaders, and governments that bring a religious perspective to their governing philosophy. We cannot make congruence on all issues a prerequisite for diplomatic engagement or pragmatic cooperation.

It's quite clear from the genesis and progress of events over the past year that the United States did not create the Arab Awakening, and will not determine its outcome. The citizens of Egypt,

and of the region, are writing their own story, and their self-determination is what they are struggling now to realize.

But while the United States cannot determine the outcome of the Arab Awakening, we have a keen interest in that outcome -- and nowhere is that more true than in Egypt. Egyptian citizens' yearnings, and their sacrifice, for dignity, freedom, and opportunity are reflective of universal human aspirations, and they deserve our unreserved support. Their failure to achieve these goals will diminish the prospects for the success of liberty elsewhere in the region and indeed around the world. Their success will advance our interests, and if we are respectful of their progress, and consistent and transparent in our continued outreach, I believe that we will find the basis for a stronger partnership moving forward.

Thank you for the opportunity to share my views with you today, and I look forward to your questions.

Mr. CHABOT. We appreciate the testimony of all the witnesses here this afternoon. And I now recognize myself for 5 minutes to ask questions.

One element of the NGO raids which has gotten considerable attention has been the central role of Egypt's Minister of International Cooperation, Faiza Abul Naga. In an editorial, The Washington Post recently noted that, "The campaign against the Internation Republican Institute, National Democratic Institute, and Freedom House, along with a half-dozen Egyptian and European groups, is being led by Minister of International Cooperation Faiza Abul Naga, a civilian holdover from the Mubarak regime. Ms. Abul Naga is pursuing a well-worn path in Egypt"—excuse me. I skipped something here. "Ms. Abul Naga, an ambitious demagogue"—their words, not mine—"is pursuing a well-worn path in Egyptian politics, whipping up nationalist sentiment against the United States as a way of attacking liberal opponents at home."

Referring to the U.S. funding of NGOs like IRI and NDI, she is reported to have said yesterday, and I quote again—this is her quote: "Evidence shows the existence of a clear and determined wish to abort any chance for Egypt to rise as a modern and democratic state with a strong economy since that will pose the biggest threat to American and Israeli interests, not only in Egypt but in the whole region."

It is my belief that, as the chief agent provocateur in this ordeal, Abul Naga has shown very clearly that she cannot be trusted as the custodian of American taxpayer dollars. And, accordingly, U.S. assistance should be conditioned on her removal as the administrator of foreign aid.

What are the thoughts of the panel members here this afternoon? And we could go down the line, if you would like to start, Dr. Kagan.

Mr. KAGAN. Well, thank you, Mr. Chairman.

I really feel that we can't begin our relationship with Egypt in a situation where they hold a gun to their heads and say, "If you don't do what we say, we are going to blow ourselves up." That is the kind of relationship we now have with Pakistan. Right now, they are basically saying they will destroy their economy unless we swallow everything that they want us to swallow.

And I think this is a critical moment in our relationship with them. I think the Egyptian people need to be presented with the consequences of the decisions that their military and perhaps the leadership of the Muslim Brotherhood and this current government are taking. And if we, it seems to me—again, this isn't just about a narrow issue. If we back down at this moment, we will be going back to where we were in the Mubarak days. We will be giving a blank check to a new group's desire to quash any democratic principles and democratic behavior, which I think are profoundly in our interest.

I mean, I believe that in these difficult times in Egypt, when things are complicated and hard to know where things are going, we need to stick to some basic principles about whether we are giving our aid to them or not, based on whether they are holding to promises to move in a more open direction, whether they are maintaining existing obligations, treaty obligations, to Israeli, et cetera.

We need to be the ones, at least for our own sake, sticking to the principles that we think are essential.

This aid is not—you know, we don't give it for charity reasons, although I think the American people wish the Egyptian people well. We give it in our own interests, and we have to make sure that those interests are respected.

Mr. CHABOT. So would you agree, then, that, you know, our tax dollars, for example, since she is the one that is overseeing this, should be conditioned, for example, on her removal?

Mr. KAGAN. I would certainly—or reprogram the money in such a way that it doesn't go through her, or something. There is certainly—she should be the one, since she started this—I wish I—it is obvious, however, this is not just her.

Mr. CHABOT. Right.

Mr. KAGAN. It is obvious, also, that the military is directly involved in this. I mean, I can't believe when I have seen statements suggesting the military can't do anything about it and doesn't know how this happened. This is the military and others in the system—I think Michele may talk to that, as well—who are pushing this same policy.

Mr. CHABOT. Thank you.

Dr. Dunne?

Ms. DUNNE. Thank you, Mr. Chairman.

