Class Politics and Ideology in Revolutionary Egypt

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SUMMARY

Egypt’s revolution of 2011 has attracted a significant degree of scholarly attention in the years following the dramatic events since Mubarak’s ousting. Attempts to explain these events have come from a variety of theoretical standpoints, with a recent wave of Marxist explanations leading the radical interpretations of the events. These works identify the material conditions that ordinary Egyptians were subject to as one of the most significant explanatory factors in their analyses, but tend to downplay discussion of ideology. This thesis looks to the theory of Antonio Gramsci to explain the alarming continuity of authoritarian rule in Egypt, and places current events in a longer history of Egyptian capitalism.

By focussing on the dialectical interconnection of the economic structures and the ideological superstructures, this thesis analyses how the dominant ideologies from Egypt’s early integration in the world capitalist system have been reproduced, diluted, and systematically perverted by the regimes of republican Egypt. Separating class groups on the grounds of ideological affiliation, rather than strictly on their place in the nation’s relations of production, allows for the contest between various political blocs under the leadership of competing fractions of the bourgeoisie to be at the core of the analysis.

As such, while accepting that the uprising against Mubarak’s rule was an organic expression of popular revolt against his rule, this thesis argues that the revolution was quickly subverted by a counter-revolutionary pushback by the bourgeoisie in its various guises. The ensuing contest between three fractions of the capitalist class, divided on ideological lines rather than economic, has demonstrated the enduring relevance of nationalism and the notion of a moral economy between state and workers. Ultimately, by looking at Egypt as an integral state- in which there is a dialectical unity of civil society and political society, we gain a fuller understanding of the disheartening outcome of the Tahrir revolution.
Statement of Originality

This work has not previously been submitted for a degree or diploma in any university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

_____________________________  Date:  11/02/2018
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“More than ever before men now live in the shadow of the state” - Ralph Miliband; *The State in Capitalist Society*¹

The eruption of widespread popular protest in Egypt in January 2011 prompted surprise and alarm in the West. The apparent suddenness of the explosion of political turmoil, and that it had seemingly spread from one country to another, was cause for deep concern in distant capitals from Washington and London to Brussels and Berlin, to say nothing of those authoritarian Middle Eastern states closer to the upheaval. Yet closer observers of Egyptian politics were not so surprised. Many scholarly articles placed the uprising in the context of the steady, decades-long accumulation of political and economic grievances by

subaltern classes.\textsuperscript{2} These were closely associated with the consolidation of unpopular neoliberal modes of governance. In the years leading up to the 2011 revolutionary moment, a few commentators and academics observed that something eventually had to give, even if the timing was uncertain.\textsuperscript{3} That ‘something’ finally did begin to give on 25 January, 2011. The security forces’ brutal 2010 beating and murder of a young man, Khaled Said, precipitated the initial protests that would eventually topple the US-supported Mubarak dictatorship. This was a pivotal moment in what would soon come to be labelled the region’s ‘Arab Spring’.

The optimism of the protestors was palpable, and for a time seemingly unquenchable, even in the face of brutal repression. Protests begat more protests, and the numbers of people committed to the streets steadily multiplied. The revolutionary fervour touched many throughout the world who had little prior interest in Egyptian politics (many of whom have expressed little interest since), with thousands of people showing their support for the protests across both social


\textsuperscript{3} The best single example of this is the edited volume: R. El-Mahdi and P. Marfleet, \textit{Egypt: The Moment of Change} (London: Zed Books, 2009)
and traditional media. The sudden explosion of revolutionary fervour in January, however, was not a product of a recently emerged dissatisfaction with Mubarak. Rather, such dissatisfaction had been decades in the making, with the intolerable deterioration of social and economic life producing the rapid growth of popular grievance and protest, especially amongst militant workers, intellectuals and Egyptian youth. With the uprising came an emotionally charged expression of hope for political alternatives; ones that could address entrenched social and economic inequality. Needless to say, greater democracy was an important demand for the protesters, but it was not the only or even the most central demand, as is sometimes implied by western commentators beholden to a particular model of liberal democracy extant in the United States and Western Europe. In addition, many protestors were focused on demands for a more just economic order, whose first premise was the overthrow of Mubarak. The cries of ‘bread, freedom, and social justice’ expressed this demand, with calls for Mubarak’s removal reaching a crescendo on the 28 January – the ‘Day of Rage’.

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4 This, in turn, raised a particularly contentious issue – the ‘appropriation’ of the resistance by Western commentators, who tended to project their own political ambitions onto the protestors. Perhaps more could be said about this, but this thesis is not the appropriate place for such a digression, and it has been addressed elsewhere. See: M. Aouragh, “Revolutions, the Internet and Orientalist Reminiscence,” in *Revolutionary Egypt: Connecting Domestic and International Struggles*, ed. R. Abou-el-Fadl (London: Routledge, 2015).


