



## INTRODUCTION

The Egyptian economy is growing and with the newfound relative stability of President al-Sisi, Egypt is constructing many massive infrastructure projects such as the New Suez Canal, a new administrative district near Cairo, and manufacturing around the Mediterranean ports with the aim of long term growth. For the United States, Egypt is a key strategic security partner due to its proximity to violent extremist organizations in the region such as ISIS in the Sinai Peninsula, its prime geographic location with the Suez Canal and bordering three continents, and its desire to improve its economic output, trade relations and future. Potentially disrupting a favorable relationship with the US is the stability in a country that continues to work to address the underlying causes of extremism and violence. The US must work to deepen its relationship with Egypt against the potential contrary forces of other world powers and extremist organizations seeking to enhance their influence in Egypt.

As a sign of a strong military relationship between the United States and Egypt, Operation Bright Star was conducted in 2018. The US is providing excess military equipment such as MRAPS to Egypt for its underequipped troops to use in the Sinai against mines and IEDs.<sup>1</sup> Russia has loaned Egypt \$25 billion to build a Russian nuclear power plant in El Dabaa<sup>2</sup> and China has invested heavily in the Suez industrial zones<sup>3</sup>. Chinese tourism has also

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<sup>1</sup> 2019. *Egypt Looks to Receive Additional 1000 MRAP Vehicles from the US*. July 20. <https://defence-blog.com/army/egypt-looks-to-receive-additional-1000-mrap-vehicles-from-the-u-s.html>.

<sup>2</sup> Alsharif, Asma. 2016. *Russia to Lend Egypt \$25 Billion to Build Nuclear Power Plant*. May 19. <https://www.reuters.com/article/us-egypt-russia-nuclear-idUSKCN0YA1G5>.

<sup>3</sup> Al-Youm, Al-Masry. 2019. *China to invest US\$5 billion in Egypt's Suez Canal Economic Zone*. April 28. <https://www.egyptindependent.com/china-to-invest-us5-billion-in-egypts-suez-canal-economic-zone/>.

increased, nearly doubling in a few years and tourism is one of the staples of Egyptian job creation and income<sup>4</sup>. Israel has collaborated with Egypt with air strikes, for example, to combat the extremist insurgency in the Sinai<sup>5</sup>.

There is also a lot of controversy in Egypt. With the fight against extremism, is the Egyptian military also crossing lines? Is the political picture and the role of the military in Egypt drifting towards authoritarianism? Can Egypt remain a US security partner with so much investment from other world powers? This brief examines and analyzes Egypt in light of the 2017 National Security Strategy and 2019 CENTCOM Posture Statement via PMESII-PT and makes suggestions.

## **TIME AND HISTORY**

Egypt has an incredibly rich history and is a global tourist destination for ancient wonders and historical artifacts. The Pyramids of Giza and other ancient wonders throughout Egypt are as old as 3,000 BC and some even older and more are discovered all the time. Tourism and antiquities are a big industry of the Egyptian economy and culture.

Egypt most recently began its constitution in 1922 and established a republic in 1952 after pushing out its monarchy which was influenced or controlled by the British occupiers. Britain occupied Egypt on some level from 1882-1956 when its final troops left the country.<sup>6</sup>

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<sup>4</sup> Staff, Egypt Today. 2019. *Egypt Today*. June 14. <https://www.egypttoday.com/Article/9/71576/Egypt-sees-surg-ing-number-of-Chinese-tourists-Cultural-counselor>.

<sup>5</sup> Kirkpatrick, David B. 2018. *Secret Alliance: Israel Carries Out Airstrikes in Egypt, With Cairo's O.K.* February 3. <https://www.nytimes.com/2018/02/03/world/middleeast/israel-airstrikes-sinai-egypt.html>.

Politics in Egypt has been relatively unstable in the last decade. The government has had two military interventions which were followed by elections in 2011 and 2013, but looks to be set for relative stability with president al-Sisi's term being extended potentially to 2030 by the Egyptian Parliament. There is debate over whether this is stability or steps towards authoritarianism and some protests, unrest and violence in certain parts of the country. Stability is crucial to Egypt's future considering the unrest, violence and political depositions this decade.