You know, there is a long history on this. Minister Abul Naga was in the government under Mubarak in a couple of different positions. And she has been involved in trying to oppose the democracy and governance assistance that the United States gives to Egypt and specifically in trying to prevent the United States from being able to give aid directly to NGOs without the Egyptian Government having a veto over that in advance.

This has been a long struggle. So I quite agree with what Dr. Kagan said and with what the Post editorial said, that this goes back to the Mubarak era. This is not a result of the revolution. It is simply that she has the opportunity to push it more aggressively right now because Minister Abul Naga and others have tried to link the NGOs to the ongoing demonstrations, demonstrations against continued military rule, and have tried to tar NGOs with that, I think, and have created suspicion in the minds of the military leaders that somehow it is civil society that is opposing them and therefore civil society needs to be rolled back.

So I agree that there needs to be new thinking in the Egyptian Government, there needs to be a recognition that a robust and free civil society is just as important to the democratization process as are free elections, and that these kind of NGOs are—they are trying to do the kind of work in Egypt that they do all over the world. There is nothing unusual or suspicious about the work that either American or Egyptian NGOs are doing. There needs to be a new understanding between the United States and Egypt about this issue.

Mr. CHABOT. Thank you.

My time has expired. So, Mr. Trager and Dr. Wittes, if I could get a real quick response from both of you.

Mr. TRAGER. Thank you, Mr. Chairman.

I mean, I agree with what has been said——

Mr. ACKERMAN. Mr. Chairman, you have unanimous consent to continue.

Mr. CHABOT. Okay. All right. We will make it quick anyway.

Mr. TRAGER. No, I agree with what has been said. Faiza Abul Naga is a symptom of a much deeper problem. I think it is really important to emphasize that what she is doing regarding these NGOs she is doing because it is a political winner. A recent Gallup poll showed that 71 percent of Egyptians oppose Egypt receiving U.S. aid.

And I think that that is really the crux of the problem that we face in Egypt. We should not focus exclusively on her. Removing her wouldn't change the fact that, you know, as the other panelists have said, we are going to have to reframe our relationship with a new Egypt.

Mr. CHABOT. Okay. But just to get this straight, we got this trillion-dollar-plus deficit each year, and we are sending money over there that 70 percent of the Egyptians don't want, right?

Mr. TRAGER. That is right. And, I mean, I think the most important thing we could do right now is make it very clear this is not an entitlement, this is part of a broader partnership. So I think that gets at your question.

Mr. CHABOT. Thank you.

Dr. Wittes?

Ms. WITTES. Thank you.

I think you have already heard from my colleagues that there is a danger to over-personalizing this, because there is a broader issue at stake inside Egypt. And I think, you know, we also, wisely, don't govern by polls. And the opposition to American assistance I think reflects a concern about the nature of the relationship that existed previously between the U.S. Government and the government of Mubarak and a desire to have a more equitable relationship.

So I think it is important that we not begin that new relationship with a set of ultimatums, just as Dr. Kagan said we shouldn't begin that relationship by allowing them to lay out a set of ultimatums. We need to resolve this issue; we need to resolve it through dialogue.

I also think it is worth remembering that if, indeed, as I think all of us still expect, we have a transition to civilian authority in the next 6 months or so, it is very likely that there is going to be a thorough overhaul of the cabinet at that time.

Mr. CHABOT. Okay. Thank you very much.

My time has expired. The gentleman from New York, Mr. Ackerman, is recognized for 5 minutes.

Mr. ACKERMAN. Thank you, Mr. Chairman.

I think it is a little bit more complicated than has been generally indicated. I think if one looks at a family when people are very young and developing, there comes a time when they start asserting themselves and demanding their independence, but they don't quite tell you not to give them their allowance.

I think it is not that the Egyptians don't want our money. I think it is anything but that. They want everybody's money they can get, and understandably so. What they don't want is the image of themselves facing their public, which is starting to develop a whole new

sense of nationalism and outlook and self-definition, that they don't want to be seen as being obligated to or pushed around by somebody that they have worked with but who their public sees as the enemy.

An overlayer on top of that is that they understand the realities. There is a difference between people who can pontificate because they are in the general public and people who are actually making the decisions because the decisions have consequences. You can't play chess and say, "That is my spot," and move into it without thinking that the other guy has a move also. You can't just say, "Well, screw them because this and that and I don't like the way they are behaving," and expect that they don't have a move to make also. "Let's just walk away from Egypt if they don't behave the way we want them to behave"; it is easy to say that if the effect of one's words don't have any consequences because you are home free and able to say it. But we, as policymakers acting on behalf of the country, have to say, what do they do when we do X?

And I think that it can't be that we have to just hold our nose and breath until we turn blue and get them to do what we want, because the world doesn't work that way in reality. They are facing their public.

