

Egypt's Foreign Policy in New Realities

Statesmen's Forum with H.E. Nabil Fahmy
Minister of Foreign Affairs of the Arab Republic of Egypt

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Location: Center for Strategic and International Studies, Washington, D.C.

Time: 1:05 p.m. EDT
Date: Monday, April 28, 2014

Transcript by
Federal News Service
Washington, D.C.

DR. JON ALTERMAN: Good afternoon, and welcome to CSIS. I'm Jon Alterman, the director of the Middle East Program and the Zbigniew Brzezinski Chair in Global Security and Geostrategy here at CSIS. It's a pleasure to look out and see not only my old friends, but also old friends of our guest, Minister of Foreign Affairs of Egypt Nabil Fahmy.

Many of you know Minister Fahmy from his nine years as ambassador to Washington, from 1999 to 2008. He is a native New Yorker, having been born there when his father was serving as a diplomat at the U.N. He had a distinguished career in the Egyptian foreign service, serving not only as a nonproliferation expert, but also as Egypt's ambassador to Japan before he came to Washington. He was the founding dean of the School of Global Affairs and Public Policy at the American University in Cairo. He came out of retirement for a second career, or whatever it was, to become Egypt's foreign minister about nine months ago. He is a graduate of the American University in Cairo with a background in both math and physics, so he's smarter than almost all of us, and then got a master's in management. I'm pleased to welcome Minister Nabil Fahmy. (Applause.)

MINISTER NABIL FAHMY: Thank you, Jon. Thank you very much. And thank you all for being here and for inviting me back to CSIS.

It was always a pleasure when I was ambassador here to come to CSIS to gain insight and knowledge from the audience and the participants, and being invited to come back here again on my first visit as foreign minister to Washington, I think was the appropriate thing and the wise thing to do. It has nothing to do with intelligence and my educational background. Anyone who decides to come back into government after the private sector—that's not a best indication of intelligence— but it is at least a reflection of responsibility that I think many of us in Egypt have now in dealing with a very special moment in the evolution of our country.

Ladies and gentlemen, let me just get to the point as quickly as I can and try to share with you my insights about what's happening in Egypt and what I think is important—what's important to us, and hopefully, what's important to you. To cut a long story short, we've had two revolutions in two and a half years. We've had two presidents who have left office. We've changed governments six or eight times over the last three years. And I would just invite you to put all of that in context by reflecting on the fact that for 60 years—from 1952 to 2011—we had four presidents. At the end of this month, over a period of three years, we would have had four presidents.

And that's not the only change that's occurring. It's also a very fundamental transformation in society. When you have that sequence of revolutions and the frequency of revolutions it's obviously going to have a bit of a turbulent transition. We've had a failed

experiment in political Islam, and a political process that seems to be in constant correction and a constant state of flux.

But one thing that I think we should all keep in mind in looking forward: We are building a new Egypt. We are building a new reality, because Egyptians, more than and more importantly than anybody else, want a better country for themselves and want to be able to participate in defining how that country works and the decision-making in the future.

In Washington, much of the focus has been on our politics, and that's understandable. Washington, by definition, is a political capital. But again, I'd invite you all to take a step back and look a little bit more deeply at Egypt and what's happening here.

We are seeing political change, but the real transformation, and the genesis of all that change, is the generational change in my own country in particular, but also throughout the region. One out of every five Egyptians is between 15 and 24, and if I take that up to 30 years of age, 65 percent of our population is somewhere below that figure.

The two revolutions we had in 2011 and 2013 were essentially fueled by youth. They were also, if you add to that the freedom and flow of information, which encouraged youth and society to look at the different options, that's an additional factor, but the desire for youth to define their future I think was the instigating force. And of course, whether it was the youth or society in general, they were calling for, and remain calling for, better governance, more accountability, more transparency, and that's why we are going through this political process.