The protests continued for the next fifteen days. On 9 February, the public transport workers joined in strike action, grinding the cities to a halt. The following day Mubarak was set to make a speech at which he was widely predicted to step down. He failed to do so, prompting incredulity, frustration and anger from the protestors. The day after this non-resignation, Omar Suleiman (the Mubarak-appointed vice-president), finally announced that Mubarak would be stepping down. It was clear that Egypt was about to enter a new era. The Egyptian people had confronted state power and triumphed. Or so it seemed.

In the wake of Mubarak’s ousting in 2011, the prospect of a return to military rule – complete with rigged elections, restrictions on political opposition, and widespread human rights abuses by the coercive arms of the state – seemed a distant, albeit nightmarish, possibility. Yet seven years later, under the rule of Abdel Fattah al-Sisi, the state once again casts a long, dense shadow over Egyptian society. The commanding heights of political and economic power are as far removed from popular control as they were before the revolutionary events of 2011. Why and how this continuity with the essential features of the Mubarak regime was secured, despite the possibilities that 2011 promised for radical discontinuity, is the central theme of this thesis. Its theoretical point of departure

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8 J. Beinin, “Workers and Egypt’s January 25 Revolution,” 194
is a reading of Egyptian politics and history through the lens of a Marxian understanding of state power.⁹

Ralph Miliband’s pithy description of the power (im)balance between the modern state and its citizens, cited in the epigram above, neatly crystallizes the overwhelming power that states enjoy in advanced capitalist societies, despite much premature eulogizing about their imminent death in the face of accelerated globalization. According to Miliband, the shadow of the state looms over society such that it has become politically all encompassing. Citizens are constantly seeking the approval of the state, are increasingly subject to its surveillance and monitoring, and are continually encountering the state, in one form or another, in their everyday lives. For Miliband, the state is instrumental in reproducing capitalist social relations – and the legal order that defends and reflects those

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⁹ Marx’s own writings on the state are of course varied and sometimes contradictory, as are those of his followers, who tend to emphasize aspects of his approach to the exclusion of others. This thesis does not concern itself with the impossible task of elaborating the ‘true’ or ‘correct’ Marxist theory of the state. Rather, I selectively use Marx’s and later Marxists’ (especially Gramsci) insights about the state, and its relationship to civil society and the economy, as a conceptual starting point from which to analyse political and economic developments in Egypt. The wisdom and efficacy of doing so – the extent to which such an approach can provide convincing answers to questions posed about revolutionary and counter-revolutionary processes in Egypt – can only be legitimately evaluated once the analysis is complete. To use a hackneyed cliché: the proof of the pudding will only be in the eating. For Marx’s own shifting writings on the state see especially his *Critique of Hegel’s Doctrine of the State* (in the Penguin edition *Karl Marx: Early Writings* [1992]), *The Manifesto of the Communist Party* (various editions), and his later political writings gathered in *Surveys from Exile* (Harmondsworth: Penguin 1973). The subsequent secondary literature on Marxist theories of the state is voluminous. One useful source is Simon Clarke’s *The State Debate* (London: Macmillan, 1991).
relations – in the interests of the economically dominant class.\(^{10}\) The centrality of the state in politics is not unique to the advanced capitalist societies to which Miliband turned his attention; arguably, politics in economically less-developed states like Egypt, especially under Emergency Laws such as those of Mubarak and other authoritarian leaders, is even more dominated by the institutions of the state.

The state in modern Egypt has developed in concert with the development of capitalism, which has, in turn, been influenced from both within the country and without. Though this thesis emphasises the endogenous factors in the development of capitalism, it is important to emphasise that much of the change that Egypt has undergone (for better or worse) over the past two centuries is often the local reflection of global political and economic trends. In the case of the establishment of the colonial state in Egypt, it was self-consciously intended to facilitate the economic subordination of Egypt to global markets, through the imposition of cash crop production and the commodification of other areas of economic and social life. Over the past century or so, the Egyptian state has exercised a profound influence over the lives of Egyptians, with its dominance justified by different ideologies according to the specific historical moment. The modern Egyptian state is most often presented as a set of administrative and

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\(^{10}\) Miliband was subject to withering criticism for this ‘instrumentalist’ view of the capitalist state by Nicos Poulantzas, who followed Gramsci in insisting on the relative autonomy of the state (“The Problem of the Capitalist State,” *New Left Review* I, no. 58, 1969; *State, Power, Socialism*. London: Verso, 2014 [1978]). Looking back on this 1970s debate that occurred in the pages of *New Left Review*, it is clear that the distance between the instrumentalist and relative autonomy views of the state are not as great as the protagonists at the time implied. States can ultimately still be the instruments of dominant economic classes, even when they enjoy autonomy from those classes. Indeed, to adequately perform the instrumental function of reproducing capitalism it is necessary that the state have a degree of autonomy from any one or combination of capitalist interests. This point will be borne out when we examine the Egyptian class structure and its relationship to the Egyptian state.
repressive institutions, with emphasis on the sprawling state bureaucracy and the coercive apparatus. Depending upon the author, the state is often also associated with the fortunes of individually powerful members of the regime. Not just Nasser, Sadat, and Mubarak, but the well-connected businessmen, military officers, or senior members of the bureaucracy that surrounded them (and were dependent upon continued favour from the regime). In whichever way the Egyptian state is constructed, it is undoubtedly resilient, and was historically able to hold its own in the face of pressures that seemed like they should have been terminal.