This is a government, I believe, that didn't have too many consequences, historically, throughout the dictatorial years that they are now looking to change from. They said something, and as Egypt spoke, so it was said and so it was done. And that came down from the pharaoh, and the military followed and everybody else followed and, you know, people grumbled and did what they did. People are starting to feel their oats right now. They are looking for scapegoats because they—"Huh? Me? I am not responsible." And the military and the officials and the holdovers from the Mubarak regime are looking to point the finger at somebody.

And in every country that we see this in, it is always the same. It is always pointing and saying, "These are outside figures. We have to find somebody responsible for the riots in the streets. Somebody paid 700,000 people to show up in the streets of our country." And there are likely suspects; it is usually Israel and usually the United States. And when you find, you know, organizations that are acting with the purest of interests, usually, acting with all good intentions and are there because they want to be there and help the Egyptian people, they are the first ones to get blamed, you know. They are scapegoated. And now these young women and men are in some difficulty, and we have to try to get them out of it.

But we can't just turn our back on this very big relationship of 80-plus million people, the largest country in the Arab world, and not expect bad things to happen. You know, we should have learned from September 11th that if you don't visit bad neighborhoods, they will visit you. We don't need 80 million people to turn into the same bad neighborhood that we see in a couple of other countries—that they have not been part of to this point.

How do we keep them—the real question that we need to turn to our friends and academia to give us some gleanings and guidance is: How do we get them on track? not: How do we beat them

into submission? So maybe with that kind of perspective, you know, you can give us some guidance.

I thought I knew how to do this with my kids, but these aren't kids, you know; these are adults, and they have the ability to move with us and move against us, and the popular thing is to move against us right now. That is how we all get elected, and that is how they all get elected, too, because they are looking at the prospect of getting elected now.

Mr. KAGAN. Speaking for myself, although I think that others would agree, I don't think we disagree about not wanting to sever our relations with Egypt. The question is how to manage that relationship effectively.

Mr. ACKERMAN. That is the question.

Mr. KAGAN. And, in fact, the question about——

Mr. ACKERMAN. The question is do you manage it effectively by threatening them back?

Mr. KAGAN. It is not—I guess I would have to—first of all, I think I disagree somewhat with your analysis of what is going on in Egypt. This is not simply a public nationalist outcry. This specific issue with the NGOs, the Egyptian people didn't think twice about this issue until it was raised by Fayza Abul-Naga. She was the one who created this issue, as it had been before. The Egyptian people now have been spun up on this issue, that is true, but the reason this issue was raised was not because of the resentment of the Egyptian people at the United States, it was raised as part of an internal power struggle for people who are holdovers and the military to stay in power. So this is not——

Mr. ACKERMAN. I would strongly disagree with you that this was orchestrated at all by the military. I think your first inclination as to who orchestrated it is true, and the military just can't afford to sit by on the sidelines and being out—I won't say what I thought, but being——

Mr. KAGAN. I know what you thought.

Mr. ACKERMAN. Looking less nationalistic without jumping in and saying, me, too, you know. Oh, yeah, you think you are a good whatever whatever it is? I am a better whatever whatever it is than you are. We see that in American politics all too much today, and you are seeing the same thing happening there.

Mr. KAGAN. I have to say I disagree with that analysis of the Egyptian military. I don't think they simply jumped on a bandwagon. I think that they—and Michele has made this point and others have made this point—they do want to quash these protests.

Mr. ACKERMAN. Oh, absolutely. They want to take the finger from being pointed to themselves. They need a scapegoat also. They were part of Mubarak. I mean, you know, they all got their papers signed by him. They worked for him.

Mr. KAGAN. So the larger question, Mr. Congressman, is if—let us say we go down the route that you are suggesting.

Mr. ACKERMAN. I am not suggesting a route.

Mr. KAGAN. Let us say that we don't want to punish them by cutting off the aid, okay, as a hypothetical. At what point—I mean, how far can this go?

Mr. ACKERMAN. I am not saying that either.

Mr. KAGAN. Yeah.

Mr. ACKERMAN. Whether we want to or not, we may have to legally, as I indicated before. But the question is how to best use the aid if we can use it, and how to best use the situation, because we have to accomplish two things. We have to get those people out of the predicament that they are in, and we have to get ourselves and Egypt in a better position because they are important to us, as we are important to them, and how do we take advantage of that mutual dependency rather than just end it, which could be very, very disastrous in the overall region.

Mr. KAGAN. Certainly. And I want to pass this on to others who I know have thoughts. What I would argue is it may be salutary for the Egyptian people to know that there can be a very high price, and I don't know that we are doing them any favors if we try to pretend that there is no price for the kind of behavior that their military and their government is carrying out. But let me just let this——

Mr. CHABOT. The gentleman's time has expired, but if other panelists would like to comment, they can briefly.