As I said just a few seconds ago, Egypt is just an example, in fact the prime example of what's happening in the Middle East. The same demographic currents, the same issues, the same catalyst of freedom of information, and the same desire for change, I argue exists throughout the Arab world. If a quarter of the Middle East lives in my country then you can obviously sense that the demography is about the same throughout. The freedom of information also exists throughout the Arab world. And the need to have better governance exists in most of the Arab world.

We will see change –no question in my mind whatsoever– throughout the Arab world. Whether that is change that comes by way of revolution, evolution, institutional reform –and at what pace– will be determined by each and every country and the consequences there. But change is occurring. It will happen. The Arab world a decade from now –and if I'm slow, two decades from now– will definitely be different from what it is today.

It is precisely the Brotherhood's failure to heed the desire by our societies to be part of developing the future that led to the failure –their failure in managing Egypt during the year that

they were in office. It was the inability of those in power –which, frankly, was also the case in the previous revolution– the inability of those in power to understand that while you have gained power, the real calling among Egypt’s society is participation in determining the future, being part of the political process; that you cannot marginalize any member, any group in society, and you cannot pursue an exclusive view of Egypt.

This was not a challenge, frankly, and a question about simply good governance, but in the case of the second revolution, it was much more about the threat that most of us felt about our whole identity being taken from us and being defined in a fashion that, for most of us, went well beyond what we could accept.

For many Egyptians, be they Muslims or Christians, the specter of the estrangement within their own society, of an assault on their national identity, was the driving force behind the 2013 revolution. The fact that we were not all going to be equal, but be divided by our religion, our ethnicity or our political creed, was what people rejected in 2013.

We are now in the midst of developing a political system after that second revolution, and the real challenge is: How do we place –put in place the foundations for a system that is accountable, transparent and inclusive for all Egyptians that want to accept the charter as the– excuse me, the constitution as the basis for how Egypt is governed and want to agree and disagree, where they may, peacefully through political dialogue.

If one looks at the constitution I just mentioned –and I’m actually quite proud of the constitution– I think by any account it’s a very significant transformation, especially on issues of civil liberties. Whether they relate to gender equality, freedom of expression and religion, it is an extremely progressive framework that essentially invites Egyptians to come together. And I do believe that while it is a document we can all be proud of, it’s also a document that will call upon us and will demand upon us as Egyptians to do tremendous amount of work in the years to come as we review not only our practices but also our laws and how we deal with each other in the political system. But the foundation is there now, and that’s fundamentally what was different from what happened after 2011 when we went into electoral politics directly without putting together first a constitution which defined the parameters and who we were and how we addressed things.

Now, a constitution for me is the most prominent, most important document, but it’s not the only challenge Egypt will be facing in the years to come. I mentioned Egypt presently is about 90 million people. By 2030 it will have crossed a hundred million. Seven hundred and fifty thousand new Egyptians join the workforce every year. That essentially means unemployment rate of about 13 percent. It’s higher even among educated youth. The challenge

economically is daunting in many respects. We need to grow anywhere from 8 to 10 percent a year just to make ends meet on this issue of unemployment and to do that for a period of at least eight to ten years as well.

Daunting as that might seem, the challenge is even more magnified when one looks at Egypt's future resource requirements. Today we are net importers of food, water, energy and capital. Given the imperative of economic growth, sustained economic growth to deal with our demographic trends, Egypt will face a widening gap between resource demand and domestic supply.

That being said, with an energized society, I'm confident in Egypt's ability to rise to the challenge of creating a better future, which will be even driven increasingly by the absolute imperative of sustained economic growth, increased resource and demographic pressures and all of this against a backdrop of rising demand for greater pluralism and political openness driven by demographic and social change.

It is in this context, ladies and gentlemen, that Egypt's foreign policy will be determined. As we look to realize the promise of the revolution for a better future, the course of our foreign policy will be critical in realizing that very objective. Indeed, if I were to be asked what would be the overriding strategic objective of Egypt's future foreign policy, I would venture to say it is to provide an enabling domestic, regional and international environment for the attainment of Egypt's future priorities, for the Egyptian experiment in democratic politics based on a civil state that guarantees equality for all of its citizens cannot succeed in a regional context that is distorted and dismembered by sectarianism.