The place of the state in the events of 2011, and especially the counter-revolution that followed, should occupy a central position in any analysis of what occurred in Egypt. Exactly how the state is conceptually understood has a significant bearing on any conclusions that might be drawn from any political moment, but especially those in which the state is itself challenged. It has become almost banal to declare that reports of the death of the state are exaggerated, and this is especially so in the present era of neoliberalisation. The redirection of the neoliberal state towards its coercive functions, protecting the functioning of a supposedly free market and repressing all opposition, seems, prima facie, a promising point of departure for understanding what happened to Egypt under Mubarak’s rule.

With this in mind, this thesis asks what role the state played in the revolution of 2011 and the subsequent counter-revolution. It does so while also exploring which theoretical conception of the state adequately explains its relationship to society and the economy in Egypt. To even begin to explore such a topic, however,
certain basic questions need to be answered. What, for instance, is the state? Exactly how one defines the boundaries of the state will, in turn, help define the place of the state in Egypt. How has the state evolved in Egypt? Is the state merely an instrument of the elites, or does it operate according to its own logic? Could it have elements of both? What is the relationship between the state and the classes and class fractions that make up modern Egypt? To what degree has class struggle shaped the modern state in Egypt, and how was this reflected in the events of 2011? In asking these questions, it is apparent that the required frame of reference is much broader than the events of 2011 (and the subsequent events), and needs to consider the historical development of the modern Egyptian state.

In answering the questions posed above, the primary objective of this thesis is to integrate a theoretical study of the state with an analysis of the changes in the Egyptian political economy, and to identify the continuities and discontinuities in the manifestations of the state under each successive president since Nasser. In order to do this, the thesis turns to the concept of the integral state developed by Antonio Gramsci. Presenting the state as the 'dialectical unity' of the ideological superstructures and the economic structures, this conception of the state is firmly
rooted in class struggle. In this view, the state is not just the bureaucratic apparatus of power, nor is it reducible to the coercive institutions that violently repress the Egyptian population. Instead it is a conglomeration of all of the ideas and institutions that uphold the rule of a particular class fraction – whether they belong to 'civil society' or 'political society'. Even in the case of nominal opposition, if that opposition represents another fraction of the capitalist class, then it too is part of the state. Expanding upon this notion of the state, the theoretical debate between Nicos Poulantzas and Ralph Miliband is utilised to address the question of the autonomy of the state in Egypt. Taking this approach allows the state, and class struggle in Egypt, to be conceived of in a more nuanced fashion than traditional notions of antagonism between broad class groups. Gramsci’s theory proposes the existence of 'historical blocs' – which appear as class alliances, but are representative of a deeper unity of elements of the structures and superstructures of a social formation. In the case of Egypt, it is the proposition of this thesis that three significant such blocs had emerged by 2011 as a consequence of the nature of the state in Egypt: a pious fraction; a statist fraction;

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11 The base/superstructure metaphor has had a long and controversial history in Marxism and the social sciences more broadly, often being cited as a manifestation of Marxism’s inherent reductionist proclivities. Some of this criticism is warranted, certainly when examining some contributions to the Marxist orthodoxy that developed amongst many (not all) of the thinkers of the Second and Third Internationals, and their contemporary imitators (see Jorge Larrain, A Reconstruction of Historical Materialism (London: Allen and Unwin, 1986), 29-58). Yet one needn’t subscribe to the reductionist, causal account of historical materialism according to which political superstructures are passive reflections of economic bases, in order to continue deploying the base/superstructure metaphor in a heuristically useful manner. As will be made clearer as the thesis proceeds, particularly in the theoretical chapter, I follow the lead of Marxist theorists such as Gramsci and Lukács who insisted on the dialectical ‘concrete unity of the whole,’ rather than the primacy of an economic base from which all explanation ultimately flowed. As Lukács argued: ‘Only in this context which sees the isolated facts of social life as aspects of the historical process and integrates them in a totality, can knowledge of the facts hope to become knowledge of reality’ (History and Class Consciousness (London: Merlin Press, 1967 [1923]), 6 and 8.)
and finally, a neoliberal fraction. Each was led by a different fraction of the capitalist class.