Ms. DUNNE. Thank you, yes. I would like to add something to the Congressman's question of how do we get them back on track, or what can we do. I think, you know, the United States has to try to send a two-sided message here. I mean, the one side is that we really want to help Egypt in this transition. We want to do more for them.

The administration has put forward—you know, has a debt-relief plan. I think we should be moving toward opening free trade talks. I mean, there are even new and expanded forms of assistance that we would like to offer to a democratizing Egypt, so somehow send them the message that we are not out here to beat you up, we are out here to help you and support you, and there are a lot of good things that we can do together. However——

Mr. ACKERMAN. It is hard for our Government to convince the American people of that sometimes.

Ms. DUNNE. Right. This issue has to—this civil society issue has to be resolved, and I do think that—I agree that maybe it wasn't the military who instigated this campaign against NGOs, but they have gone along with it, and they do hold executive authority. Until a President is elected, they are in charge, and they will have to be responsible. So maybe we can help them find a way out of this crisis, but they need to ultimately take responsibility. It really isn't legitimate. They can't do it.

Mr. ACKERMAN. That is basically what I said in my statement. Other parties have to do what is in the real best interests of their country.

Mr. CHABOT. Mr. Trager, and then Dr. Wittes.

Mr. TRAGER. Thank you, Mr. Chairman.

Just sort of jumping off what Michele said, in terms of portraying the United States as wanting to help Egypt, I think it is important to emphasize that the NGOs were actually part of that transition. I mean, what these NGOs were doing to a limited extent, but were doing in Cairo is training people for, you know, to participate in the elections that the military insisted on organizing, and I think that point really needs to be put out there. I mean, the second thing——

Mr. ACKERMAN. If I could just add.

Mr. TRAGER. Yeah.

Mr. ACKERMAN. Those NGOs were there before this military ever thought there was going to be a free and fair election.

Mr. TRAGER. Yes.

Mr. ACKERMAN. Okay.

Mr. TRAGER. But what they were doing during—I mean, they had many more activities over the past year. They were traveling around the country; they were helping to build, you know, democratic support, teach people how to vote, how to organize for elections, things like that, which is why it is ironic that they have been targeted in this way. And I also want to reiterate what I was upset about, the military's role in this. The state-run press has been very, very aggressive in going after these NGOs and portraying them as American pawns, and that is the Egyptian citizens.

The second point that I think is worth making is we need to set clear red lines as to what kind of behavior we are willing to tolerate, because this aid should not be an entitlement, it should be something that is given to help certain ends. One of those ends may be the promotion of more democratic rule, one of them is the treaty with Israel, one of them, of course, is the safe travel of our citizens, and when they pass those red lines, we need some kind of response.

Mr. ACKERMAN. You didn't include the also important topic that we need them to do, and that is to cooperate with us on the international war on terrorism and not to join on the other side.

Mr. TRAGER. You are right. I mean, on that, Egypt is heading in an especially worrying direction, given the rise of the Muslim Brotherhood, the likelihood they will control the next government, and their inclination toward inviting more radical Islamist parties into the coalition, particularly the Salafist al-Nour Party. But also there was an attempt to give al-Gama'a al-Islamiyya certain roles within the committees of the new Parliament. Al-Gama'a al-Islamiyya is a U.S.-designated terrorist organization.

So Egypt is moving in a worrying direction, and I think it is important to really make a statement now about what kind of behavior we will want to tolerate.

Mr. ACKERMAN. I am sorry, Mr. Chairman, but do you see the victory at the polls, to the extent that it was, of the Salafis as something that was a welcome occurrence in the eyes of the Brotherhood?

Mr. TRAGER. No, no, I think it was something that surprised them.

Mr. ACKERMAN. I think it shocked them. I think they are more fearful of that than the democratic kids that were dancing in the streets and wanted, you know, to have an economic opportunity to be like the kids in Israel.

Mr. CHABOT. Dr. Wittes, go ahead if you want to comment briefly.

Ms. WITTES. Thank you, Mr. Chairman.

You know, Congressman Ackerman, in your opening remarks you mentioned that the demand for dignity is behind a lot of the events of this past year, and I think that that really gets at the heart of what we are talking about here. It is dignity, but it is also oppor-

tunity. The young people of Egypt who made this revolution didn't just want to overthrow their government, they wanted the opportunity for betterment that was denied to them, denied to their parents, and they know that that means they need to be connected to the world. They know that—and they want to be connected to the world, and they want to be connected to the West, and they want to be connected to the United States.

So if the question is how can we help to create a structure, a broader structure, that can incentivize a transition that gets back on track, I think we have to pay attention to what it is they say they want, and as Michele was suggesting, I think we have tools at our disposal we can use to try and act as magnets. But I think this is really a case where we have to stay engaged, we have to do a lot of talking, and we can't sort of lash out and cut off our own options as we engage in that dialogue.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Virginia Mr. Connolly is recognized for 5 minutes.