We will struggle to entrench the values of mutual tolerance in a country that is home to the largest Christian community in the Middle East in a region torn by religious extremism. And rebuilding our economy will require Egypt to seek not only a stable environment regionally, free from the scourge of destabilizing conflicts and terrorism, but it will also mandate that we establish a new partnership globally. The aspirations unleashed by two revolution thus requires –indeed, necessitate– an activist foreign policy, one that regains and even exceeds Egypt's historic leadership role regionally and international posture globally.

That being said, our foreign policy must be grounded in the recognition that it unfolds in the context of profound regional transformations, for the Middle East today faces a situation of tremendous flux, unprecedented, perhaps, since the post-World War I era and the creation of present-day regional state system.

As the region's politics become increasingly sectarian, this is –this is having a profound impact on long-standing conflicts. No longer are they defined simply as being between nation-

states but between Sunni and Shia, Muslim and Christian, Kurd or Persian against Arab and Arab against Jew. While conflicts between states are susceptible to negotiated solutions, conflicts based on primordial identity more often defy compromise and become increasingly intractable.

In parallel, we are witnessing a trend towards increasing regional fragmentation. Weak state structures succumb to the pressures of resource scarcity, poor governance and persistent conflict. This is particularly acute in Egypt's immediate neighborhood, where terrorism is being –where terrorism is taking root in North Africa, the trans-Sahel region and in the Horn of Africa. This fragmentation, in turn, provides for an enabling environment for transnational threats such as smuggling, violent extremism and terrorism, all of which thrive in ungoverned spaces provided by weak and collapsing state structures.

The militarization of the region also continues apace. This trend precedes the Arab revolutions but is compounded now with the creeping nuclearization of the Middle East as a result of seriously and comprehensively addressing this issue for generations. And finally, these numerous challenges will unfold amidst the region's own looming resource crisis –water, food, even energy scarcity will be a defining feature of the region's future landscape. In navigating this complex regional landscape, Egypt will seek to reclaim a central role as the intellectual beacon of the region as well as an arbiter of the region's conflicts.

In doing so, Egypt will divide its regional diplomacy neither on the basis of narrow sectarian interests nor the politicization of religion. Rather, it will seek to project its role based on a political model founded on the values of a civil state that is inclusive of all its citizens irrespective of gender, race or creed. We will not stand in opposition to those who adopt a different form of governance or ideology. However, we will stand firm against those who seek to undermine our revolution, kidnap our identity or challenge our sovereignty. Our policies will respond to our immediate economic, social and security needs that will be guided by long-term strategic interests of a nation that is internationalist in its outlook.

Issues of Gulf security, Lebanon, regional proliferation and disarmament have long been the focus of Egypt's diplomacy. To these, we must now add a civil war in Syria, implications of the Kurdish issue, and the overarching Sunni-Shia divide. And then, of course, there remains the Arab-Israeli and its core, the Palestinian question. Contrary to conventional wisdom, resolving the conflict cannot be put on hold as we deal with the plethora of other challenges emerging throughout the region. The aspiration of the Palestinian people for freedom of occupation and national sovereignty should not be postponed for yet another generation.

The tenacity shown by Secretary Kerry in pursuing Israeli-Palestinian negotiations is more than commendable, particularly that it comes at a time when many are giving up on America's involvement in the Middle East. However, we believe that the best approach to

moving forward is to focus once and for all on the fundamental issues of closure that are paramount in defining a true comprehensive peace between the Palestinians and the Israelis rather than trying to resolve the issues incrementally. That in the last few days this process has reached an impasse should neither be surprising nor, frankly, disheartening. We have been there before, but that does not in any way diminish the importance of our continuous commitment.