Before I outline the structure of the thesis, the use of the theorists and theories upon which this thesis depends needs to be justified. This is particularly important in regard to Egypt, where the validity of Gramscian analysis was called into question by Joel Beinin, and the subject of a very public disagreement between Beinin and Brecht de Smet on the pages of *Jadaliyya*. The use of Gramscian theory, or indeed any Marxist theory, is today academically unfashionable, though recent political upheaval around the world has stimulated some re-engagement with the works of Marx. Essentially, Marxist thought helps us to understand periods of political change and economic crisis. The political-economic situation in Egypt in the lead-up to the revolution of 2011 was one of instability and increasing disparities in wealth and economic opportunity, as the logic of the market increasingly dominated more areas of social life. Marxism offers unique insights into the conflicts driving such processes, and the stratification of society into competing classes – both key elements of the political contest in Egypt (and around the world). This thesis attempts a dialogue between the theory and the concrete reality of politics in Egypt. It is not an attempt to shoehorn Marxist theory into an analysis of Egypt, regardless of fit, and moves beyond superficial historical comparisons, by engaging the theory based on events on the ground, rather than fitting events to the theory. Whilst historical examples of revolutions elsewhere can be used as sources for comparative analysis (indeed,
this was a substantial part of De Smet’s work on the 2011 revolution\textsuperscript{12}), the emphasis in this thesis will be on the situation in Egypt and how existing theory deepens our understanding of these events, rather than trying to establish a general theory of revolution. To paraphrase Simon Clarke, it is not to propose that old answers are suitable for new questions, but that lessons of the past can inform future struggles.\textsuperscript{13}

**Chapter Outline**

Chapter One outlines the Marxist theoretical approach taken by the thesis. It begins with a critique of existing approaches to the state in the literature on Egypt, both Marxist and non-Marxist. It continues with a discussion of the theoretical work of Antonio Gramsci, though it does so in a slightly unorthodox manner. Now famous for his elaboration of the concept of hegemony, this thesis turns instead to his concept of the ‘integral state’ to examine the modern capitalist state in Egypt. Whilst other academics have applied Gramscian theory to an analysis of the Egyptian revolution (most notably Roberto Roccu [2013], Nicola Pratt [2015] and Brecht De Smet [2016]), the state itself has not been considered in its integral sense, and Gramsci’s concepts for the understanding of revolution are the focus of these works (Passive Revolution in the case of Roccu and Pratt, and Caesarism in

\textsuperscript{12} B. De Smet, Gramsci on Tahrir: Revolution and Counter-Revolution in Egypt (London: Pluto Press, 2016)  
\textsuperscript{13} S. Clarke, *The State Debate*, 3
This chapter places an analysis of the Gramscian integral state in the context of the broader Marxist ‘state debate’, particularly as it has unfolded since the 1970s. Rather than viewing the state as merely an institutional apparatus, or as an actor separate to society, by studying the state as a condensation of class forces, we are better able to incorporate the state into analysis of the revolution and counter-revolution after 2011.

Chapter Two begins the historical analysis with the early capitalist period in Egypt, focusing on the construction of capitalism as part of the British colonial project, and the class relations that emerged in this time. As well as these more structural aspects of the state-building project in Egypt, the chapter focuses on the emergence of two ideas that remained exceptionally important in Egypt: the moral economy and nationalism. These two ideas were consistently reasserted throughout the Twentieth Century in Egypt and were important in both the framing and execution of the policies of each of the republican regimes. In turn, they had a substantial influence in terms of class relations in Egypt. Both ideas were used to varying degrees to justify the corporatist structure of the state vis-a-vis organised labour, and the working classes more broadly. The presidency of Gamal Abd-el Nasser is outlined with reference to its class-structure and the ideologies mentioned above, and the process of state formation under Nasser is explored in further depth.

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Chapter Three focuses on the presidency of Anwar Sadat. Identifying the continuities in the state between Sadat and his predecessor, this chapter finds that the continuities are perhaps more significant than the changes in the state, though the balance of class forces that is reflected in the state is altered. Just as significantly, whilst maintaining a rhetorical commitment to nationalism and a moral economy, Sadat used these ideas to justify a very different economic program to Nasser. The attempted introduction of economic liberalisation under Sadat was a watershed moment in the ongoing process of the construction of the state. Sadat’s infitah, or open-door, policies led not just to the introduction of neoliberal economic policy into Egypt, but to a realignment and renegotiation of ideology in the state, and the class structure itself. In order to incorporate the neoliberal turn under Sadat into the theoretical framework of the thesis as a whole, this chapter synthesises recent theoretical work on neoliberalism with the concept of the integral state. Accordingly, rather than reducing the state to the instruments of repression that are wielded against the subaltern classes (though this remains an important role for and activity of the state), this chapter looks at the emerging neoliberal social totality in which the state is embedded.