Mr. CONNOLLY. Just 5 minutes?

Mr. CHABOT. 5 hours.

Mr. CONNOLLY. Thank you, Mr. Chairman.

Just an observation, Dr. Wittes. Everything you just described could have been said in 1979 about Iran. All they want is to better their lives, you know, and the old regime didn't allow for it, and that is all they are really trying to do, and we need to keep the dialogue going, and, you know, we shouldn't just, you know, lash out at them and so forth. I am not saying that what is going to happen in Egypt is necessarily analogous to what happened in Iran, but what you said, I was on the Hill in those days, was eerily reminiscent of things one could have heard back in 1979.

Let me ask this question, and maybe I can start with you, Dr. Kagan, but what is different about this is somebody, whoever, the military, the transitional government, I don't know, certain elements of the Muslim Brotherhood or the Salafists or somebody, somebody decided to pick a fight with the United States, deliberately, consciously pick a fight with the United States, on a bipartisan basis and knowing with the full knowledge, malice aforethought, we were their largest bilateral aid donor, we have trained their military since Camp David Accords, we have provided the equipment for their Air Force and everything else. It is a terribly important relationship, and they made a calculation either that it wasn't really a real risk, or, if it was, it was still worth it, given what other agenda, domestic, political, whatever it might be. And that, to me, is what is troubling.

I mean, putting aside all other considerations, I just wonder if you might comment on that, because, you know, just as they have domestic politics, so do we, and there is a limit to what we can explain to our own constituents about—in fact, the chairman, I think, gave voice to it, you know. We have this multibillion-dollar aid relationship, and 70 percent of the polls say they don't really want it, and meanwhile they are sort of all but kidnapping, you know, NGO reps, U.S. NGO reps, who are hardly undermining democracy or established institutions in Egypt, they are there to help with the

democratization, as they do in so many other countries around the world.

Mr. KAGAN. It is an excellent question, Congressman. I think the answer is that the people who did this—and it was not the Muslim Brotherhood and the Salafists, it was this minister, I think, backed by the military—they do not, did not, and maybe even do not believe that the aid is really threatened. I have been struck in conversations with administration officials who have met with Tantawi and others, and every time they have a meeting with him, he is surprised that there was talk about cutting off the aid. And so I think where we are with the Egyptian military right now is they think our relationship with them is so vital that they can do this, and at the end of the day we still won't cut off the aid. And it is that mentality that I am worried about going forward with in the relationship.

Mr. CONNOLLY. Dr. Dunne.

Ms. DUNNE. Thank you.

Yes, I agree with you, Congressman, that someone did pick a fight deliberately with the United States, and this has been deliberately escalated. That seems quite clear. It is partly to get at civil society and get at the liberals through the United States, you know, and I——

Mr. CONNOLLY. Trying to go after liberals is never a good thing, but go ahead.

Ms. DUNNE. And I agree with what Dr. Kagan said, that I think the SCAF didn't really believe that U.S. aid would be threatened.

I also think that we don't understand all the internal dynamics of this, and that there might be other parts of the Egyptian Government who wouldn't be that sad to see the military lose its assistance from the United States. I don't think all the dimensions of kind of, you know, the internal machinations behind this crisis are clear to us.

Mr. TRAGER. I think that is right, but, I mean, I think, you know, one thing to think about in terms of framing our partnership with Egypt and moving forward—and certainly everyone here believes that we have to have a relationship with Egypt given its centrality in the region—is what does it say about the political intelligence of the military that would prevent these NGOs, these NGO workers, including the son of a Cabinet Secretary, from traveling? I mean, if this is our partner in Egypt and our key ally in Egypt, we are in big trouble.

And I agree with what Bob Kagan said about the fact that the military really doesn't think that this is on the line, thinks that America would never cut the aid because it views it as an entitlement, and when they are preventing Americans from traveling, when they are gratuitously cracking down on NGOs, when they are using the press to spread anti-Americanism in an environment that is already increasingly inclined toward extremism, that is a very worrying thing. And I think that now is the time to put them on notice because otherwise there will be bad behavior, more bad behavior.

Mr. ACKERMAN. Will the gentleman yield?

Mr. CHABOT. The gentleman is granted an additional minute to yield if he would like to because his time is expired.

Mr. CONNOLLY. I would, and I want to also, Mr. Chairman, with your indulgence allow Dr. Wittes also to have her chance to reply.

Of course, Mr. Ackerman, I would yield.

Mr. CHABOT. Okay. We will give the gentleman 2 minutes, 1 for Dr. Wittes to respond and the next for Mr. Ackerman.