Ladies and gentlemen, just as we, in Egypt, will seek to reassert our historic role regionally, we recognize that our interests will also necessitate that we cast our sights globally. Here again, we are witnessing profound transformations –a horizontal shift from the Euro-Atlantic region to the Asia-Pacific, a vertical shift from the nation-state to a plethora of non-state actors and a shift in the locus of global governance to a series of informal institutional structures outside of the former framework of the U.N. system.

These transformations provide challenges and opportunities. The changes underway in regimes and frameworks of international institutions require us in Egypt to be more integrated in the emerging global networks, be them intergovernmental networks or otherwise. As we embark on building our economy, we will increasingly look eastwards and southwards. The dynamic economies of Asia provide opportunities for Egypt in the fields of technology transfer, investment, integration into global production chains and, of course, export markets.

And as it looks east Egypt will also look south to Africa in light of its strong roots in the continent. New economic opportunities can provide a basis for a renewed partnership. Our integration into the African fold will once again reinstate our historic role as a leader in addressing the continent's manifold challenges, in the realm of peace and security, conflict resolution, development assistance and technical expertise. Our immediate neighbor, Libya, Sudan and by extension the Sahel, will always top our priorities in the continent.

The global rebalancing of power will afford my country the opportunity to diversify its portfolio of strategic and economic relationships. We will continue to maintain and indeed enhance –let's repeat that because some people keep missing it: We will continue to maintain and indeed enhance our strategic relationship with the United States and with Europe. However, we will also look elsewhere. Our emerging relationship with Russia is one that we will seek to nurture and leverage, not only for the benefit it brings to Egyptians and Russians, but also for the cause of regional peace and security.

It is in this light that I would like to address the U.S.-Egyptian strategic relationship. For decades, this partnership has rested on a common interest. There were certainly ups and downs, however what always anchored the relationship was a sense of confidence on the part of both sides that each would be there for the other during times of need. Recently, the fundamentals of this relationship have been tested and the confidence has frequently been eroded. There were

early indicators that this was coming, but much of this stems from the aftermath of the June 30th revolution.

I do not wish to recap the details of the posturing between Cairo and Washington, or the somewhat erratic response to the development following June 30th. However, one overarching contextual point bears emphasizing. Lately, the difference was, in fact, not so much over policy but was found in the fundamental divergence in the popular narrative on both sides regarding the 2013 revolution. In the U.S., the perception seemed to be that this is a political crisis that can and should be resolved by political means.

For Egyptians, the narrative is different. This is not just a political crisis, but an existential struggle of the identity of Egypt as a people, the nature of Egypt as a society and the future of Egypt as a nation. The wave of terrorism that has intensified in the wake of the overthrow, excuse me, of the Brotherhood regime only reinforced the existential nature of the struggle in the minds of Egyptians –a reality that seems to have eluded many in the West.

The question I would like to pose in closing, therefore, is how we can rebuild the fundamentals of the U.S.-Egyptian relationship on a new and firmer foundation. I put it to you, ladies and gentlemen, that the answer to this question is not a simple one because even before 2011, the relationship suffered from complacency and even, at points and times, stagnation. It will require a candid, honest, conceptual conversation between both sides. That conversation will not conclude during this visit, for much dust still has to settle before a dialogue can intensify and come to fruition, hopefully without delay in 2014.

Nevertheless, allow me to close with a few remarks that may serve, at the very least, as a starting point for this conversation. Firstly, U.S. will always take an interest in internal developments of Egypt, as well as in its foreign policy. We in Egypt should not expect otherwise, given Egypt's political weight and geostrategic centrality. And we will constructively engage to explain what will inevitably be a dynamic and challenging process of change in Egypt.

If we both look forward, we may even ask for help in certain areas of our transformation. However, one thing should remain abundantly clear: Egypt's domestic transition and our politics will be decided by Egyptians, and its foreign policy will be multidimensional and proactive in strengthening present friendships and reaching out to new ones.

Secondly, it is in the interests of both countries to renew the strategic rationale of the Egyptian-American relationship that seems to have gone adrift in the years past. In doing so, we must recognize –both of us– the new realities that we both face. The U.S. must recognize that there is a new Egypt with a vigorous, demanding population, one that will continue to engage the world but will not reconcile itself to a subordinate role or accept outside pressure.

