

## **ABOVE THE STATE**

The Officers' Republic in Egypt

**Yezid Sayigh** 

**MIDDLE EAST | AUGUST 2012** 

CARNEGIE ENDOWMENT

FOR INTERNATIONAL PEACE

WASHINGTON DC - MOSCOW - BEIJING - BEIJING - BRUSSELS



# **ABOVE THE STATE**

The Officers' Republic in Egypt

**Yezid Sayigh** 

MIDDLE EAST | AUGUST 2012

© 2012 Carnegie Endowment for International Peace. All rights reserved.

The Carnegie Endowment does not take institutional positions on public policy issues; the views represented here are the author's own and do not necessarily reflect the views of the Endowment, its staff, or its trustees.

No part of this publication may be reproduced or transmitted in any form or by any means without permission in writing from the Carnegie Endowment. Please direct inquiries to:

Carnegie Endowment for International Peace Publications Department 1779 Massachusetts Avenue, NW Washington, D.C. 20036 Tel. +1 202-483-7600 Fax: +1 202-483-1840 www.CarnegieEndowment.org

This publication can be downloaded at no cost at www.CarnegieEndowment.org/pubs.

In memory of Egyptian sociologist Anouar Abdel-Malek, author of *Egypt's Military Society*, who died on June 15, 2012, as this paper was in its final stages of preparation.

## **Contents**

Summary	1
The Long Arm of the Officers' Republic	3
Crony Incorporation	4
The Officer Caste	4
The Drivers of Incorporation Into Mubarak's System	6
Military Society Revisited	7
The Officers' Republic, Part II	10
Anatomical Overview	10
Central Oversight and Administrative Agencies	12
Local Government	13
The Security Services	15
The Civil Service	16
Public Utilities, Infrastructure, and Works	16
Military Enterprises	17
"This Belongs To Us": Egypt's Military Society Revisited	18
Capturing Income	19
Reproducing the Officer Caste	20
Civilians as Dependents	21
Defending the Officers' Republic	23
Constituting Military Custodianship	24
Between Military Custodianship and a "Deep State"	25

Notes	27
About the Author	31
Carnegie Middle East Center	32

## **Summary**

Egypt's new, democratically elected officials are struggling with the Supreme Council of the Armed Forces (SCAF) for control of the country's post-Mubarak future. The SCAF, which has ruled over Egypt since early 2011, is attempting to enshrine its custodianship of the country in the constitution. The civilian authorities are trying to wrest control from a military institution that has been the mainstay of authoritarian power for decades, and that now seeks to remain above the law. No less than the fate of Egypt's transition is at stake.

After 1991, the Egyptian Armed Forces expanded their thorough penetration of almost every sphere of Hosni Mubarak's crony patronage system. The senior officer corps was co-opted by the promise of appointment upon retirement to leading posts in government ministries, agencies, and state-owned companies, offering them supplementary salaries and lucrative opportunities for extra income generation and asset accumulation in return for loyalty to the president. This officers' republic served as a primary instrument of presidential power, and even after Mubarak's ouster retains its pervasive political reach, permeating both the state apparatus and the economy—not just at the commanding heights but at all levels.

To prevent overt military custodianship, the new president, Mohamed Morsi, and Egypt's political parties must reach a firm consensus on limiting the exceptional powers the SCAF seeks to embed in the new constitution. Asserting effective civilian oversight over the detail of the defense budget and any other military funding streams is also key.

Yet, the civilian leaders must tread carefully. The more progress they make, the harder the officers' republic will fight to hold on to its power, potentially using its extensive networks throughout the state apparatus to obstruct government policies and reforms, impede public service delivery, and undermine the nascent democratic order. Egypt's second republic will only come to life when the officers' republic ceases to exist.

## The Long Arm of the Officers' Republic

The formal handover of power by the Supreme Council of the Armed Forces (SCAF) to the newly elected Egyptian president, Mohamed Morsi, on June 30, 2012, marked the end of a tumultuous phase in Egypt's transition and the start of another that promises to be considerably longer and even more complex. In the immediate future, the elected president will have to deal with a SCAF that openly wields legislative power and seeks to control the drafting of the new constitution. In the longer run, democratically elected officials will confront the "officers' republic," the self-perpetuating military networks that perme-

ate virtually all branches and levels of state administration and of the state-owned sectors of the economy. Unless the officers' republic is dismantled, it will use its extensive political reach and its control over key bureaucratic and economic enclaves to block the exercise of power by Morsi or any president after him and to subvert any future government of which it disapproves.

Today, the officers' republic is at its most pervasive. Senior officers have access to a wide array of government posts after retirement, subsidized services and goods,

the command of significant resources and opportunities within the civilian economy, and elevated social status. The officers' republic additionally exercises exclusive control over the defense budget, U.S. military assistance, and military-owned businesses. Moreover, it is underpinned by a deep sense of institutional and personal entitlement. Rolling it back will be a delicate, protracted process that will take many years.

For its part, the SCAF has increasingly explicitly articulated the interests it is determined to defend, drawing clear lines in the sand and issuing unprecedentedly blunt warnings in response to perceived challenges to the exceptional status it claims. The signs are worrying. The SCAF is attempting to impose provisions in Egypt's new constitution that grant it permanent military custodianship. If it succeeds, the ability of future civilian authorities to devise and implement policies autonomously to confront the massive economic and social challenges facing Egypt will be severely constrained. Under such circumstances, any democratically elected government will be chronically unstable.

Unless the officers' republic is dismantled, it will use its extensive political reach and its control over key bureaucratic and economic enclaves to subvert any future government of which it disapproves.

## **Crony Incorporation**

The officers' republic originally emerged following the overthrow of the monarchy by the Egyptian Armed Forces (EAF) in 1952, and especially after the confirmation of Colonel Gamal Abdel Nasser as president by public referendum in 1956. The cabinet was extensively demilitarized under his successor Anwar al-Sadat in the 1970s, and the trend continued with the seeming political marginalization of the EAF during much of the presidency, which started in 1981, of Hosni Mubarak. He was the fourth military man to hold the post since the brief appointment of Major General Muhammad Naguib as prime minister in 1952 and then president in 1953. The officers' republic never went away but expanded in new ways to become a mainstay of Mubarak's crony system, until it emerged from his shadow to assume full power in early 2011.

During the Nasser era, the EAF was portrayed as the agent of social transformation in the then-president's "revolution from above," overseeing land reform and Egyptianization of the industrial and financial sectors in the 1950s and the socialist policies of 1961 onward. By contrast, its incorporation into Mubarak's regime involved the complete abandonment of the EAF's former ideological mission. The senior officer corps was drawn into the presidential system of privileged access and patronage, and the EAF as a whole was coopted and depoliticized. But rather than depart from the scene, the military became invisible by virtue of its very ubiquity: the enmeshing of the officers' republic in the civilian sphere became so pervasive as to be deemed normal and natural, not only by others but also, crucially, by its own members.

#### The Officer Caste

After 1991, senior officers were incorporated into Mubarak's crony system through the promise of "a loyalty allowance" they would receive upon retirement in return for abstention from political engagement—and acceptance of relatively poor wages—during their years of service in the EAF. For the vast

majority that consists of the opportunity to resume a career in the state sector, which means they receive a second salary in addition to military pensions. Each of those positions comes with its own associated bonuses and allowances.

Well-connected military retirees can hope to be appointed to positions in the civilian bureaucracy that offer particularly lucrative opportunities for extra income generation or asset accumulation. For a few, the second appointment is concurrent with active service in the EAF, building the résumés and connections that prepare the way

for even more favorable post-retirement careers. Often these are officers who are on the path to senior command in the EAF branches to which they belong and who can aspire to join the boards of directors of state-owned commercial

Well-connected military retirees can hope to be appointed to positions in the civilian bureaucracy that offer particularly lucrative opportunities for extra income generation or asset accumulation. companies after leaving the service. These are the most fortunate—and presumably the most loyal.