Mr. ACKERMAN. I just want to insert one notion into our thinking. We are looking at the action of one person motivated by whatever as the basis of the relationship between two countries. I mean, just think, if an American judge, presented with a formal accusation from an American person or a person in America, could stop a French citizen who maybe is an international financier from getting on a plane and leaving the country at the last minute, does that speak of America's attitude toward France?

I mean, I know Egypt is not the democracy that we think that we are, but nonetheless, when you have somebody presenting a case to a judge, and a judge orders a thing, and there is an order issued, I mean, this is something to think about. Of course, here we all wait and see because everybody is innocent until whatever whatever, but there everybody piled on, and there is different motivations. But it is just something to think about in the background as we ponder this through as far as is this the relationship.

Mr. CHABOT. Dr. Wittes, if you want to respond to Mr. Connolly.

Ms. WITTES. Thank you.

Well, let me say in the uncertain environment that Egypt has faced over the past year, nationalism sells, and I think we have seen that, that it sells very effectively. But I don't think it is in any way a foregone conclusion that Egypt is therefore destined to go down the same sort of reactionary rabbit hole that Iran went down after Khomeini took power; Khomeini, who went and purged everyone who disagreed with his plan for the establishment of an illiberal theocracy.

That is not what we see in Egypt today. What we see in Egypt today is a very contested, very pluralistic environment, and a lot of people, notably those in civil society, but also many in Parliament, who are keenly committed to establishing the democratic institutions that are necessary to prevent that sort of theocratic takeover from occurring. And that is one of the reasons why continued support for civil society is so important, because it is civil society that will help hold these new institutions accountable.

So I think what we really need to do is avoid playing into this cheap anti-Americanism and support those who are going to follow the constitution-making process, hold new democratic institutions accountable, and offer up this vision of what a relationship between the United States and a democratic Egypt would look like.

Mr. CONNOLLY. Mr. Chairman, if—I agree with you wholeheartedly, and I absolutely agree that the comparison is invidious. Having said that, I also believe we make a mistake if we look vacillating and weak on the issue of U.S. nationals being involuntarily detained in an allied country. That is not okay, and it must be dealt with, and frankly there have to be consequences if it is not.

Thank you. I yield back, Mr. Chairman.

Mr. CHABOT. Thank you.

The gentleman's time has expired. We will go to a second round here, and we will try to keep it within the 5 minutes if anybody

has any additional questions, at least we will up here. I will make sure that I don't go over 5 minutes myself. So if you could keep your answers within my 5 minutes, I would appreciate that as well.

First of all, Mr. Trager, you made a comment relative to U.S. aid not being an entitlement or shouldn't be an entitlement, and I agree with you. I think that is one of the problems that this country has made over the years is that we tend to give a lot of aid to a lot of countries, and we oftentimes tend to accept, even though we may not like it, all kinds of behavior which is anathema to us or the principles that we stand by, and that we are afraid to withdraw that aid or cut it off or reduce it because we think we will get even worse out of this country, or somebody that we were at least working with will go completely off the deep end, and so we keep giving a lot of aid out.

Now, if you look at it as a proportion of our budget, you know, people can argue, well, it is a relatively small percentage, et cetera, but, again, we are $1.3 trillion in deficit spending this 1 year alone, so it is a real problem.

What would be your response to that, or what should we do? How should we handle that particular issue so that countries around the world take the United States seriously; that we give the money, but they do have to stick with certain principles that we as a Nation stand for, freedom, and not abusing your citizens, and not spitting in our face, which is done quite frequently around the world, and done without any consequences oftentimes? So if you would like to respond.

Mr. TRAGER. Thank you, Mr. Chairman.

I mean, I think the key is reframing the aid, you know, as we agree, away from being an entitlement and toward being an exchange. I mean, it is true that the Egyptian revolution was about dignity and trying to reclaim dignity, and one of the ways to, you know, help them do that and to create a more equal partnership with them is to make an exchange in which aid is given because they satisfy or help satisfy certain very narrow American interests.

There may also be certain areas of common interests on which we can work together. For example, the Muslim Brotherhood leaders that I spoke to are as concerned as we are about the instability in the Sinai and the possibility that that instability will create a crisis between Israel and Egypt, which they say they want to avoid. But the point is using the aid in such a way that we are focused on narrow interests and not on sustaining a long-term relationship with military leaders who, frankly, will soon be exiting power. America has a record of betting on the wrong horse far too frequently in the Middle East, and I think we need to use the aid to be more nimble.

Mr. CHABOT. Thank you.

One follow-up, one more thing, and then if anybody would like to address that. I have 2 minutes left, and I am going to stick to it.

Egypt has traditionally been looked at by much of the region as the leader in the Arab world because of population and history and all the rest, and I think rightfully so. With what they are going through right now, how does that look in the near and long-term

future, and what can we do to make sure that if they are a leader, that it is a leader in the right direction?