Egypt must also recognize the reality of America's changing interest globally and in the region, and the political and economic constraints that are influencing its role in the Middle East. For Egypt, pursuing an internationalist foreign policy will also mean influencing and being influenced by international actors and international public opinion. As a result, there will be differences of policy and even diversions of interests between the two sides, although I believe less frequently so.

This should not be surprising given the reality of the United States as a global superpower and of Egypt as a regional power. Nor does it in any way diminish the importance of this relationship to both of our countries. I look towards a better future because our relationship has and may still go through turbulent times. But, like Egypt, once settled this will, in fact, turn out to be much stronger in the future. That is our goal: A stronger Egyptian-American relationship.

There is an enduring reality that, whatever our differences, both sides share a considerably array of common strategic interests. Issues of Arab-Israeli peace, regional stability, nonproliferation, counterterrorism, are all strategic challenges that face the interests of both countries, and there are many others as well. Neither of us can address them successfully without the other.

I would venture to add another common interest, a shared vision for the future of the Middle East, one based on pluralism and respect for its ethnic and religious diversity, free from extremism and reconciled to play a constructive role in global peace and security. Thank you very much, ladies and gentlemen. (Applause.)

Dr. ALTERMAN: Mr. Minister, thank you very much for those remarks. We now have about 20 minutes for questions. I'm going to ask three things: First, that everybody just ask one question, that you identify yourself when you're called upon, and that your question be a genuine question, not a statement followed by what do you think of my statement. (Laughter.) So – yikes. That table is very active. Let's go right there in the front. (Laughter.) Michael. Yeah. It's a table of journalists, I can tell. (Laughter.)

Q: Michael Gordon, New York Times. Sir, you discussed Egypt's interest in building a civil society and also improving American relations and building it on the basis of a new foundation. An Egyptian judge today sentenced to death the spiritual leader of the Muslim Brotherhood and more than 680 people. Do you think this sort of disproportionate and mass

administration of justice is consistent with the sort of rule of law you're seeking to build in Egypt? And don't you think it poses an obstacle for any effort to build American and Egyptian relations on a new foundation? Thank you.

MINISTER FAHMY: Let me answer that first by correcting you. He actually did not sentence those people to death. He asked for an opinion from the mufti about their portfolios. That's the first point. Second point is that, if you followed the essence of what I was saying throughout the speech, the whole society is going through a transformation. We will do that with clear objectives. There is a separation of powers that exist today. As we build a modern Egypt, the relationship between these powers will remain independent, but each one of them will develop themselves. If you look at the judicial system, for example, the same system corrected itself today again on a previous decision, even before getting into the appeal process, which still is before any of those accused.

So don't jump to conclusions that a case is determined one way or the other before it is. And secondly, let the legal process follow through. The attorney general, if I'm not mistaken, has actually announced that he is going to appeal a number of the previous verdicts which were issued. This one still has a very long process.

Q: Tom Lippman from the Middle East Institute. On this question of the looming resource crisis, is Egypt engaged in active negotiations with the countries upstream on the Nile about allocation of water resources?

MINISTER FAHMY: Yes and no. We would like to be engaged. The negotiations, particularly between Ethiopia, Sudan and Egypt, were not conclusive, nor were they particularly constructive. But we are looking for constructive negotiations. There's no way Egypt, Sudan or Ethiopia can achieve their development or water requirements on the Nile without cooperation between all three countries.

So my long answer to your question is, are there negotiations now, no, but that's the only way to move forward in order to get a proper solution that satisfies all of us.

Q: Kylie Morris from Channel 4 News in Britain. It's a follow-up question, really, about rule of law. We now have a number of journalists who are being held, including three journalists from Al Jazeera who are being held currently in Cairo, and other human rights groups that are being shot down. I'm wondering how those kinds of actions, particularly the detention of journalists, can be defended, given the kind of progressive language that you use and the importance that you assign yourself to freedom of information.