The loyalty allowance, moreover, has evolved as a powerful inducement for the second and third echelons of officers to comply with the system while they wait their turn. For officers who retire at the rank of major general with a lump sum payment of up to EGP40,000 (\$6,670) and a monthly pension of up to EGP3,000 (\$500), the prospect of earning monthly salaries reported to range from EGP100,000 to EGP1 million (\$16,670 to \$166,670) has been a powerful incentive. But the system today differs from that of the 1980s, when the then-defense minister, Field Marshal Abdul-Halim Abu-Ghazalah, saw to it that the EAF's drive for economic self-sufficiency benefited the officer corps as a whole. Under Field Marshal Mohammad Hussein Tantawi, who was made defense minister in 1991, a minority within the upper ranks continued to reap the biggest rewards of incorporation into Mubarak's system, but middle ranking and junior officers now lost many small advantages as Egypt adjusted public expenditure from that point onward.

A de facto dual-track policy entrenched this separation. According to former officers and government officials interviewed by the author, junior officers regarded as political or untrustworthy are not promoted beyond the rank of major, instead completing their normal years of service and then retiring by their early forties at the latest. Only officers whose loyalty is deemed assured move past this glass ceiling. Once officers reach the middle ranks—lieutenant colonels, colonels, and brigadier generals—they tend to tolerate their modest pay and living standards in the expectation that their turn, too, will come.

This is not to suggest that the number of beneficiaries has been modest. Quite the contrary, the senior officer "caste," as Egyptian sociologist Anouar Abdel-Malek labeled it in the early 1960s, has been massively inflated as a result of a number of measures. Earliest was the creation of the new top military rank of fareeq awwal (general) at the end of the Egyptian intervention in Yemen's civil war (1962-1966). This led to a very considerable, and permanent, increase in the number of officers who could be promoted to the preceding ranks of *fareeq* (lieutenant general) and *liwa*' (major general).

EAF demand for senior officers has, moreover, remained constant despite the end of the state of war with Israel in 1979; its active-duty strength is 468,500, with 479,000 in the reserves and 72,000 in attached paramilitary forces. The EAF also provides a great many of the senior operational and administrative officers in the Interior Ministry and the General Intelligence Directorate, which reports to the president.

Further inflating the senior officer corps is the automatic promotion of 'ameed (brigadier generals) upon retirement (at a maximum age of fifty-four) to the rank of major general. This increases their end-of-service pensions and benefits and greatly expands the number of major generals available for placement in the civilian bureaucracy and state-owned commercial enterprises.

Underpinning the system is the procedure of *istid'a'* ("call-up"): the renewable six-month contracts issued to all senior officers upon retirement that allow them to remain in uniform and in active service (excluding operational command). *Istid'a'* contracts can be renewed for up to ten years, although they sometimes stretch twice as long. The contracts apply even if the retirees hold other salaried positions in the civilian sector, whether public or private. For major generals, whose maximum retirement age is fifty-eight, *istid'a'* reinforces their membership in the officers' republic and significantly extends the reach of the EAF beyond the formal bounds of the military institution.

#### The Drivers of Incorporation Into Mubarak's System

The incorporation of the officers' republic into Mubarak's crony system was driven by three converging factors. First was Mubarak's determination not to risk the rise of another powerful military man who could pose a challenge to his own power. This was reflected in his removal in 1989 of the defense minister, Abu-Ghazalah, who was widely believed to be more popular than the president, both within the EAF and among the general public. Following an interlude in which the highly regarded Lieutenant General Youssef Sabri Abu-Taleb held the post, Tantawi was appointed to it in May 1991. Under Tantawi, described as "Mubarak's poodle" by unnamed Egyptian officers quoted in a 2008 U.S. embassy cable released by WikiLeaks, the EAF command echelon was drawn deep into Mubarak's crony system.

Second, the unfolding conflict with armed Islamist militants, which became increasingly bitter following the attempt on Mubarak's life in Addis Ababa in 1995, also drew the EAF officer corps into Mubarak's system. This was not immediately apparent, as the more visible consequence was the expanding reliance on the security services. Their total strength grew to an estimated 1.4 million by the time of Mubarak's ouster, or roughly 1.5 times the combined size

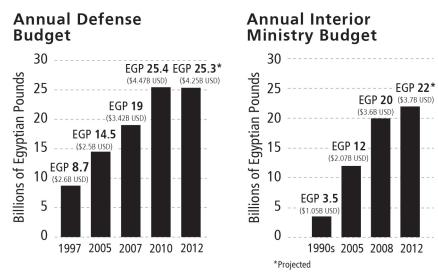
of the EAF and its reserves. The Interior Ministry's annual budget meanwhile rose at three times the rate of increase of the defense budget (see figure 1).<sup>1</sup>

Military retirees have come to staff all levels of local government, acting as a parallel executive and security arm ultimately reporting to the president.

The rise of the "security state" was commonly assumed to have relegated the EAF to the background. However, although the greater visibility of the security services in the battle against the Islamists distracted attention from the military, their apparent primacy was something of a red herring as the EAF continued to play an indispensable

role in regime maintenance. Military retirees have come to staff all levels of local government, acting as a parallel executive and security arm that ultimately reports to the president through the provincial governors he appoints. The EAF also provides active-duty officers to fill a significant number of command and senior administrative positions in the Interior Ministry and General Intelligence Directorate, underlining its integral role in regime maintenance.

Figure 1. Interior Ministry's Budget Grew **Faster Than Defense Budget** 



Note: Defense numbers do not include \$1.3 billion in annual U.S. military assistance throughout this period and the Egyptian Armed Forces' own unseen income streams

The third converging factor was a pivotal point in 1991 when Mubarak launched a major privatization of public sector economic enterprises following a massive write-off of Egyptian external debt and renegotiation of Egypt's 1987 agreement with the International Monetary Fund in the wake of the first Iraq war. The manner in which this was conducted led neither to "state capitalism" nor to a genuine free-market economy, but to distorted capitalist development. This has given the EAF's senior officer corps access to the significant part of the Egyptian economy that remains state owned. The co-optation occurs not just through officers' appointments to the boards of directors of these companies. The neoliberal economic reforms since 1991 also generated new opportunities for former officers embedded in the civilian administration to acquire wealth or accumulate assets as well

#### **Military Society Revisited**

Today, the officers' republic may be seen as a degenerated form of the "military society" of the Nasser era, as Abdel-Malek famously described it. Incorporation after 1991 meant that it was Mubarak who now held "the totality of political power of decision, and not merely the control of the State apparatus."2 The EAF remained a key player in the "conflicting polyarchy" of various institutional and political actors under the presidency, including the security and intelligence agencies, leading economic groups, and the National Democratic Party.3 That was especially true following the rise of Mubarak's son Gamal and his close ministerial and business associates after the year 2000, which threatened to eclipse or reduce the influence of the EAF.

But although the officers' republic extended deep into the state apparatus, this did not imbue the military institution with an exceptional political role. Mubarak not only applied Nasser's caution that "[w]e do not want politicians within the army" but also successfully reversed his thesis that "the army as a whole itself constitutes a force within the national political process." Mubarak's incorporation of the senior officer corps that assured him of their loyalty and quiescence also detached them from Egypt's social and political realities and diminished their capacity for initiative or innovation. But it did not diminish their wish to protect accumulated prerogatives and privileges.

That legacy is most visible now in the Supreme Council of the Armed Forces, the commanding body of the EAF, to which Mubarak transferred full executive and legislative powers on February 11, 2011. The SCAF normally comprises the defense minister and his key assistants (for financial, legal, and others affairs), the chiefs of staff of the various EAF branches, heads of military intelligence and other EAF services, and the commanders of the five military regions. It has worked strenuously to convince its rank and file that it represents the interests of the EAF as a whole, and not only those of the senior officer corps or of its more privileged upper ranks. But in reality the SCAF has sought to defend the privileged position of the military, straddling the state apparatus and economy through the networks of active-duty officers and retir-

When faced with an unfamiliar and unnerving transitional process, the SCAF fell back on its paternalistic values and authoritarian legacy, reacting conservatively and increasingly defensively whenever it felt that its status or core interests were being directly challenged. ees that constitute the officers' republic. If the boundaries between the EAF, SCAF, and informal officers' republic appear blurred, then that is because they are. It is this very porousness, and the discretionary powers that come with it, which the SCAF seeks to perpetuate.

