

# THE EARTHQUAKE: HOW EGYPT EMERGES FROM UNCERTAINTY

Jon B. Alterman

Egypt is not Tunisia. When Tunisian president Zine El-Abidine Bin Ali fled Tunis on January 14, it was a curiosity in the Middle East. Tunisia had long nurtured pretensions of being more European than Arab, and its relatively small population cast a scant shadow on the Arab world. Its businessmen seemed more comfortable in Paris than Cairo, and Bin Ali had done little to win either the affection or scorn of his fellow Arab leaders. In the broader scope of Arab life, Tunisia did not much matter.

When Husni Mubarak resigned on February 11, it was an earthquake that shook the entire region, and shakes it still. Egypt had long ago lost its mantle as the leader of the Arab world, but it was certainly its center of gravity. How Egypt emerges from its current uncertainty will shape the coming decades in the entire Middle East.

For hundreds of millions of Arabs, Tunisia is a distant relative, but Egypt is an intimate. Egyptians are everywhere in the Middle East, serving in roles ranging from physicians to schoolteachers



to laborers. Egyptian actors dominate the cinema, Egyptian singers dominate the airwaves, and Egyptian writers and editors dominate the newsrooms. The traffic is not all one way. Arabs flock to Egypt for business and pleasure, filling hotels by day and the clubs at night.

Mubarak's departure from power cast doubt over the certitudes that had ruled the Arab world for decades. In three decades of rule, Mubarak had prized stability over all else. What he lacked in creativity he made up for in predictability. Among the elders in the Arab world, Mubarak was one of the few genuine peers, a wily survivor who guided his country through regional wars and a terrorist insurgency. More important, he guided Egypt back into the Arab fold after his predecessor's peace with Israel had made Egypt a pariah.

As Arab leaders charted their course through the challenges of the last two decades, Egypt played a central role. Husni Mubarak was at the front of coalition efforts to push Saddam Hussein out of

Kuwait in 1991, and his reluctance to attack Saddam in 2003 was an important barometer of Arab thinking. Mubarak's carefully modulated approach to Israel—keeping a lid on Gaza while maintaining a distance from Israelis until the Palestinians received their due—met with favor across the region. Gulf Arabs also welcomed Mubarak's outspoken alarm at Iran's alleged activities in Egypt. To them, it showed his acumen. He was a strategist, and he knew the world was full of enemies.

Mubarak's sudden departure from the scene leaves a void, and it is one that Arabs fear will be filled by someone hostile to their interests. It is here that Arab disunity rears its head. If one believes the chatter on Cairo streets, the Qataris are behind the Muslim Brotherhood, the Saudis are supporting the even more orthodox Salafis, the Israelis are comfortable with the military and the remnants of the National Democratic Party, and so on. There is no widespread assessment of who the Iranians are supporting, but little doubt that the Iranians are pursuing their own interests.



The stakes are surely high enough to provoke outside interest. If Egyptian policy lurches in a different direction, it would reorder the political environment from Morocco to the Gulf. An Egypt more hostile to the United States would force many countries to rebalance their relations with the United States; an Egypt less reluctant to skirmish with Israel would cause them to rethink their position vis-à-vis Israel. Similarly, an Egypt that nurtured radicalism would be a fount of radicalism throughout the region. The outbreak of proxy battles in Egypt would be destabilizing, as well, threatening to bring the turmoil of Lebanon to a country of more than 80 million people.

Perhaps most frightening, especially to many of the Gulf Cooperation Council (GCC) countries, is a period in which an introspective Egypt is simply absent from regional affairs. If that were to happen, many of the GCC states would feel exposed. They have long feared Iran, and they have little trust in a Shi'a-led Iraq. Coordinating with Israel is beyond the pale. The populous North African countries of Morocco and Algeria are too remote physically and emotionally to give them much confidence. Without Egypt they would feel vulnerable, left to rely only on a U.S. government that they view to be incompetent in Iraq, ineffective in Afghanistan, and recklessly chasing engagement with Iran. At issue is Egypt's weight more than its military capacity. Without it, many Arab leaders fear they can be picked off one by one.

For all of the regional importance of Egypt, however, the world is sitting on its hands, waiting to see how things play out. At the time of this writing, there have been no major investments, no major tranches of new aid, and no new partnerships. Yet, the Egyptian economy is perched on the brink of failure, with the sudden convergence of anemic tourism receipts, rising commodity prices, collapsing foreign investment, and capital flight. While the economy has not yet gone into free fall, economic weakness could become evident by summer, when election campaigns are under way. In that way, Egypt would be entering its period of maximal political openness at a time of maximal economic disorder.

**If Egyptian policy lurches in a different direction, it would reorder the political environment from Morocco to the Gulf.**

Those who pine for a moderate Egypt need to help create one. Each has different tools. For the United States, announcing the resumption of negotiations over a free trade agreement would send a signal of confidence for where Egypt is headed—and focus U.S.-Egyptian discussions during a period when Egyptian bureaucrats are unsure of their future. U.S. companies should invest in training young Egyptians for high-quality jobs. Surely the energy and creativity of the youths' protests suggest a talent pool worth exploiting on the world stage. The GCC states, benefitting from high oil prices, should invest in Egypt, and especially in sectors that create jobs.

A GCC foreign minister commented privately this month that it would cost “tens and tens and tens of billions of dollars” to save Egypt, but the cost of losing Egypt was even greater. The words are true. The actions have not yet followed. ■