## **POLITICAL**

Egypt has remained a presidential republic since July 23, 1952. It was occupied by Britain from 1882-1956 and until 1952 it was a monarchy during that time. Egypt's borders have been relatively consistent since Upper and Lower Egypt joined around 3200 BC.<sup>7</sup>

Abdel Fattah el-Sisi was elected as Egypt's 6<sup>th</sup> president in 2014 with a landslide victory getting 97% of the vote.<sup>8</sup> He was reelected in 2018 in a more controversial election as the Egyptian military had been expressing more control over the country and there were some accusations of authoritarianism coming back into Egypt. The Egyptian parliament has passed laws allowing el-Sisi to continue as president until 2024 and potentially 2030 if reelected a third time, creating further concerns in the media about his control over the country.<sup>9</sup> However, the primary legal changes are to allow 2 terms of 6 years for Egyptian presidents and a third term for

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<sup>6</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>

<sup>7</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>

<sup>8</sup> John Davison, Ahmed Tolba. 2018. *Reuters*. April 2. <https://www.reuters.com/article/us-egypt-election-result/egypts-sisi-wins-97-percent-in-election-with-no-real-opposition-idUSKCN1H916A>.

<sup>9</sup> Masri, Lena. 2019. *Reuters: Egypt's parliament backs measures that could extend Sisi's term*. April 17. <https://af.reuters.com/article/topNews/idAFKCN1RT0MM-OZATP>.

al-Sisi in addition to reinstating an Egyptian Senate and including at least 25% women in parliament and some other changes and reforms to the governmental and legal structure.

El-Sisi is an independent with military background having been a general in the Egyptian army and the Minister of Defence under Morsi whom he replaced after a military coup with mass popular support once there were elections following an interim president, Mansour. When el-Sisi replaced Morsi in 2014, it was the second military intervention to change presidents via election in 3 years. Therefore, while there is criticism of Sisi's control over the country and some of the changes increasing his term limits and increased Egyptian military activity in the country, it can also be seen as some newfound stability after the protests and bloodshed earlier in the decade.

Key for American interests of stability and to combat the underlying causes of extremism is a stable political picture in Egypt with ideally a popular leader. While el-Sisi was extremely popular during the time of his first election, he still won 97% of the vote in 2018 but was less popular with a lower voter turnout in 2018 and there have been small protests calling for his ouster in 2019.<sup>10</sup>

## **SOCIAL**

Egypt's population consists of about 90% Muslims and ethnically 99.5% Egyptians. The remaining 10% of the religious picture is mostly Coptic Christian. Due to the Muslim majority, daily life of business and work revolves around the Muslim culture of prayer, five times a day. It

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<sup>10</sup> Agencies, Al Jazeera and News. 2019. *Al Jazeera: Protests break out across Egypt demanding el-Sisi's resignation*. September 27. <https://www.aljazeera.com/news/2019/09/protests-break-egypt-demanding-el-sisi-resignation-190927135016703.html>.

is difficult for people to move or advance into better economic or class situations and that is largely defined by family ties and history.<sup>11</sup> (People n.d.)

Egypt is a conservative society with deep values of family, religion and traditions. The country's rich history and constant discovery of more ancient relics always keep a stir in the air of nationalism.<sup>12</sup>

For a variety of reasons, extremism has entered the social environment of Egypt. Uprisings have succeeded in changing the Egyptian government twice in a decade. There is an insurgency and active warfare in the Sinai Peninsula between ISIS and the Egyptian military as well as governmental measures that may be intended to stop the flow of extremism and discontent but affect the everyday lives of many Egyptians such as censorship. That extremism has succeeded in some aspects and has perhaps given rise to more and is why there are harsher attempts to stop it.

## ECONOMY

In some ways, the Egyptian economy is modernizing and showing strong and fast improvements in recent years. Unemployment is below 9% and reserves of foreign exchange have reached record highs.<sup>13</sup> The whole economy is growing at 5.5% per year and is expected to

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<sup>11</sup> n.d. *Daily Life and Social Customs*. <https://www.britannica.com/place/Egypt/Daily-life-and-social-customs>.

<sup>12</sup> n.d. *Daily Life and Social Customs*. <https://www.britannica.com/place/Egypt/Daily-life-and-social-customs>.

<sup>13</sup> 2019. *Egypt: A Path Forward for Economic Prosperity*. July 24. <https://www.imf.org/en/News/Articles/2019/07/24/na072419-egypt-a-path-forward-for-economic-prosperity>.

continue to improve and reach 6%.<sup>14</sup> The government is reforming tax and business laws to make everything work better. In theory.