The SCAF nonetheless had to undergo an unfamiliar learning process when it emerged from Mubarak's shadow and took center stage in Egypt's politics in early 2011. It struggled to offer a social vision, economic blueprint, or political master plan for the country's transition, and also groped and stumbled as it tried to develop a clear formulation of its own interests and to devise constitutional ways

of protecting them. It was not wholly unwilling to allow a political and media opening to take place, nor fully capable of anticipating or preventing it. But it was also unable to envisage, let alone initiate, any policy requiring substantive reform or structural change, which it regarded as inherently threatening. Quite the contrary, when faced with an unfamiliar and unnerving transitional process, the SCAF fell back on its paternalistic values and authoritarian legacy, reacting conservatively and increasingly defensively whenever it felt that its status or core interests were being directly challenged. This explains much of its confusion, vacillation, and repeated changes of course in dealing with the transitional process.

The SCAF was adamant, however, about monopolizing the power to determine transitional arrangements, their sequencing, and the overall timetable. It refused to emulate the example of its Tunisian military counterpart, which left the tasks of designing and managing the transitional process after the flight of President Zine al-Abidine Ben Ali in January 2011 to the Tunisian Higher Commission for the Realization of Revolutionary Goals, Political Reforms, and Democratic Transition, composed entirely of civilians. The SCAF told its civilian interlocutors who proposed a similar arrangement after Mubarak's ouster that "we don't work like that, we don't operate via mixed civilian-military committee." But the SCAF's management of Egypt's transition proved shambolic: muddying the constitutional process, delaying badly needed legislation, intervening erratically in financial management, and failing to reform the Interior Ministry and restore basic policing, although this was one area where it could have made real headway.

This track record underlines that the SCAF's self-portrayal as the guardian of Egypt's revolution has involved a very considerable sleight of hand. It did not initiate the transition. At best, the mass protest movement thrust the role of midwife upon it; at worst the SCAF acted preemptively, removing the president to abort deeper revolutionary change and protect itself. By then, after all, Tantawi was thoroughly embedded near the top of the system. He had already been minister of defense for the entirety of Mubarak's last twenty years in power, the longest period served by anyone in the post since the creation of the modern Egyptian state and army by Mohammad Ali in the early nineteenth century.5 He, along with several other members of the SCAF, including his senior assistants at the Ministry of Defense, were well past the official retirement age for senior EAF officers long before power was transferred to

them in 2011. This can only be explained by their role in protecting, and benefiting from, Mubarak's crony system. The political loyalty of Tantawi and his fellow officers to Mubarak, not their professional military merit, ensured their longevity in office.

That conclusion is underlined by the leaked assessment of U.S. embassy officials in a 2008 cable that the "tactical and operational readiness of the Egyptian Armed Forces has degraded" during the defense minister's tenure. U.S.

officers and officials familiar with the military assistance programs to Egypt describe the Egyptian Armed Forces as no longer capable of combat. Leading experts on Egypt Clement Henry and Robert Springborg are blunt: "the Egyptian army is not the tight professional force that many consider it to be. It is bloated and its officer core is indulged, having been fattened on Mubarak's patronage. Its training is desultory, maintenance of its equipment is profoundly inadequate, and it is dependent on the United States for funding and logistical

The political loyalty of Tantawi and his fellow officers to Mubarak, not their professional military merit, ensured their longevity in office.

support." Junior Egyptian officers cited anonymously in WikiLeaks cables and in more recent press reports reflect a similar perception of degradation, while retired senior officers interviewed for this paper complain that the EAF clings to Soviet operational doctrine and have yet to develop a genuine joint arms combat operations ability, despite three decades of U.S. training and joint U.S.-Egyptian exercises.

In short, the EAF appears to have become more closed off without gaining efficiency as a fighting force. Behind the Egyptian military's outward appearance and self-projection as an institution defined above all by professionalism, it has become amorphous, represented as much by the informal officer networks that pervade the state apparatus and economy at myriad points as by its formally constituted combat arms. The EAF has not been put to the test of combat for four decades—with the brief and limited exception of its contribution to Operation Desert Storm in Kuwait in 1991, which was "lamentable" according to U.S. officers—and so the esprit de corps of the senior officers seems based more on the defense of their station and a conservative perception of reform and change as inherently threatening than on a genuine sense of national mission. The erosion of the EAF's professional purpose and operational effectiveness is very much a function of the significant transformation that the officers' republic underwent after 1991.

## The Officers' Republic, Part II

It is common in dictatorships for the military to have a significant presence not only in government positions but also in areas that lie completely beyond the remit of the armed forces—in public administration, infrastructure, services, the police and public order agencies, and areas of the economy controlled by the state. As the EAF became detached from overt or direct involvement in politics under Mubarak, the senior officer corps became intertwined with the state apparatus and, consequently, with the country's political economy to an unprecedented extent. Having receded somewhat under Sadat and in the first decade of Mubarak's rule, the officers' republic now permeates both the civilian bureaucracy and the economy much more extensively, and does so not just in their "commanding heights" but at all levels.

#### **Anatomical Overview**

Writing in 1967, Abdel-Malek observed that officers who "quit their uniforms and abandon[ed] all prerogatives of rank...in return received key-posts in the State: providing the very great majority of senior diplomatic personnel; a considerable proportion of presidents, directors and members of the Boards of public corporations, etc; a very considerable number of ministers, undersecretaries of state, director-generals and directors of the various ministries; the quasi-totality of the senior personnel and administration of the security services; and a very significant proportion of the key posts in culture, the press, radio and television." In 1954–1962, he estimated, about 1,500 officers had "been appointed to the upper ranks of the non-military establishment."8 Civilianization of the cabinet and state bureaucracy under Sadat altered this picture noticeably by the start of the 1980s, but what is most remarkable is just how much of Abdel-Malek's description is once again true.

Virtually no Egyptian diplomats (other than defense attachés) now come from the EAF, and only a few senior media officials do, although those who do occupy key positions. But the proportion of cabinet ministers with military backgrounds rose again during Mubarak's presidency, compared to the Sadat era: the portfolios of defense, military production, civil aviation, and local development (local government) have almost always been held by former EAF officers, some of whom have occasionally headed other ministries such as transport, communications, environment, and social solidarity (social affairs). Additionally, undersecretaries and director generals of ministries are often military retirees.

But the emphasis on the number of former officers in high-profile posts, which is conventionally taken as an indicator of the militarization (or demilitarization) of Egyptian politics and government, obscures the number of military retirees in management positions at all levels of the civilian bureaucracy and state-owned commercial enterprises. Their number runs into many thousands, in contrast to the Nasser era, when they were concentrated in the upper ranks of those sectors and were estimated to number 1,500. The majority at top levels are major generals, with the implication that there are a great many other, less visible, middle-ranking officer-bureaucrats in more junior positions throughout the state apparatus. Former officers, moreover, have the option of remaining in uniform if they continue to serve the defense establishment, and more generally of retaining their "prerogatives of rank," again in contrast to the Nasser era.

Today's massive, sprawling officers' republic is the cumulative outcome of two main functions it undertook during the last twenty years of Mubarak's rule. First and foremost, it remained the instrument of last resort for the president and a tool of regime maintenance through bureaucratic penetration of the Egyptian state. Its power was not wielded through direct domination of the ministerial cabinet as it was under Nasser. Instead, bureaucratic penetration focused in particular on select oversight and administrative agencies, local government, and, albeit in a tension-prone manner, the security services.