Chapter Four examines the first two decades of Mubarak’s rule. In response to the simmering discontent in the wake of Sadat’s assassination, class relationships in Egypt again went through a protracted process of renegotiation. This period was perhaps most significant for the succession of structural adjustment programs conducted by Egypt under the direction of the World Bank and International Monetary Fund. Throughout this period, the new neoliberal ideology of the ruling class began the process of abandoning any pretence of
maintaining the vestigial commitment to the moral economy. Moreover, the developmental project that the regime’s moribund nationalism justified was slowly redefined (though not without resistance). This was a period of relatively gradual change. The class compromises that Mubarak tried to orchestrate were cautious, certainly not involving any sudden purges. The economic reforms were coupled with reluctance on the part of the regime to upset any potential political rivals (regardless of class), and thus assumed a disjointed implementation.

The period immediately preceding the revolution, from 2003-2011, is the focus of Chapter Five. In this period, the influence of the Policies Secretariat expanded, and the neoliberalisation of Egypt continued apace. This prompted the rapid consolidation of power in the hands of a few well-connected oligarchs, as well as the continuing rise of a new middle-class that benefited from the economic changes. Meanwhile, the rapid concentration of wealth in fewer and fewer hands strengthened alternative political blocs, and the political forces that contested for power in the revolution of 2011 consolidated. This process of reorienting the capitalist class in Egypt was accompanied by a substantial expansion of neoliberal cultural production. A new discourse of national development was articulated with existing ideological positions, most notably in the emergence of a pious Islamic bourgeoisie, with prominent clerics modelling themselves after wealth-happy protestant evangelists.

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15 The Policies Secretariat was an administrative body established within the ruling National Democratic Party that sought to provide new policy ideas to a stale political class. These policies amounted to the application of the international neoliberal consensus to Egypt.

economy was abandoned by both the state and the workers, and the many political contests in the period were fought without any ideology able to establish itself as hegemonic. Whilst Egypt saw a great expansion of its wealth in terms of GDP in this period, the highly uneven nature of its distribution caused contradictions that eventually brought down the Mubarak regime.

Chapter Six concerns the revolution itself, and its immediate political aftermath. In the moment of the revolution, the contradictions that had been straining class relations in Egypt over the past decade finally found their expression in a popular revolt. This chapter begins with an account of the 18 days of protest that brought down Mubarak, before moving into the post-revolutionary period under the Supreme Council of the Armed Forces (SCAF). The SCAF government, and the period of rule by the generals is analysed with reference to the integral state, with specific focus on the contest among elements of the capitalist class. The political force of bourgeois Islamism is also brought under further scrutiny is this chapter, with the class alliance that brought the Muslim Brotherhood’s Mohammed Morsi into power appraised in terms of its position within the broader Egyptian social formation. Rather than just relying on definitions of the Muslim Brotherhood’s supporters in terms of their religious affiliation or a quantitative appraisal of their economic position, I propose that they represented an alternative historical bloc.\(^{17}\) The chapter concludes with the rapid rise of Abdel Fattah al-Sisi, and the military coup.

\(^{17}\) Sean McMahon also analyses the Muslim Brotherhood as part of the capitalist class, though he does so in a very different way. He defines them simply by their relation to capital rather than considering their ideological relationship with subaltern classes as constitutive of their class make-up. See: S. McMahon, *Crisis and Class War in Egypt*, 81-88
Chapter Seven explores the nature of the state under Sisi. The emergence of yet another military ruler (and by appearances thus far, yet another dictator) was widely proclaimed as the moment of the triumph of the counter-revolution in Egypt. Al-Sisi’s coup, and the recapture of the state apparatus by the military, was received with ambivalence in the West. This chapter examines the state under Sisi in the context of his brand of authoritarian neoliberalism, and the continuities in the state under Sisi, Morsi, and Mubarak. The emergence of strengthened ties between Egypt and Saudi Arabia, and Sisi’s apparent desire to play a more interventionist role, will be examined in comparison to prior instances of Egypt’s pretentions to lead the Arab world, and the ideological role that this has played on a domestic level. The relationship between the state, capital, and the subaltern classes in Egypt is the focus of this chapter, specifically whether the configuration of these relationships under Sisi represent any change from his predecessors. Following this chapter is a final conclusion for the thesis.
Chapter One:

A THEORETICAL FOUNDATION

Any political scholarship requires some foundation in theory, whether explicit or implicit, as a means to make sense of history. The events of the Arab Spring prompted a fairly widespread re-engagement with once-marginalised Marxist explanations, as scholars and journalists drew parallels between the revolutions that spread throughout the Arab world, and similar events in European history. In my view, and that of a handful of other scholars, Gramscian analysis of the events of the Egyptian revolution and counter-revolution (of 2011 and 2013 respectively) provides a promising theoretical approach to the complicated relationship between the elite and subaltern classes in Egypt, and the overall relationship between state and society, without overly privileging any particular category. Thus far, much academic analysis of the Egyptian revolution tends to focus on the role played by the various groups that made up the revolutionary movement, which is mostly presented as an uneasy alliance of various class groups.
that struggled against the state. The vast numbers of workers and members of the middle class that took to the streets to oust Mubarak in January and February 2011, provided a compelling basis for a narrative of change from below. In the wake of the Morsi presidency, and with the restoration to power of members of the Mubarak regime under Sisi, the indications are that the narrative of change from below needs to be reappraised. The interests and influence of the elites, or more specifically, fractions of the Egyptian capitalist class, cannot be ignored or treated separately from the demands of the groups that made up the revolutionary multitude. In addition to this contest between classes, the place of the state in reproducing capitalist relations of production, and the way in which it shaped the political possibilities of the various groups that contested for power needs to occupy a central place in any thorough analysis of the ‘Arab Spring’ in Egypt.

While many outstanding contributions analysing particular aspects of the Egyptian revolution have been written, many of which I draw on, a comprehensive account of the revolution that gives sufficient weight to all of these elements of the revolutionary process is yet to be produced. It is this gap in the literature that this thesis intends to fill.

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19 I simply use ‘multitude’ here as descriptive noun, without in any way committing myself to, or even drawing upon the work of, Hardt and Negri, much of which is theoretically unconvincing. But a discussion of this work would take us too far afield. For Hardt and Negri’s original writings on the multitude, see Empire (Cambridge Mass: Harvard University Press, 2000). For a useful collection of essays discussing their work, some more critical than others, see Paul A. Passavant & Jodi Dean (eds) Reading Hardt and Negri: Empire’s New Clothes. New York: Routledge, 2004.
Existing Approaches

The 2011 revolution in Egypt immediately grabbed the attention of many scholars, and each of these offered a different theoretical lens through which to analyse the events. Towards the end of Hosni Mubarak’s presidency, some scholars sought to explain ‘authoritarian persistence’, whilst others were more optimistic about the possibility of political change.\textsuperscript{20} For the latter, the deteriorating economic conditions for the average Egyptian, and the emergence of various forms of popular (and even institutional) resistance to Mubarak, suggested that his rule was by no means guaranteed to continue in perpetuity.\textsuperscript{21} Joel Beinin, a labour historian, has written extensively on these conditions and the political activism of Egypt’s workers, and alongside the work of other prominent scholars such as Ray Bush, Rabab el-Mahdi, and Samer Soliman (to name just a few), the impediments to the longevity of the regime had become very clear by the occupation of Tahrir Square.\textsuperscript{22} The outbreak of the revolution itself, however, required a re-evaluation of some of these works. The resulting scholarship has been informed by a multiplicity of theoretical approaches. There are a number of categorizations that could be used to differentiate between the various works that


have been produced since 2011, but the accounts of the revolution itself tend to fall into one of two broad camps; those that are Marxian (of some denomination), and those that are not.

Within the (broadly-categorised) Marxian literature, there are further divisions. Anne Alexander and Mostafa Bassiouney take a Trotskyist approach; Brecht De Smet, Nicola Pratt, and Roberto Roccu have each turned to Antonio Gramsci; whilst Ibrahim Aoudé, Sean McMahon, Gilbert Achcar and Adam Hanieh are all advocates of a global Marxist perspective. These intra-Marxist theoretical divisions tend to correspond to the different focuses of each work. For example, Alexander and Bassiouney focus their attention on the political activism of Egypt’s organised working-class, whereas Aoudé and Hanieh are more interested in placing the events within the context of the global capitalist system.\(^{23}\) In terms of Gramscian approaches, Roccu’s work is focussed on the role of intellectuals and attempts to construct hegemony in the roll-out of neoliberalism in the late Mubarak period, while Nicola Pratt turns her analysis to the ‘war(s) of position’ fought within civil society to establish hegemony.\(^{24}\) A number of scholars dispute that a revolution actually took place on 25 January 2011, given that the revolutionary activity did not result in any meaningful political change.\(^{25}\)


Though each of these scholars focuses on a significant element of Egyptian politics, and each of them deepens scholarly understanding of the political dynamics that contributed to, and emerged in the aftermath of, the uprising in 2011, none of them place the state, as a totality, at the centre of their analysis (where they do place emphasis on the state it is typically synonymous with the regime and/or coercive institutions). Those that focus on the dynamics of the revolutionary movements provide invaluable analysis of how the state was confronted, but tend to focus on the elements of the state that confronted the protestors; i.e. the coercive apparatus. A further issue with some of these works (though it’s not a problem unique to Marxian scholarship on Egypt), is the tendency to draw historical parallels with the revolutionary events of mid-nineteenth and Twentieth Century Europe. Though this comparison is made to establish the enduring relevance of the contemporary theories of revolution that sought to explain these events, on occasions these comparisons have been subject to criticism that they are forced, neglecting or glossing over the significant differences between the cases being compared.26