Dr. Wittes, if you would like to—we will go down this way real quickly this time.

Ms. WITTES. Thank you, and I will try to be brief.

You know, I think your question about assistance actually links to this very well, because one of the new items in the Fiscal Year 2013 budget that the administration sent up this week is a new $770 million Middle East incentive fund, which is designed, I think, precisely to get at the issue that you raise and to say that for those governments that are willing to make decisions that advance human freedom, that advance dignity and opportunity for their people, that accord with the interests that we share in democratic development, there can be this funding available. And so rather than having a sort of bilateral entitlement or a very narrow, transactional, issue-by-issue kind of aid relationship, you can have something that is on the basis of a shared understanding, and I think that might go a good way to addressing your concern.

Mr. CHABOT. Okay, thank you.

I have got 45 seconds left. Doctor, you have got 20 seconds, and, Doctor, you have got 20 seconds, too.

Ms. DUNNE. Well, I would just add that I think that the bargain that we reached in Egypt in the—with Egypt in the 1970s needs reinventing. I mean, the Egyptians understood it as as long as we keep the peace with Israel, we get the aid, no other conditions. And clearly the United States, of course, wants Egypt to keep the peace with Israel, but also is, you know, increasingly interested in the development and the democratization of Egypt, and therefore, you know, we need to have a new understanding based on that.

Mr. CHABOT. Okay. Thank you. My time has expired. So thank you very much, and I yield now for a concluding 5 minutes to the gentleman from New York.

Mr. ACKERMAN. I thank the chairman again.

The original aid package to both Egypt and Jordan was predicated in strong measure because of their willingness to be peaceful countries within the region, for signing a peace accord with Israel, for recognizing the international treaties and obligations that they had, and for sticking to that. I don't know too many who would argue that a stable Israel in the region as a democratic ally of the United States is a narrow interest, and basically the money to Egypt way back when—and some of us were around almost when that happened—it was because they were willing to do that and to show other countries in the region that if they followed suit, good things can happen to them as well.

That money is still important to Egypt, and the principle still makes a lot of sense to a lot of people. I think the last thing the military in Egypt would like to do is to be involved in an altercation with the Israelis. They are a lot smarter than that. They have affirmed, and it is important for us to hear that, that they want to keep all of their international obligations and will quite readily indicate that they understand what we are saying, and they will verbalize it, too, and certainly have. They are an important part and component of this.

They are in a delicate situation. The judiciary is in a delicate situation. They are supposed to be an independent judiciary, not to be influenced by political considerations, because we want them to be a democracy, or so we say, but it seems to me that some want them—and I am not justifying anything they have done, God forbid, in this instance. Some seem to want them to be a democracy, and when the judiciary makes a decision that we don't like to investigate a case, we say, oh, no, you can't do that; you have to forget about whatever you think your law tells you to do and do what we tell you to do. How would we like it if some country we have a relationship with said, forget about what your court just did, we are too important to be subject to your law?

I mean, we are in a predicament here. If we are insisting that they become a democracy with an independent judiciary, how do we start out with disagreeing with their judiciary? And I disagree with their judiciary; they are outright wrong. This was a political decision, and yada, yada, yada. But I think sometimes our Supreme Court makes those kind of things, too, but nonetheless we don't abdicate all of our other responsibilities. We try to move on.

This is a complicated issue, and, yes, we cannot be pushed around by anybody who decides to seize our citizens. This is, in part, how we are going to be viewed in the region, and that is what diplomats are for. We have to try to figure out a way, and some suggestions have been made to some parties over there, and they are being made by some of our diplomats right now, to try to get this resolved in a reasonable fashion. It is not without warrant that we have some hope that these things can happen. There are histories that show that there were tougher incidents than this all over the world that have been resolved.

I just want you to respond to that, and maybe if the chairman likes, we can wrap it up.

Mr. KAGAN. Just quickly, this is not a situation where a judge has brought, you know, charges against citizens of another country and the U.S. Government or any government has to deal with that problem. The analogy would be more appropriate to say that the U.S. Treasury Secretary ordered a court to start proceedings against a foreign national, and that is where we—that is much more like where we are right now.

Mr. ACKERMAN. But the Justice Department has taken up the case, and they have brought charges.

Mr. KAGAN. That is right, at the instigation of the government. I agree with that. That is where we are now. It is not——

Mr. ACKERMAN. As a matter of fact, members of the SCAF were here at the time during the week actually meeting with me when they got word from Cairo, and they were very surprised that charges were about to be brought, and their string was pulled, and they left their meetings that they were supposed to have the next day with the Senate and hightailed it back. They were caught very much by surprise that the formal charges were brought, it would seem. But nonetheless, formal charges were brought by the courts. There is an investigation going on. I mean, you know, it is not a pure analogy, but that is what has happened.