The second function was to provide senior officers with post-retirement career tracks and financial security, and the armed forces as a whole with major income streams. This has probably been the more enduring legacy of incorporation under Mubarak, and maintaining it is a primary concern of the officers' republic today. It was achieved through EAF penetration of the civil service in general; domination of certain public utilities, infrastructure and works, and land-related programs (many now in the form of state-owned commercial companies); and exclusive control of military-owned economic enterprises.

#### **Central Oversight and Administrative Agencies**

Of the many oversight agencies of the Egyptian state, the Administrative Monitoring Authority is arguably the most significant. It also represents the most important instance of military penetration of the civilian bureaucracy. Established in 1958 to investigate administrative and financial violations, its mandate is to combat corruption throughout the country and in the entire state apparatus. The sole exception is the armed forces, which are not subject to any civilian oversight beyond that of the president, who until Morsi's election had always been an ex-military man.

The body was clearly intended as an instrument of presidential power. It is one of a "vast number of agencies and initiatives designed to combat corruption... directly or indirectly controlled by the President." Its role duplicates that of the Administrative Prosecution Authority, which was established by law in 1954 to conduct judicial investigations into fiscal and administrative corruption in the civil service, and also overlaps with the functions of the Central Auditing Organization, which has reported exclusively to the president since 1988. The key difference is that the latter two bodies are headed and staffed by civilians—qualified lawyers and accountants—whereas the head and senior officials of the Administrative Monitoring Authority are always drawn from the armed forces, with a mix of army and police officers leading its operational divisions and regional branches.

Under Mubarak, the Administrative Monitoring Authority served as a means of intimidating and punishing opponents, and of keeping regime supporters in line. It could also be reined in when its investigations threatened any favored politicians or businessmen connected to the president. In 1996, its head, Major General Ahmad Abdul-Rahman, was reportedly replaced after insisting on pursuing a corruption case against the then housing minister, Ibrahim Soliman.<sup>10</sup> His replacement, Major General Hitler Tantawi, was apparently more amenable, as Mubarak renewed his tenure three times. Following Tantawi's retirement in 2004, accusations surfaced that he had abused his position to acquire numerous properties, including subsidized officer housing and land in high-value development zones, some of which he allegedly passed on to his children and grandchildren.11 Once again, the tenure of Tantawi's successor, Major General Mohammad al-Tuhami, has been renewed four times since his original appointment ended in 2008, most recently by SCAF head Field Marshal Mohammad Hussein Tantawi in December 2011, despite allegations that al-Tuhami, too, was involved in corrupt practices.

The Administrative Monitoring Authority additionally functions as a means of reproducing military penetration of the bureaucracy. It routinely sends lists to all cabinet ministers—as does the Organization and Administration Authority of the EAF—containing the names and qualifications of officers approaching

retirement who seek new placements. Ministers nominally have the discretion not to hire any, but certain civilian ministries and departments have clearly emerged as military fiefdoms in which former officers always occupy senior positions.

The Central Authority for Organization and Administration reinforces the pattern. Established by Article 8 of Law 118 of 1964, the body is responsible for development and reform of the civil service and for "mobilization for Certain civilian ministries and departments have clearly emerged as military fiefdoms in which former officers always occupy senior positions.

the war effort." Its current head, Major General Safwat an-Nahhas, originally joined the office of Prime Minister Atef Obeid upon retiring from the Air Force and was secretary-general of the cabinet until his appointment to the Central Authority in 2004, underscoring the self-reinforcing loop of militarybureaucratic appointments and networks.

#### **Local Government**

The greatest concentration of officer-bureaucrats is in local government, where they play a direct role in regime maintenance at all levels of municipal authority, from the governorates down to city boroughs and villages. Local government originally emerged under Nasser as an important means of asserting presidential control over the country, paralleling and circumscribing the powers, responsibilities, and even budgets of central government ministries and other public civilian agencies and authorities. Governors are the president's representatives, senior executives, and top security officials in each province. The parallel subdivision of Egypt into five military zones completes the overshadowing of civilian agencies, since one of the tasks of military commanders is to coordinate with the governors and local civil authorities to ensure domestic security.

The structure of local government has remained highly hierarchical since 1960, when the country was reorganized into 26 governorates, with authority flowing exclusively from the top down. Egypt now has 27 governorates, following the latest reorganization in 2011, although the Cairo governorate is additionally subdivided into four administrative districts, each headed by a deputy governor, three of them former officers. At the next level down, there are 166 "centers" and 200 metropolitan areas designated as "cities" nationwide (2002 figures). Then come hundreds of city boroughs—Cairo alone had 23 in 2002 and 34 by 2012 by one count, besides those of Giza, which though part of the Cairo metropolis forms a separate governorate. And even further down are the 4,617 villages, of which 920 (2002 figures) are large enough to have their own local council.

The entire structure is constituted by appointment from above. The president appoints governors while the prime minister appoints the heads of centers, cities, and boroughs; governors appoint village heads, and the Interior Ministry appoints the 'umda (mayors) of smaller, "satellite" villages that do not have a local council. There is a local council at each level from the governorate down, consisting of salaried members who are appointed by the senior executive at that level to undertake operational tasks; each council is headed by a secretary-general and assistant secretary-general. A parallel structure of elected "local popular councils" provide a democratic touch that is purely cosmetic, as they have no executive powers whatsoever and offer merely "advisory" counsel and only nominally approve local budgets.

With the exception of the "local popular councils"—because they wield no powers or resources—the entire edifice is extensively staffed by former officers, providing them with post-retirement job security, while extending the reach of presidential power into every corner of the country. Since the 1990s, 50–80 percent of the governors at any given moment have been drawn from the military, with another 20 percent coming from the police or internal security agencies. <sup>12</sup> And the distribution of governorships follows a clear pattern: former military region commanders (drawn from the Army, that is, ground forces) usually assume governorships in Cairo (or its four subdistricts), Suez, and Sinai provinces, for example, while Air Defense, the Border Guard, and the Navy customarily take the Western, Southern, and Alexandria and Red Sea provinces.

However, the popular focus among commentators on how many governors are drawn from the EAF grossly understates the true scale of military penetration. Retired officers hold an even-larger proportion of the subordinate posts of deputy governor, director of the governor's office, and secretary-general and assistant secretary-general of the governorate local council. This whole range is broadly replicated at the lower administrative levels of "centers," cities, urban boroughs, and villages. One example suffices to encapsulate the wider picture. On February 22, 2012, the minister of military production, Major General Ali Ibrahim Sabri, signed an agreement to develop the Giza governorate's wholesale market. Signing for the other side was the wholesale market's executive head, Major General Mohammed Sami Abdul-Rahim. In attendance were the deputy governor of Giza, Major General Usama Shama'ah; the secretarygeneral of the local council, Major General Mohammad al-Sheikh; and his assistant secretary-general, Major General Ahmad Hani. This illustration notwithstanding, even if only one former officer holds a post in every executive body at each level of local government—a highly conservative assumption, evidently—then the nationwide total adds up to some 2,000 posts filled by former EAF officers.

Nor does the list end there. Local government replicates or oversees the work of central government agencies in the areas of social, health, welfare, and educational services and development. The governorate and each of its subordinate centers and cities has its own directors of planning, properties, finance, projects, and/or technical and engineering affairs. They, moreover,

run a wide range of service departments, branches of utilities companies, and other government entities, all of which need to be staffed. In many cases these posts are filled by former officers. Retirees from the EAF, as well as from the police or security agencies, also often head specialized units. These include the quarrying and geological services department and the environmental division in the Sinai and Red Sea governorates, for example, which are rich with lucrative natural resources and offer opportunities for additional, informal income generation. Governors additionally have military advisers who, not surprisingly, come from the EAF. Adding these retirees to the count inescapably takes the total number of former officers occupying administrative posts throughout the local government edifice into the several thousands.