MINSTER FAHMY: I think the answer is, again, self-evident in what I said. The whole country is going through a transformation. Part of that will be changing laws. Part of that will be changing practices. Nobody has immunity from the law. Nobody should; nobody will. But if one looks at this as a process of transformation rather than as a case-by-case basis – because, frankly, I can't comment on cases before the law. If I was to have commented last week on a case which was inadvertently mentioned, which now was the subject of appeal, I would have taken the opposite position rather than a more progressive one.

So let's let the court decide on the content. But the Egyptian people revolted twice for a democratic system. That is their objective. That is where they're going. But the process will have to go through a transition.

Q: David Mack, Middle East Institute. Mr. Minister, does Egypt have a strategy for promoting Palestinian unity in a way that will enhance the possible resumption of a peace process between Israel and the Palestinians?

MINISTER FAHMY: Yes. I don't think you can achieve peace between Palestinians and Israelis if all the Palestinians aren't on board. By disassociating a group of them doesn't give you any room to move forward. At the same time, if that group does not agree to the basic parameters of peace, which are the Arab peace plan and the Resolution 242 and so on and so forth, then obviously there's a problem there.

I think the comment made recently by President Abbas is a very important one. After the announcement on the program of action toward reconciliation, which is still a program of action, he openly said I'm the one responsible for negotiations; I'm the one responsible for calling together a government. My policy is for peace, comprehensive peace. That's where this government will be responsible.

So we will push Palestinians to move together. That being said, on the Arab-Israeli conflict, look, we're the pioneers of peace in the Middle East, so we will always pursue peace between the Arab and the Israelis, comprehensive peace, ending of occupation in all countries in the region, including the Israelis, living in peace and security on the – in that context.

Q: Mark Vlasic, Georgetown University, but I also work with the Antiquities Coalition, which has been active with your government on trying to help recover antiquities that have been looted from Egypt and from the region.

I'd like to give you the opportunity to comment a bit about your efforts to try to recover these antiquities and where do you think this goes to a global movement to try to stop the plunder of antiquities from around the world. Thank you.

MINISTER FAHMY: Thank you for that. The minister of antiquities was actually in Washington recently. He put together a proposal for a protocol regarding the selling of antiquities and the returning of antiquities.

The problem with this particular discipline is that over the years, the laws have changed and, therefore, also the practices have changed. In the past, whoever found them had a right to a certain percentage of what you found. And then like human rights laws and civil liberties laws, the evolution of those laws have changed, and it's been prohibited to export or just to transport antiquities beyond a certain timeframe.

We'll do some more work with all of our friends around the world to try to ensure that antiquities that are abroad and are not of a strategic nature have to be verified to have been taken abroad legally. There will be some issues where they are of a strategic nature and may have been taken abroad legally according to past laws, but given the historic nature of the culture and the antiquity, should be back in the home country. So we'll be talking to our friends on that.

Q: Radwan Masmoudi, president of the Center for the Study of Islam and Democracy. Mr. Fahmy, you spoke about an inclusive democracy, and yet, since the July 2nd, coup, over 20,000 people have been arrested, over 5,000 people have been killed, hundreds of death sentences. You also spoke about fighting extremism and violence, but the main reason for extremism and violence has been military rule and dictatorship in the region. Aren't you worried that by excluding the Muslim Brotherhood and by using these oppressive measures, you're actually going to cause more violence in Egypt and more extremism in Egypt rather than less extremism?

MINISTER FAHMY: I don't want to get into a debate of your facts and figures because that's not going to be useful, frankly. But more importantly, the question you're asking, take into account two things. First of all, the Muslim Brotherhood were not considered to be a terrorist organization except five months after the revolution.

For five months, the Egyptian government, Egyptian people tried to get them to engage in a political process that's peaceful. What we saw was violence. It's only then –only then, five-and-a-half months afterwards– and I was a member of Cabinet, listened to the debates several times. It's only then that they were claimed to be a terrorist organization.