Of the non-Marxists, Joshua Stacher offers important insights into how power was structured in the regime through the dynamics of authoritarian rule, with a particular focus on the concentration of power in the executive. He also considers elite- and non-elite co-optation by the executive in order to understand the events of 2011 and their aftermath. However, Stacher confines ‘politics’ to the

regime and the directly political institutions, placing even the security forces “outside… of where politics is practiced.”\textsuperscript{27} In a political system where so much of subaltern (and even middle-class) politics occurs outside of ‘official’ channels, it seems an incomplete explanation at best. Similarly, Hazem Kandil examined the critical role of the military in republican Egypt, exploring the relationship between the military and the rest of the institutional state, stretching from the Free Officers revolution of 1952 to 2013. His thesis is built around a view of the military as an actor in a tripartite struggle with the security forces and the political apparatus—which he calls ‘the power triangle’.\textsuperscript{28} More recently, he has revisited this thesis, approaching Egypt using an historical sociological approach, and compellingly incorporating Bourdieu’s theory of institutions.\textsuperscript{29} Through this, Kandil proposes reading all power relations through the formal institutions of the state.\textsuperscript{30} The problem with this is an over-emphasis on one side of politics (significant though it is). By viewing power as operating through institutions, Kandil can only explain the persistence of certain elements of the superstructures through their reproduction in the formal institutions of the state (as political society). Jack Goldstone places the events of 2011 in the long lineage of ‘democratic’ revolutions, placing his emphasis on the ‘sultanistic’ character and the apparently unique resilience of authoritarian regimes in the Middle East.\textsuperscript{31} However, this argument is predicated on a view of middle-eastern authoritarian regimes as

\textsuperscript{27} J. Stacher, \textit{Adaptable Autocrats: Regime Power in Egypt and Syria} (Stanford, Stanford University Press, 2012),
\textsuperscript{28} H. Kandil, \textit{Soldiers, Spies, and Statesmen: Egypt’s Road to Revolt} (London: Verso, 2012), 244
\textsuperscript{30} Ibid., 9
\textsuperscript{31} J. Goldstone, ‘Understanding the Revolutions of 2011’, in: \textit{The New Arab Revolt}, 329-343
ideological vacuums. As we will see later in this thesis, although they failed to achieve a genuine consent-based hegemony, the Egypt of Sadat and Mubarak still required ideology for control. Each of these accounts is of interest to any scholar of Egypt, even those that take a more self-consciously Marxian approach to the study of politics, as they each give insights into various political and historical process that have been unfolding in Egypt over the period of republican rule.

What most of these accounts, (both Marxist and non-Marxist,) have in common is that the state is conceived as being radically separate from, and in an antagonistic relationship with, civil society. The state is treated mostly as little more than a set of administrative and coercive institutions. What I propose in this thesis is to use the empirical and theoretical advances of the above authors (and many more besides) to come to an understanding of the capitalist state in Egypt that treats the state as more than the regime and institutions. In addition, I will be concerned to explore the ways in which elements of civil society, along with the coercive and administrative institutions of the state, upheld the dominance of the capitalist class in Egypt. This is important for two reasons. Firstly, the state played an active, arguably dominant, role in determining the outcome of Egypt’s revolution. Secondly, the state (integral or otherwise) has thus far not been the principal subject of any major academic analysis of the revolution. Though Gramsci is best known for his conceptual development of hegemony, his tools for

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32 Ibid., 331
33 R. Roccu (2013) is the exception here, with his focus on the top-down dissemination of neoliberalism.
analysis of the state are particularly useful to scholars of politics in late-capitalism, where the lines between political and civil society appear increasingly blurred.

**Antonio Gramsci: A Brief Introduction**

The theoretical work of Antonio Gramsci provides the necessary tools with which to approach the central problem of this thesis: the role of the state, and the constitution (and reconstitution) of class power in Egypt. The central theme of Gramsci’s writing was political change, and more specifically, different forms of ‘revolutionary’ change. Broadly speaking, his concept of hegemony addresses the structure and maintenance of political power, and his concepts of war of manoeuvre, war of position, counter-reformation, and passive revolution explain the processes through which it can be contested. In studying the contest between different fractions of the Egyptian capitalist class during the recent revolutionary struggles, this theory will form the foundation of my analysis. But it cannot be applied to Egypt uncritically.