#### The Security Services

The rise of a "security state" under Mubarak after 1991, in which the security services assumed pride of place in enforcing presidential power and undertaking regime maintenance, appeared to relegate the EAF to the background. This fueled at times intense competition over resources and institutional "turf battles." EAF contempt for the Interior Ministry and its associated police and security agencies deepened during the last decade of Mubarak's rule, in part because they were deemed to be implicated in the widening circle of corruption associated with the rise of Gamal Mubarak and the neoliberal economic policies he promoted. However, the embedding of many EAF officer-bureaucrats in the Interior Ministry and the General Intelligence Directorate along with the role of both military and security retirees in the local government structure also suggested a certain intertwining between the military and security establishments in the role of regime maintenance.

The intertwining is set to increase considerably, as the SCAF has demonstrated its preeminence over the security establishment since assuming power in February 2011. It brought the State Security Investigations Service strictly to heel and allowed the demoralized police and Central Security Forces to drift. It also elevated the powerful General Intelligence Directorate to be its primary internal arm and instrument alongside Military Intelligence, which Minister of Defense Tantawi had already been tasking with limited domestic surveillance for some years preceding Mubarak's ouster.

Although the various law enforcement and security agencies will nominally come under civilian authority from now on, the SCAF is clearly positioning itself to retain commanding influence. This is suggested by the way it has been rehabilitating the discredited State Security Investigations Service and Central Security Forces. Upgrading their personnel and equipment relieves the EAF of the burden of policing, but SCAF efforts to burnish the public image of the security agencies by extolling their protection of the state since the 1952 revolution reinforces their association with the officers' republic and implicitly realigns the entire security sector behind the EAF. So while competition

may not be removed entirely, bureaucratic penetration by military and security retirees will probably become more complementary in underpinning the officers' republic.

#### The Civil Service

Former EAF officers are found throughout the civil service as well. They head universities or sit on the boards of specialized academic faculties or research centers, and serve as directors and staff of the national institutes of standards and nutrition, consumer protection and water regulation associations, and government hospitals and sports stadiums alike. Others head bodies as varied as radio and television, the National Youth Council, the Teaching Buildings Agency, the General Association of National Institutes that manages foreign schools expropriated in the late 1950s, and the Industrial Development Authority. The Central Agency for Mobilization and Statistics, which is the central source of data for all government entities, universities and research centers, and international organizations—and many of the bodies it serves—is also headed and heavily staffed by military retirees. The list is seemingly endless.

#### **Public Utilities, Infrastructure, and Works**

A significant number of officers—mostly retired, but some in active service sit on the directing boards of a wide range of state-owned public utilities, key infrastructure, and related works and services. Many of these are part of the large commercial holding companies that were formed as state-owned economic enterprises underwent first-phase privatization from 1991 onward (consisting of turning public sector economic enterprises into commercial companies operating under the financial rules of taxation and remuneration applied to private firms).

Officers head or sit on the boards of the holding companies for aviation and airports, maritime and land transport (including all seaport authorities), electricity, and water and sanitation—and of many of their partially or wholly owned subsidiary companies. They also dominate the public sector's natural gas and oil industry and related services companies. The same is true of other select utilities such as Egypt Telecom, which is now a joint stock company with a monopoly on fixed-line telephones and an expanding share of the mobile telephone market, and of the National Telecommunication Regulation Authority.

Military retirees are also heavily represented in government ministries and agencies that deal with land-related sectors such as housing, real estate management, public works, agricultural development and reclamation, and tourism. They dominate the housing ministry's Central Construction Apparatus, which builds housing, city ring roads, and bridges. They play a leading role in the New Urban Communities Authority, which is directed by a retired EAF major general. Military retirees also head the General Authority for Reclamation Projects and Agricultural Development—responsible for the mammoth Toshki, Northern Sinai, East Oweinat, and New Valley irrigation and cultivation projects—and related sectors such as agricultural silos and storage. The Tourism Development Authority and the Awqaf Authority, which manages Islamic endowments and their income streams in parallel to the Ministry of Awqaf, are also run by military retirees.

Employment in these various entities assures retirees of a sinecure. For example, former Air Force officers move directly into positions in the areas of civil aviation and airports; Navy officers, shipping, seaports, and the Suez Canal; their Signal Corps counterparts, telecommunications and information technology; and those from the Army, construction, land transport, and public works. Former chiefs of staff of EAF branches who retire at the rank of lieutenant general usually assume the most lucrative directorships, heading many of the largest state-owned holding companies. But even those appointed to the boards of directors of subsidiary companies, or hired as consultants, form a privileged minority in comparison to the much-larger number of military retirees who are incorporated into the civilian bureaucracy.

#### **Military Enterprises**

The officers' republic manages its own official military economy, which generates income streams that do not go through the public treasury. A special accounting office in the Ministry of Finance deals with the EAF and affiliated entities, presumably in coordination with the assistant minister of defense for financial affairs, but its data are not under the control or oversight of parliament or any other civilian body. A portion of revenue is believed to be spent on officers' allowances, housing, and other improvements to living standards. The remain-

der is either reinvested or used to complement spending on maintenance, operations, and procurement not covered by the defense budget or U.S. military assistance.

The military economy comprises four main sections: the defense industry in the form of the Ministry of Military Production; the state-owned Arab Organization for Industrialization; the Ministry of Defense's National Service Project Organization; and the EAF's own incomegenerating enterprises, including its military clubs and hotels as well as civilian public works contracts undertaken by its Military Engineering Authority, Military Works

The officers' republic manages its own official military economy, which generates income streams that do not go through the public treasury and are not under the control or oversight of parliament or any other civilian body.

Department, and Water Department. The entire sector has branched into an increasingly significant and diverse range of civilian production and service provision since the 1990s. Increasingly, the military economy behaves like a commercial sector, seeking partnerships or joint ventures with local and foreign private sector firms and looking for sales and investment opportunities abroad.<sup>13</sup>

## "This Belongs To Us": Egypt's **Military Society Revisited**

One of the most remarkable things about Egypt is how ubiquitous the Egyptian Armed Forces are and yet how little anyone outside their ranks, and possibly within them, knows about their social composition. The paradoxical mix of seclusion and ubiquity reflects the particular way in which the officers' republic has responded to the combination of neoliberal economic transformation and authoritarian political consolidation since 1991. In the first decade, its response was characterized mainly by passive adaptation. The informal networks formed at military academy and during active service were carried over into the civilian bureaucracy, as officer-bureaucrats appoint fellow retirees to managerial posts or consultancies. They were also reproduced in state-owned commercial enterprises, where directors, managers, and procurement officers with military backgrounds awarded contracts to EAF departments, or received EAF contracts, for a wide range of construction, manufacturing, fitting and equipping, and maintenance services.

The officers' republic has responded more proactively to economic and social opportunities offered by the deepening of neoliberal economic reforms since the early 2000s. Officer networks now stretch increasingly into the private sector as well: few formally registered firms do not have retired or reserve officers on their payroll, and officers may be forming their own private companies to capture subcontracts. At least as important is the ambition of the state-owned commercial enterprises directed by military retirees and of military-owned businesses to operate in wider regional and international markets.

In short, the senior officer corps members most firmly ensconced in the civilian economy have become more entrepreneurial. They straddle the divide between the military and civilian spheres, and between the public and the private, but so far remain entirely reliant on political appointment and bureaucratic position within the state for economic access and opportunity. Whether or not they consciously aspire to integrate fully into the upwardly mobile "new middle class," they certainly mimic it, pursuing opportunities for sharp increases in disposable income, speculating in real estate, and moving into the equivalent of gated communities.

These remain emerging trends. The line is not clear-cut between the initial phase of incorporation into Mubarak's crony system, through the 1990s, and the second phase that coincided with intensifying neoliberal economic and social policies and deepening privatization from 2000 onward. The line is also blurred between the more markedly entrepreneurial wing of the officers' republic and the bulk of the senior officer corps. But for the entire officers' republic, the significant rise in disposable incomes has constituted the largest single benefit, albeit disproportionately allocated.