However, there are many signs of continued struggles amidst the reforms. The debt levels are very high and much of the central budget goes to paying back loans and interest. The exchange rate of the Egyptian pound has worsened alongside the increased debt.<sup>15</sup>

Egyptian GDP was \$237 billion OER and \$1.2 trillion PPP in 2017.<sup>16</sup> While the economy is growing faster, the poverty rate has also increased from 28% to 33% in just a couple of years. The currency is worth less than it used to and many people are buying less and merchants are struggling to cut costs, having less income.<sup>17</sup> So while the overall economic picture seems to be improving, the quality of life for most people is the same or worse than it has been in recent years.

Economic instability and poverty are underlying conditions that can give rise to extremism, according to the 2019 CENTCOM Posture Statement. Therefore, the increasing poverty rate should be worrisome for the US as well as Egypt, which is tied to the inflation of the

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<sup>14</sup> 2019. *Egypt: A Path Forward for Economic Prosperity*. July 24.  
<https://www.imf.org/en/News/Articles/2019/07/24/na072419-egypt-a-path-forward-for-economic-prosperity>.

<sup>15</sup> 2019. <https://www.amcham.org.eg/information-resources/trade-resources/egypt-us-relations/trade-investment-relations-profile>.

<sup>16</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>.

<sup>17</sup> Bank, World. 2019. *World Bank: Egypt's Economic Update -- October 2019*. October.  
<https://www.worldbank.org/en/country/egypt/publication/economic-update-october-2019>.

currency and difficulty for young Egyptians to begin careers. Economic struggles were also key factors in previous depositions of Egyptian presidents, such as Mubarak in 2011.<sup>18</sup>

## INFORMATION

Egypt has a culture of protest and popular upheaval in recent years. There were popular upheavals of the government with millions protesting in both 2011 and 2012-2013. There are small protests calling for the removal of al-Sisi in 2019, but with just a handful of people compared to the previous upheavals and the current government is relatively stable.<sup>19</sup>

A core part of these movements is the flow of information. The authorities know this and there is a relatively low level of free press in Egypt. Many news outlets are blocked completely. Some Virtual Private Network sources are also blocked completely.

Approximately 50% of Egyptians have high-speed internet access. Satellite TV is not uncommon but there is censorship of many websites and TV stations where the government is able.<sup>20</sup>

While a free press and free information is often associated with a free and happy society, in Egypt's case information is limited to try to maintain stability. Whether this is successful or is the appropriate response is very debatable and often considered oppressive.

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<sup>18</sup> Agencies, Al Jazeera and. 2011. *Timeline: Egypt's Revolution*. February 11.

<https://www.aljazeera.com/news/middleeast/2011/01/201112515334871490.html>.

<sup>19</sup> Agencies, Al Jazeera and News. 2019. *Al Jazeera: Protests break out across Egypt demanding el-Sisi's resignation*. September 27. <https://www.aljazeera.com/news/2019/09/protests-break-egypt-demanding-el-sisi-resignation-190927135016703.html>.

<sup>20</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>.

## MILITARY

The Egyptian military has taken on a larger role in the country since stepping in to stabilize the country during the 2011 and 2013 uprisings which both resulted in coups and new elections. Al-Sisi, a former General and Minister of Defense, was elected in 2014 and has promoted a greater role of the Egyptian military for better or worse in the country, both as part of development efforts such as digging the New Suez Canal or in stabilization efforts in the Sinai Peninsula.<sup>21</sup> The Sinai conflict is controversial for brutality from both ISIS, insurgents and the Egyptian military's responses.

Egypt's military is relatively modern and buys equipment from all over the world. It is the biggest military on the African continent. It is underequipped compared to the cutting edge militaries of US, China, Russia and their closest allies, but has advantages in its region.<sup>22</sup>

The US is supporting the Egyptian military via joint training and sale of arms. The US sees a stable and more powerful Egyptian military as a good direction for the region, particularly due to peace treaties with Israel.<sup>23</sup>

## PHYSICAL ENVIRONMENT

Egypt's history and present almost completely revolves around the Nile. While it also borders the Red Sea and Mediterranean, the vast majority, 98%, of Egypt's population is along the Nile River and Nile Delta. The Nile originates in central Africa and flows northward to the

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<sup>21</sup> Reuters. 2014. *Gulf News: Egyptian Army in charge of new Suez Canal project*. August 5.  
<https://gulfnews.com/business/egyptian-army-in-charge-of-new-suez-canal-project-1.1367531>.

<sup>22</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>.

<sup>23</sup> GEN VOTEL, JOSEPH L. 2019. "CENTCOM Posture Statement."