But I would add to that no civil society, no civilized society anywhere in the world allows for terrorism to be a political tool, and many have declared organizations to be terrorist organizations, Ita in Spain, Baader Meinhof in Germany, the Red Army in Italy, I can go on and on.

Here in America, post-9/11 –I was here in America– you had the Patriot Act and you had Guantanamo. I’m not criticizing anybody, I’m just saying that clearly when you face terrorism and exceptional circumstances, you respond in the fashion that responds to the threat. So do I want to include all Egyptians who are peaceful, who place their identity before their ideology, who accept the constitution and want to accept that they cannot take my identity from me? Sure. But that requires change on their part, not necessarily that they can come in using violence as a political tool. That’s not acceptable.

Q: Barbara Slavin, the Atlantic Council and Al Monitor. Good to see you again, Nabil. This is actually a follow-up to the question from the Antiquities Coalition. I was at an event last week where Deborah Lehr, who heads this coalition, said that hundreds and hundreds of artifacts had wound up in Israel and that the Israeli government had seized them but had not returned them to the Egyptian government. I wondered if you’re aware of this and if you know why the Israelis are not returning these artifacts to Egypt. Thank you.

MINISTER FAHMY: Well, I’m not aware of the numbers, I’m aware that there are issues with the Israelis regarding some antiquities. The exact number, I’m not aware of. And they’ve been dealt with differently. There are some that, frankly, remain outstanding. The inference given, although not the formal answer given, is that they require some politics, and in other cases, they’ve actually handed over, or at least helped in handing over, some pieces. So this is going to be a problem that we need to work together on, and it’s a problem that is very dear to Egypt’s heart.

Q: Sam LaHood, International Republican Institute. Mr. Minister, welcome to Washington, D.C. It’s great to have you back here. My name is Sam LaHood. I was working in Egypt on behalf of the International Republican Institute, and when I was there, in the year after the revolution in 2011, one of your colleagues, Minister Faiza Abu Naga had made accusations that myself and some other people were seeking to divide Egypt, were seeking to work on behalf of Israeli interests in Egypt, and there was a broader allegation that foreign funding was being used to destabilize the country.

Subsequent to that –and in part directly because of the comments she made– I was put on trial with colleagues of mine from the National Democratic Institute and Freedom House as well

as the Konrad Adenauer Institute, and I was convicted with my colleagues in June to five years in prison.

I'm curious, sir, do you stand by those allegations? Is that still the policy of the Egyptian government that we were there working, you know, for the United States government to do those things? Thank you.

MINISTER FAHMY: Let me answer that question both to point and more looking forward. Again, we've had two revolutions in two-and-a-half years, so this whole society will transform itself and have to develop laws and procedures to deal with the new environment that we all want to live in.

That being said, even for NGOs, they need to get a license before they operate. If they don't have a license, they have to follow the law. There's no other way to do this in any country. Now, I'm not going to comment on your particular case –I know the case, but I'm not going to comment on it because it was the subject of a court decision. We will build a more open society for everyone, including local and international NGOs, but it will be done according to international law based on our constitution. And it will be the basis of a number of steps that really develop a democratic society for our people.

Q: Alan Makovsky. Nice to see you again, Mr. Minister. Two regional states were, I think, quite significantly identified with the Muslim Brotherhood government, Qatar and Turkey. And I just wonder, under the new government, how you are managing and plan to manage relations with those two countries.

MINISTER FAHMY: Under our new government or the new government after the election?

Q: Well, how are you managing right now? And – I mean, that's all you can...

MINISTER FAHMY: Neither relationship is going well for the same reason: interference in the internal affairs of Egypt. We have no ideological problem with either Turkey or Qatar as a state and as a people, it is the issue of interference in internal relations that is the source of the conflict. If that stops, there's no reason for conflict between us.

Q: Have commercial ties been affected?

MINISTER FAHMY: In essence, no, but they haven't grown because of the tension that exists.