#### **Capturing Income**

Serving and retired officers in the EAF rightly regard pay and service conditions as poor, and they are very aware that salaries in the private sector, and even in state-owned commercial enterprises, have risen much higher than their own over the past decade of privatization. As retirees point out anecdotally, a pilot's starting salary in the national airline, Egypt Air, is several times greater than that of an Air Force combat pilot with many years of flying experience. This explains why some retirees bridle at talk of military "privileges." But for the majority of former officers appointed to the state's civilian bureaucracy, it is the opportunity to supplement pensions, end-of-service payments, and lifelong retirement allowances with a second salary and associated fringe benefits that is most important.

The opportunities in fact commence during active service, for officers who are seconded to the Ministry of Defense, military academies, or militaryowned businesses, appointed as defense attachés at Egyptian embassies abroad, or assigned as "designated members" of the boards of directors of state-owned commercial companies. All receive a second salary, as well as any bonuses, allowances, or additional benefits attached to each post.

At the next level up are military retirees put on consultancy contracts in ministries and other government agencies, or in the commercial companies that service those ministries and agencies. The best connected accumulate several such consultancies in parallel, few if any of which involve more than nominal tasks or attendance. Consultancy rates reportedly range from EGP6,000-EGP28,000 (\$1,000-\$4,670) a month, with allowances and bonuses worth an additional EGP10,000 (\$1,667) a month. These are negligible by international standards, but certainly greater than end-of-service pensions for senior EAF officers (\$500 for a major general).

Most privileged are military retirees appointed to the boards of directors of state-owned commercial enterprises—holding companies and their subsidiary companies or joint ventures, numbering some 150 in total. Salaries of EGP100,000 to EGP500,000 a month (\$16,666-\$83,333) are reportedly common according to whistle-blowing officers, with hidden partnerships believed to raise the annual incomes of the highest paid to between EGP12 million and EGP100 million (\$2 million-\$16.67 million).14 A scale operates by which top commanders are appointed to the more lucrative state-owned holding companies on retirement, while those lower down are appointed to the subsidiary or branch companies. The award of managerial positions in EAF enterprises such as social clubs and hotels follows a similar logic, although the pay-scale is much lower: better-connected military retirees are awarded prime locations—such as central Cairo or coastal resorts near Alexandria or al-Arish—while the less favored manage less desirable venues farther away.

#### Reproducing the Officer Caste

Disposable income is supplemented by the provision of free or heavily subsidized housing for officers, which they are legally entitled to rent or sell. As with their right to a second salary, active-service officers who are assigned duties outside the EAF receive an additional housing unit for every new salaried position. Clearly, this specifically benefits midlevel and senior officers who are eligible for such appointments, rather than junior officers. And with rank come larger and more sumptuous properties; top commanders now commonly receive villas rather than apartments. Some officers use the rental or sales income to start up their own businesses, while others buy shares in public sector companies owned by the armed forces or headed by former officers, or band together to launch ventures of their own, such as residential complexes and shopping malls.

The scale is considerable. Already by the mid-1980s, "almost 5% of all housing constructed in the country was built by and for the military, including a substantial percentage in the new military cities scattered in the desert." 15 From 1991 onward, Defense Minister Tantawi oversaw the wholesale shift of officer housing toward the so-called military or "desert" cities, of which 24 have been built, with three more under planning and construction. The first two generations of these are still commonly labeled military cities, in which large housing blocks and associated facilities were allocated to officers. Now billed as "new urban communities," they are also open to the burgeoning new middle class that expanded with the deepening privatization of the Egyptian economy over the past decade. They currently boast a population of 5 million, with an expected final size of 17 million. As officers have moved out, areas such as Nasr City in Cairo, originally built to house officers, have been taken over by lower-middle-class civilians and petty traders, further underlining the physical separation of the military and the civilian.

Seclusion is self-reinforcing. Officer networks are seen at the large number of social clubs maintained by each branch and department of the EAF, and even by individual military factories, in Egypt's main cities. These provide subsidized services to the officer corps, both active and retired, acting as wedding halls or catering for other social functions at half the price of commercial venues. Some also offer accommodation, adding to the hotels and resorts run by the EAF in desirable seaside areas of the northern, Sinai, and Red Sea coasts. Civilians with the means and connections may also use these various facilities; most often these are members of the political establishment or state apparatus and their offspring. It is telling of the new class consciousness of the officers' republic that women in the ultra-conservative nigab or men in peasants' gallabiyyah are denied entry to military clubs because such attire clearly denotes lower-class status.16

The EAF additionally operates its own supermarkets, consumer cooperatives, and petrol stations, where military personnel and their families may buy consumer goods at discounted prices. Families also receive "carnets," booklets of coupons for basic household shopping; well-connected officers may receive several bonus carnets instead of the standard two or three, which they can pass

on to relatives or friends. The latter benefits are available to the entirety of the EAF's rank and file (excluding conscripts), totaling 148,500, yet most advantages and privileges are skewed toward the senior officer corps.

Entry to the officer corps still offers a means for upward social mobility and job security for many.<sup>17</sup> But as the officer corps has followed trends in consumer tastes and separate housing set by the new middle class that emerged

Entry to the officer corps still offers a means for upward social mobility and job security for many.

with neoliberal economic reforms, access to the corps has become significantly less democratic. That shift has incrementally reversed one of the most important equalizing impacts of the Nasser era, in which the sons of poor or illiterate parents and lower-middle-class families could more easily gain entry to military colleges. Promotion from the ranks of enlisted personnel (excluding conscripts) may not exceed 10 percent of the intake of new officers, and those gaining their commission this way may not rise above the rank of captain, limiting the number and influence of entrants from lower-income groups. Educational attainment is an additional filter. Applicants whose parents do not both hold university degrees are barred from military college, and in any case, those securing higher scores on the entrance exams tend increasingly to come from families that can afford private schools or extra tutoring.

#### **Civilians as Dependents**

The flip side of incorporation into Mubarak's crony system for the officers' republic has been its abandonment of residual attachment to the Nasser-era legacy of state-led redistributive social policies. Instead, it has adopted a paternalistic approach toward the majority of Egyptians who did not benefit from the neoliberal economic reforms of the past decade. Social welfare and development have been transformed into acts of benevolence, favors rather than entitlements, to be bestowed at the discretion of those in command, using funds and assets that they exclusively control.

When the EAF builds bridges, intercity highways and ring roads, bakeries and butcheries in poor urban neighborhoods, and water purification and desalination treatment plants, these are presented as "gifts to the people of Egypt." They conveniently overlook the fact that the resources used ultimately come from, or should accrue to, the public purse. Reinforcing their benevolent, charitable image, the EAF also regularly announces the distribution of tens of thousands of free food shantat (packages) to the poor and to social security recipients on the principal Muslim holidays of Eid al-Fitr (end of Ramadan) and Eid al-Adha (Feast of Sacrifice).

The SCAF resorted increasingly to paternalism as it shifted into an adversarial relationship with the new political parties, especially the Islamists, after

## Underlying the SCAF's paternalism is a militaristic culture that regards civilians as inferior or dependent.

summer 2011. In October, for example, Tantawi announced the allocation of 3,876 acres of army-controlled land for civilian residential building in Assiout, and then decreed a contribution of EGP2 billion (\$333 million) from army funds for the construction of urban "social housing" for low-income groups at the height of anti-military protests in November. The latter initiative was part of a national

plan to build 1 million housing units over five years in all of Egypt's governorates: the armed forces are building 25,000, as well as "donating" tracts of land in Cairo, Helwan, and other cities. Only two weeks later, the SCAF announced that it was lending the central bank EGP1 billion (\$167 million) to prop up the flagging Egyptian pound. In all, the SCAF claims to have pumped a total of EGP12.2 billion (\$2.33 billion) from its own resources into the state apparatus in the year leading up to March 2012.