Nile Delta into the Mediterranean Sea. All of Egypt's agriculture relies on canals and water flow from the Nile.<sup>24</sup>

Egypt maintains water supplies through damming the Nile. The Old and High Aswan Dam are the biggest dams which help to control the yearly flooding of the Nile, giving regularity to the water flow.<sup>25</sup> Because the Nile originates in central Africa, Egypt's Nile is always at risk of being dammed or affected by other countries, such as Ethiopia's new dam under construction. The countries are currently discussing and negotiating over the amount of water Ethiopia can take to build water supplies behind the dam without creating drought for Egypt and other countries.<sup>26</sup>

The Sinai Peninsula is the most dangerous place in Egypt with an active insurgency against the Egyptian government as well as VEOs seeking routes into Israel. The most prominent VEO in the Sinai is ISIS which the United States has been fighting since its inception in Iraq and Syria.<sup>27</sup> Therefore there is a natural mutual interest in the US and Egypt defeating this group in the region.

## INFRASTRUCTURE

Much of Egypt's key infrastructure is located along the Nile and around the Nile Delta and Suez Canal. Egypt has been working to modernize its infrastructure of roads, its aging state-

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<sup>24</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>.

<sup>25</sup> Jed Higdon, Brendan Sheehan, Ryan Eskew. n.d. *Egypt, the Nile River, and the GERD*. <http://waterandconflict.web.unc.edu/the-nile-river-and-gerd/>.

<sup>26</sup> Jed Higdon, Brendan Sheehan, Ryan Eskew. n.d. *Egypt, the Nile River, and the GERD*. <http://waterandconflict.web.unc.edu/the-nile-river-and-gerd/>.

<sup>27</sup> 2012. *Egypt: Vulnerability of Water Supply*. Declassified/sanitized report, CIA. <https://www.cia.gov/library/readingroom/docs/CIA-RDP97R00694R000500730001-5.pdf>.

run railway, the metro in Cairo and its sea ports. It completed the new Suez Canal, a second lane parallel to the original canal from the Mediterranean to the Red Sea. Egypt has about 90 airports.

Crucial infrastructural needs are more water, modernized and safer transit, and more electricity. Russia is developing a nuclear power plant for \$25 billion. Extensive irrigation canals exist, stemming from the Nile and Nile Delta. The old Aswan Dam and Aswan High Dam are the biggest dams along the Egyptian Nile and control flooding and store water.

Egypt's government is investing heavily into its infrastructure and inviting foreign investment, though attempting to keep as many new jobs and debts within Egypt as possible. Such as with the Russian nuclear reactor at al Dubaa, the contract is to keep most of its projected jobs for Egyptians. The plant will provide up to 50% of Egypt's projected energy needs.<sup>28</sup>

Egypt received a \$12 billion loan from the IMF to stabilize currency and continue to modernize and develop its economy. Egypt has surpluses of electricity, gas and oil that can be exported.<sup>29</sup>

## CONCLUSION

It is a crucial time for Egypt as its population and economy are growing rapidly and its political leadership remains susceptible to the historical pressures from internal dissent and extremism that has afflicted Egypt in the past. The relationship Egypt can have with the United

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<sup>28</sup> Alsharif, Asma. 2016. *Russia to Lend Egypt \$25 Billion to Build Nuclear Power Plant*. May 19. <https://www.reuters.com/article/us-egypt-russia-nuclear-idUSKCN0YA1G5>.

<sup>29</sup> Factbook, CIA. 2019. *Egypt*. <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/eg.html>.

States is very potent as a military and trade ally and there is some risk that Egypt may continue to favor Russia or China due to infrastructure projects, arms deals and tourism links.

The violent ISIS insurgency in Sinai is an opportunity for the US to help Egypt maintain stability and to build upon its relationship for the future. While Egypt is proud to try to deal with its problems internally, it could benefit from guidance and aid for its continued economic development and military actions. Such PSYACTs as providing lifesaving armor and technology to the war zones have potential and are worthwhile.

Joblessness, poverty, oppression and authoritarianism are all potential causes of extremism and uprising. Egypt needs sagely wisdom, stately advice, and tangible-practical methods of increasing the quality of life for its majority populations. With cultural sensitivity and a supportive mindset, the US could develop a relationship deeper than a one-off deal for the future and benefit from Egypt's proximity to other conflicts in the region where the United States presence and stance is uncertain, such as Syria, Turkey, Iraq and Afghanistan.

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