Q: Bahaa El-Taweal, ONTV channel and The Seventh Day Newspaper (Egyptian media). Mr. Minister, welcome to Washington. You mentioned, sir, the new relations between Egypt and Russia. How do you think Egypt would build the new relations with Russia without maybe negative reflections or negative impact on the current relation between Egypt and the U.S.?

MINISTER FAHMY: There's no reason whatsoever for it to reflect negatively on Egyptian-U.S. relations. When President Obama said that he wanted to pivot to Asia, we didn't take that as a diminishing in our importance vis-à-vis America. There are now a multitude of global players, each of them having a certain particular value, whether it is economically, socially or internationally. So I actually look forward to a stronger relationship with Russia, and I have also said in Moscow, even when I was in Moscow, that this would not be at the expense of the Egyptian-U.S. relationship, and I said here I look forward to an even stronger relationship with the United States, although it should be different because we're entering a new world, and this is going to be a new Egypt.

Q: Noran Salam, Elhayat TV. Mr. Foreign Minister, I'd like to ask, is it a fair assessment now to say that countering terrorism is the issue of common interest between Cairo and Washington at the moment? Is it the only cornerstone – the only issue in common? Of course, I'm basing that on the release of the Apache jet fighters recently. Would that be accurate to say? And can we expect more positive announcements like the appointment of a new American ambassador to Cairo?

MINISTER FAHMY: Well, let me respond in the following fashion. Of course combating terrorism is a common objective. There's no question about that. But I think the relationship is much more than that. And I meant to conclude my comment by saying that we both want a Middle East that is modern, moderate, democratic, and pluralistic. That's what we want. And I'm sure that that's also what America wants.

In the present state of play, terrorism is very high on the agenda. We face it. America has faced it. And we even faced it before America. So we'll work with them on that. I also would argue that the Palestinian-Israeli conflict needs to be refocused on, but also, the situation in Syria has the potential of breaking the Middle Eastern model completely by changing it from a nation-state model to a sectarian model. And that would really create havoc throughout the region. I don't think that serves America's interest. It definitely does not serve ours. But we want to find a solution there.

So my answer to you is yes, but not only that. Will we have other announcements? The announcement that you heard recently was a function of a long discussion between the two sides. We will have other discussions about other aspects of the aid package that also need to be addressed. But I'm not here, frankly, to talk about one particular item. I'm here to talk about Egypt, the new Egypt, and what I believe to be the new outlook on Egyptian-American relations.

Q: Odeh Aburdene, the Capital Trust Group. It will be an economic question. Nabil, welcome to Washington. Egypt no doubt is the center of gravity politically and economically for the region. But the big challenge is the economic one, how you create jobs, how you bring foreign capital. My question to you, here in the U.S., some of the best financial people are American-Egyptians, like Mohamed El-Erian, Tariq Majeed. There are hundreds of them on Wall Street. What is Egypt doing to have these people come and bring capital and get that economic process moving?

MINISTER FAHMY: Sure. The first thing we're doing is trying to finish the electoral process, because everybody seems to be waiting for the electoral process to finish. But seriously speaking, because your question is economic, the present government has given priority and focus on infrastructural projects, energy projects and small and medium-size job –projects to create jobs. So dealing with unemployment is a major issue and priority, and that's what we're promoting around the world.

We have been in touch with a very large number of Egyptian expats abroad, including at least one, if not both of the ones that you mentioned, but also in European and so on and so forth. We've asked them for advice, and some of them have actually visited Egypt. So we're engaging everybody, but also engaging, frankly, international institutions and governments. We cannot meet our requirements, our demand requirements, if we don't have a robust, growing economy. And we will do everything we can to do that. At the same time, we need to create a secure environment for the market to pick up.

DR. ALTERMAN: Mr. Minister, we have exhausted the time but not the questions, so we have to have you back. Thank you very much for joining us. We hope to see you again soon.

MINISTER FAHMY: Thank you.

DR. ALTERMAN: Thank you all for coming. (Applause.)

(END)