Underlying the SCAF's paternalism is a militaristic culture that regards civilians as inferior or dependent. In Nasser's era, murals and graphics would show soldiers forging the future hand in hand with peasants, workers, and teachers or intellectuals. But the poster spearheading the SCAF's "the army and the people are one hand" media campaign in March 2012 betrayed a very different outlook. In it, a soldier in combat gear represented the army, while a baby cradled in his arms represented "the people." The depiction evoked the Egyptian colloquial term of 'iyal (dependents) used to describe wives and children and echoed Mubarak's direct appeal to the Egyptian public as "my children" in a televised speech in the final days of his rule. It reflects the belief that the SCAF necessarily "knows best" when it comes to Egypt's interests and needs, and the equally self-serving conviction that civilian politicians and bureaucrats are less competent, honest, and patriotic, or at the very least need paternal guidance.

Anti-civilian discourse has been used to justify the embedding of former officers throughout the state apparatus as well as the involvement of the EAF and military businesses in delivering social services, other public goods, and a range of consumer commodities. It is rooted in Nasser's aim to enhance the qualifications of senior officers, making "them into a group of technocratic cadres capable of challenging their civilian counterparts quite effectively." 18 But today the claim that military managers can do everything more effectively than their civilian counterparts involves smoke and mirrors. Military retirees are naturally able to "get things done" because they created much of the administrative system within which they operate and their networks pervade it, facilitating navigation through the bureaucratic maze.

In fact, Egypt's high levels of corruption (it was ranked 112 out of 182 countries on Transparency International's Corruption Perceptions Index 2011) and its negative social indicators (40 percent of the population live at or below the poverty line of \$2 a day and illiteracy has climbed up to 27 percent according to official figures) speak poorly of the contribution of the officers' republic to the management of the Egyptian state. The SCAF has therefore resorted repeatedly to a nationalist discourse based on the EAF's "victory" in the 1973 war against Israel, coupled with ominous references to "hidden hands" and "foreign conspiracies," to defend its abrogation of the power to define the national interest.

The SCAF uses this discourse to argue broadly that foreign and defense affairs cannot be left to civilian leaders and to assert its right to intervene in domestic policy areas, such as food supply or economic restructuring, that it deems may affect national security by causing social unrest and political instability. By placing these headings under the rubric of "national security," the SCAF is claiming special status as guardian of Egypt's constitutional order, and consequently assuming a duty to prevent the potentially destabilizing impacts of "excessive" democratization. It now does this, moreover, in the name of the "revolution." By appropriating the term and conflating it with the EAF's overthrow of the monarchy in 1952, the SCAF recasts itself as the founding father of Egypt's democratic transition and justifies its retention of complete discretionary powers and autonomy.

## **Defending the Officers' Republic**

The SCAF has mobilized increasingly tenaciously since Mubarak's ouster to defend the exceptional status and core interests of the officers' republic, while presenting this as a defense of the EAF. After decades in which the military refrained from a direct role in national politics and government, since assuming power in February 2011 the SCAF has come to redefine its relationship with the Egyptian state and, consequently, to establish more explicitly than ever

its institutional and political priorities. The SCAF seeks to preserve the political prerogatives, material rewards, and social standing that it believes should accrue from the EAF's defense of Egypt, and to enhance these with formal legal immunity for any of its actions, past or future.

For the SCAF, this translates specifically into asserting its rights to exclusive control over the defense budget, U.S. military assistance, and the official military economy and its subsidiary ventures. It also exercises absolute discretion over its use of assets and resources deriving from that access. The SCAF additionally wishes to preserve the de

The SCAF seeks to preserve the political prerogatives, material rewards, and social standing that it believes should accrue from the EAF's defense of Egypt, and to enhance these with formal legal immunity for any of its actions, past or future.

facto reach of the officers' republic into the state apparatus and the state-owned portion of the Egyptian economy, and, increasingly, the opportunities this provides for extension into the private or hybrid public-private sectors. Whether or not the SCAF succeeds in protecting the status quo through the establishment

of formal military custodianship depends on the unfolding of the political and constitutional process in the coming period.

#### Constituting Military Custodianship

The imposition of some form of military custodianship was always likely, but not inevitable. The SCAF became both more powerful and more vulnerable after Mubarak's ouster. The revolution catapulted it into political primacy but also compelled it to seek ways to compensate for the loss of the web of personal relations and informal understandings that had secured the officers' republic under Mubarak. This explains the series of attempts by the SCAF to parlay the powers it assumed in February 2011 into "supra-constitutional" principles that would institutionalize its prerogatives and protections in formal arrangements and place it permanently above the Egyptian state.

The latest of these attempts was the amended Constitutional Declaration published by the SCAF on June 17, 2012. With this, the SCAF gave notice of its move into a commanding position, ending the period of vulnerability and uncertainty generated by Mubarak's ouster the previous year. On the face of it, the unfettered powers the SCAF awarded itself apply only until a new constitution is drafted, defining the powers of the presidency and parliament and allowing the conduct of new elections for the latter. In practice, however, the SCAF laid out the "reserve domains" it seeks to enshrine as permanent prerogatives and exceptions in the new constitution. The SCAF has placed itself in a powerful position to impose terms. Among other moves, it has given itself the power to require the rewriting of draft constitutional articles to which it objects and has made the election of a new parliament contingent upon ratification of the new constitution.

Moreover, the amended Constitutional Declaration came hard on the heels of the decision by the Supreme Constitutional Court—itself headed by a former military judge appointed to the post by then-president Hosni Mubarak in 2009—that deemed the election of one-third of parliamentary members illegal and the new electoral law issued in October 2011 unconstitutional. This was followed by a SCAF decree dissolving parliament. Between them, the two SCAF decrees canceled out almost everything that had been achieved in the preceding sixteen months of transition. The SCAF dictated a second interim phase, in effect, and did so unilaterally, without consulting the political parties and presidential candidates as it had done in the past. Only the presidential election proceeded according to the procedures and schedule set out by the SCAF on January 30, 2012.

Even then, the SCAF did not leave the outcome to chance, moving swiftly to consolidate its position. It reactivated the National Defense Council and announced its membership rules and procedures a day after publishing the amended Constitutional Declaration. The National Defense Council had been all but moribund until then: its antecedent was originally set up under Nasser

and then formally established in the 1971 constitution as an instrument of presidential power, but a law setting out its statutes was never issued, and it rarely met or exercised any discernible authority. The SCAF now seeks to turn the council into an institutional mechanism through which it may secure permanent autonomy from civilian control, while enabling itself to exercise oversight and intervene at its discretion in civilian policy domains.

According to the constitution, the president heads the council, but the SCAF has stacked the odds against him by decreeing that the body will have sixteen to seventeen members, of whom between ten and twelve will come from its own ranks. It also ruled that the council may not convene or make decisions unless a majority of its members are present. In effect, a mini-SCAF will be in permanent command of the Egyptian state.

Asserting its autonomy and preemptively proscribing Mohamed Morsi's powers still further, the SCAF next announced that it had appointed a general as Morsi's chief of staff. It then confirmed that the SCAF's head, Tantawi, would retain the post of defense minister in the incoming cabinet and the associated powers of commander in chief of the EAF.

#### Between Military Custodianship and a "Deep State"

To prevent overt military custodianship, Morsi and Egypt's political parties must reach a firm consensus on limiting the exceptional powers the SCAF seeks to embed in the new constitution, sustaining this through the remaining interim process with a level of unity they have not yet demonstrated. They need to acknowledge that the concerns of the EAF officer corps regarding pay and living conditions are genuine, and to find ways for the government to address these real needs. But this only underlines the importance of asserting effective

civilian oversight over the defense budget and any other funding streams from which the EAF benefits, including U.S. military assistance and the military economy. EAF needs should be provided as a matter of obligation by the legislature and executive, not as a discretionary power by an autonomous SCAF.