Mr. CHABOT. The gentleman's time has expired.

Dr. Dunne?

Ms. DUNNE. Congressman Ackerman, I would like to draw your attention to a statement that was put out by 29 Egyptian NGOs today discussing exactly this issue, is this really a genuine, you know, judicial case, and they go in detail in that statement into all the things that indicate that this is a completely political case, the specific choice of judges who are known to have links to the state security courts, et cetera. This case has been thoroughly politicized, and before it ever became a Ministry of Justice investigation, there was an extensive——

Mr. ACKERMAN. I agree with that. I am not justifying it. I think this whole thing is a bunch of political overhyped hokum. There is no merit to this case whatsoever. This is rigged, but, you know, it is a rigged case within a rigged system, but it is a new rigged system that is just getting started. We don't know what to expect from it if they are going to be a real democracy in the end.

But the point is there is an enigma here, and what we think we can demand of a country that is just starting to exercise its own self-notion that they have been unfettered from dictatorial rule and want to exercise their own self-governments under their own system, and I think when that happens, people seem to lock in when they are dictated to by others, even though it is an enlightened other in our case, as to what they have to do and what they should do.

Yeah, the system is rigged, I believe that 1,000 percent, and I haven't seen the statement, but I am sure it is accurate. But, you know, what do you do about it, given all the givens that we have, and we have a lot of givens here.

Mr. CHABOT. Dr. Dunne, did you want to finish your thought?

Ms. DUNNE. Just briefly, Congressman. I would point out that there are a couple of previous cases; for example, the case against Dr. Saad Eddin Ibrahim and the case against Ayman Nour. These were political opponents of the regime. There were politically inspired judicial cases against them, and in both of those cases, when the Egyptian Government decided that it had gone far enough and the costs had gotten too high, they found a way out of it. They referred Dr. Saad Eddin's case to a higher court that then acquitted him on all charges. In Ayman Nour's case they decided to release him on health grounds. So they get themselves into these situations, and they can get themselves out of it once they have decided to do so.

Mr. ACKERMAN. Exactly, and we are looking for those grounds right now.

Mr. CHABOT. Mr. Trager and Dr. Wittes, did you want to comment?

Mr. TRAGER. I would just echo what Michele said, that that actually shows the importance of taking this moment right now to send a clear message that there are red lines, and that our aid is conditional and not an entitlement.

Mr. CHABOT. Okay, thank you.

Dr. Wittes, we will conclude with you.

Ms. WITTES. Thank you.

I think it is important to recognize that this is the result of contention inside Egypt, and what we have to ask ourselves is who is it that we are trying to partner with. So we can be outraged by and

make demands of and have expectations of those who created this problem and those who are managing this problem, but we have to keep our eye on the ball of the relationship we need to build with those who will be running Egypt in the future, and I really thinks that is where we should be directing the focus of our attention. Thank you.

Mr. CHABOT. Thank you.

We would like to thank the whole panel this afternoon for their contribution to the understanding of this issue. I think it was very good testimony from all four of the witnesses, and, without objection, all members will have 5 days to revise and extend their remarks or submit questions or statements of any sort.

And if there is no further business to come before the committee, we are adjourned. Thank you very much.

[Whereupon, at 4:11 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

Subcommittee on the Middle East and South Asia
Steve Chabot (R-OH), Chairman

February 8, 2012

You are respectfully requested to attend an OPEN hearing of the Subcommittee on the Middle East and South Asia, to be held in Room 2172 of the Rayburn House Office Building **(and available live, via the WEBCAST link on the Committee website at http://www.hcfa.house.gov)**:

DATE: Wednesday, February 15, 2012

TIME: 2:30 p.m.

SUBJECT: Reflections on the Revolution in Egypt, Part One

WITNESSES: Robert Kagan, Ph.D.
Senior Fellow
Brookings Institution

Michele Dunne, Ph.D.
Director of the Rafik Hariri Center for the Middle East
Atlantic Council

Mr. Eric Trager
Ira Weiner Fellow
Washington Institute for Near East Policy

Tamara Wittes, Ph.D.
Former Deputy Assistant Secretary of State for Near Eastern Affairs

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON MESA HEARING

Day Wed **Date** 2-15 **Room** 2172

Starting Time 2:45 **Ending Time** 4:11

Recesses [ ] (____to____) (____to____) (____to____) (____to____) (____to____) (____to____)

Presiding Member(s)

Steve Chabot

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [ ]
Electronically Recorded (taped) [ ]
Stenographic Record [ ]

TITLE OF HEARING:

Reflections on the Revolution in Egypt

SUBCOMMITTEE MEMBERS PRESENT:
Ackerman
Turner
Chabot
Carnahan

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] **No** [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED 2:11

Subcommittee Staff Director