No less crucial for Egypt's emerging civilian authorities and new political class is to block SCAF claims to a guardianship role as "protector" of the constitution or to an exceptional status placing it permanently above civilian

authority and law. A decree issued by Tantawi on May 10, 2011, limiting prosecution of EAF officers accused of "illicit gain" to military courts, including retirees, shows that this is a particular concern of the SCAF.

For its part, the SCAF has not yet learned that it cannot keep everything and relinquish nothing. It remains incapable of translating the powers it still wields or the high levels of public trust and approval it continues to enjoy into effective political mobilization and legitimation of its continued intervention

To prevent overt military custodianship, Morsi and Egypt's political parties must reach a firm consensus on limiting the exceptional powers the SCAF seeks to embed in the new constitution.

in the civilian sphere. This offers Morsi and the political class an opportunity to pry Egypt's democratic opening wider by a crucial, if narrow, margin. But they must anticipate that the further they progress, the more the residual networks and administrative bastions of the officers' republic will fight back. So far, its presence and reach are highly visible, but as civilian authorities roll it back under conditions of democratic transition, it may turn into an embedded "deep state" with the potential to obstruct government policies and reforms and impede public service delivery, undermining the performance and legitimacy of democratically elected civilian authorities. Only after the officers' republic is completely extricated from the Egyptian state and dismantled can Egypt's second republic be born.

#### **Notes**

- 1 Official figures for the interior ministry budget are from the finance ministry, cited in International Crisis Group, *Lost in Transition: The World According to Egypt's SCAF*, Middle East Report no. 121, April 24, 2012, 10. Figures for the defense budget are from successive issues of *The Military Balance*, International Institute for Strategic Studies, London.
- 2 Anouar Abdel-Malek, "The Crisis in Nasser's Egypt," *New Left Review*, I/45 (September–October 1967): 73.
- 3 I owe this term to Tewfik Aclimandos, email communication, July 23, 2012.
- 4 Anouar Abdel-Malek, Egypt: Société Militaire (Paris: Editions de Seuil, 1962), 330.
- 5 Only the first person to hold the post, Mehmed Bey Lazoglu (1822–1839) came close to Tantawi's length of tenure. Between 1839 and the overthrow of the monarchy in 1952, 47 other persons held the post, some more than once, and fifteen more appointments (including repeats) were made in the republic's first forty years, until Tantawi became minister of defense. The longest-serving ministers before him in the republican period were Abdul-Hakim Amer (1954–1967) and Abdul-Halim Abu-Ghazala (1981–1989). See the EAF's official website: www.mmc.gov.eg.
- 6 Quoted from "A Tunisian Solution for Egypt's Military: Why Egypt's Military Will Not Be Able to Govern," *Foreign Affairs*, February 21, 2011, www. foreignaffairs.com/print/67290.
- 7 Abdel-Malek, "The Crisis in Nasser's Egypt," 75.
- 8 Anouar Abdel-Malek, "Nasserism and Socialism," Socialist Register, vol. 1 (1964): 45.
- 9 According to the Austrian Development Agency's Business Anti-Corruption Portal, www.business-anti-corruption.dk/country-profiles/middle-east-north-africa/egypt/ initiatives/public-anti-corruption-initiatives.
- 10 According to a senior former official in the Authority, Lieutenant Colonel Mu'tasim Fathi, interviewed in, 'Officer in the Administrative Authority: major corruption in government', al-Wafd.Org, March 3, 2011, www.alwafd.org/index.php?option=com\_content&view=article&id=20568&catid=151&Itemid=69.
- 11 A detailed expose is in Mohammad Saad Khattab, "Why Don't You Put Hitler Tantawi and the Corrupt Officers of the Administrative Monitoring Authority on Trial Immediately?" *sudaneseonline* blog, June 22, 2011, www.sudaneseonline.com/arabic/permalink/5408.html.
- 12 Number of Sadat-era military governors from Robert Springborg, *Mubarak's Egypt: Fragmentation of the Political Order* (Boulder, Colo.: Westview Press, 1989), 5.

- 13 Described in Shana Marshall and Joshua Stacher, "Egypt's Generals and Transnational Capital," Middle East Report no. 262, vol. 42, Spring 2012.
- 14 On monthly salaries, former security officer Major General Mohammad Mustafa al-Kashef, interviewed in Wafd, April 1, 2011.
- 15 Robert Springborg, "The President and the Field Marshal: Civil-Military Relations in Egypt Today," MERIP Middle East Report, July-August 1987, 8.
- 16 The same restriction was applied to entry to commercial shopping malls owned or run by associations of retired officers, until it was realized that affluent visitors from the Gulf dressed in the same way.
- 17 As noted by Zainab Abul-Magd, "The Egyptian Republic of Retired Generals," Foreign Policy, May 8, 2012, http://mideast.foreignpolicy.com/ posts/2012/05/08/the\_egyptian\_republic\_of\_retired\_generals#.T6mg6L1GjvN. facebook.
- 18 Abdel-Malek, "The Crisis in Nasser's Egypt," 75.

### **About the Author**

**YEZID SAYIGH** is a senior associate at the Carnegie Middle East Center in Beirut, where his work focuses on Arab civil-military relations, the Syrian crisis and opposition, security sector reform in Arab countries undergoing transition, and the Israel-Palestine conflict.

Previously, Sayigh was professor of Middle East studies at King's College London until 2011. From 1994 to 2003, he served as assistant director of studies at the Centre of International Studies, Cambridge, and from 1998 to 2003, he also headed the Middle East program of the International Institute for Strategic Studies in London. Sayigh was an adviser and negotiator in the Palestinian delegation to the peace talks with Israel from 1991 to 1994, and has provided policy and technical consultancy on the permanent status peace talks and on Palestinian reform since 1998.

Sayigh is the author of numerous publications, most recently "We Serve the People": Hamas Policing in Gaza (2011); Policing the People, Building the State: Authoritarian transformation in the West Bank and Gaza (2011); and Security Sector Reform in the Arab Region: Challenges to Developing an Indigenous Agenda (2007).

\*\*\*

The author is indebted to the Egyptian retired officers, former government officials, scholars, and experts and to the U.S. officials and experts he interviewed or consulted in 2011 and 2012 for this paper. He also owes a special debt to Dima Babilli, Samah Hammoud, and Rewa Oubari for their valuable research assistance. He acknowledges gratefully the support of the United States Institute of Peace and the Arts and Humanities Research Council (UK) for earlier phases of his research in 2005–2010.

## **Carnegie Middle East Center**

The Carnegie Middle East Center is a public policy research center based in Beirut, Lebanon, established by the Carnegie Endowment for International Peace in 2006. The Middle East Center is concerned with the challenges facing political and economic development and reform in the Arab Middle East and aims to better inform the process of political change in the region and deepen understanding of the complex issues that affect it. The Center brings together senior researchers from the region, as well as collaborating with Carnegie scholars in Washington, Moscow, and Beijing and a wide variety of research centers in the Middle East and Europe, to work on in-depth, policy-relevant, empirical research relating to critical matters facing the countries and peoples of the region. This distinctive approach provides policymakers, practitioners, and activists in all countries with analysis and recommendations that are deeply informed by knowledge and views from the region, enhancing the prospects for effectively addressing key challenges.

The Carnegie Endowment for International Peace is a private, nonprofit organization dedicated to advancing cooperation between nations and promoting active international engagement by the United States. Founded in 1910, its work is nonpartisan and dedicated to achieving practical results.

Carnegie is pioneering the first global think tank, with flourishing offices now in Washington, Moscow, Beijing, Beirut, and Brussels. These five locations include the centers of world governance and the places whose political evolution and international policies will most determine the near-term possibilities for international peace and economic advance.

# THE GLOBAL THINK TANK

CARNEGIE ENDOWMENT

FOR INTERNATIONAL PEACE

Carnegie Endowment.org