Gramscian theory first gained popular traction in the Anglophone world through British Marxists in the 1960s and 1970s, particularly in the pages of *New Left Review*. The influence was always somewhat muted, with writers focussed on incorporating Gramsci’s work into existing Marxist paradigms. Following this,

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Stuart Hall was perhaps the most prominent of a group of scholars who used Gramscian theory in the then-emergent discipline of cultural studies, in which Hall retains significant influence to this day. Contemporaneously, Robert Cox introduced Gramsci to the field of international relations in 1981, using Gramsci’s work as the foundation for the development of his ‘Critical Theory’. The work of Cox significantly enhanced Gramsci’s popularity in the field of international relations, particularly after his publication of *Power, Production and World Order* (1987), and introduced the work of Gramsci to a new audience. Since then, Gramscian theory has experienced burgeoning popularity across a number of academic disciplines. This has seen the use of Gramscian theory in the analysis of a number of national settings, including Mexico, Scotland, Russia, China, and recently Egypt. Scholarly attention has not been confined to the application of Gramsci’s work to various case studies. It has also included extensive philosophical and philological analysis of his works, and frequent revisions of their academic reception. The application of Gramsci’s work to the present day, as well as the interpretation of it, presents two major considerations for any scholar. Firstly, the unusual structure of (most of) his work, a consequence of its

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production in a Fascist prison; and secondly, the more vexing problem of applying
theory developed in a particular historical context to other circumstances.

The fact that he was writing under surveillance of his captors, and the
difficulties that he had in acquiring sources and writing materials, meant that notes
on single concepts are scattered throughout multiple notebooks. Consequently, it
difficult to trace the development of Gramsci’s thought chronologically. Not only
were his thoughts (necessarily) disjointed and sometimes contradictory, but he had
to resort to using pseudonyms and euphemisms to avoid the attentions of his
would-be censors. 38 Aside from these issues presented by the conditions in which
Gramsci wrote, the question of his theory’s relevance to contemporary contexts is
raised by its grounding in the concrete political conditions of the time it was
written. Adam Morton provides an extensive evaluation of the various scholarly
approaches to this problem of application, suggesting that rather than taking
individual concepts and mechanically applying them to other contexts, analysis of
current political-economic conditions needs to be conducted by internalising
Gramsci’s rhythm of thought, or the leitmotif of his work. 39 Through adopting the
methods inferred from Gramsci’s thought, and an interpretative reading of his
works, the substantive, organic meaning can be extracted from the text. This
requires the researcher to consider “…the present, and what is rendered important
in Gramsci’s work by present practical intentions and transformative politics”. 40

38 For example, he refers to Lenin as ‘Ilyich’; Trotsky as ‘Bronstein’; Marxism became ‘the philosophy
of praxis’. Cf. Q7§16; see also D. Forgacs, “Glossary of Terms,” A Gramsci Reader, (New York: New
York University Press, 2000), 429 for further discussion of ‘the philosophy of praxis’
39 A. Morton, Unravelling Gramsci, 21
40 A. Morton, “Historicizing Gramsci: Situating Ideas in and Beyond Their Context,” Review of
International Political Economy 10 No. 1 (2003), 121
Gramsci in this Thesis

The approach taken by this thesis emphasises some of Gramsci’s less widely used concepts: the integral state, historical bloc, and counter-reformation. It also utilises some of the concepts that have found more widespread use, such as passive revolution and hegemony. The emphasis falls on those particular ideas that help to explain political change. The different elements of each concept that improve our understanding of such change are of utmost importance. Prioritising any one concept over another is fraught with difficulty, given that Gramsci’s theoretical concepts tend to be relational and interdependent. By focussing on historical bloc, however, the respective leading class fractions (and, just as importantly, their ‘allied’ classes/class fractions) can be better examined as political actors. Gramsci’s theory as a whole will be used to contextualise their actions, and to explain the success or failure of certain groups. While I have not set out to produce an entirely new understanding of Gramsci’s work, a renewed focus on the central role of the state in its integral sense, and the often-messy and contradictory class alliances that underpin all modern societies, will give this work its particular flavour. Central to this emphasis is the idea that the more popular concepts of hegemony and passive revolution on their own fail to really explain the complicated processes at work in any revolutionary process, though this is not, in any way, meant to suggest that these ideas are no less significant. It is just that they only realise their full analytical value when utilised with explicit reference to Gramsci’s work that directly concerned the integral state.
Reading Gramsci

Before individual concepts are looked at in more depth, perhaps the first problem encountered when approaching Gramsci is the question of how to apply his theory to circumstances outside of early twentieth-century Italy. Twenty-first century Egypt is far removed from the political-economic context in which Gramsci wrote. Yet there are elements of his work that seem equally relevant to both, with both Roberto Roccu and Brecht de Smet having identified a number of historical parallels between the political upheaval in both periods.41 Having said that, simply mechanically applying Gramsci’s theories to seemingly similar circumstances is fraught with the risk of conducting a shallow and ultimately meaningless analysis; forcing the events to fit the theory, rather than letting the theory elucidate a new understanding of current events. As with all theoretical texts, the question of how to apply theory produced in one context to a new context, and whether or not it maintains its relevance outside of the context of its creation, applies no less to Gramsci’s Prison Notebooks.

In addition to the problem of adapting concepts developed in one unique set of circumstances to another equally unique context, there is a deeper and perhaps more important issue. The application or interpretation of any theory is contingent on the reader of a text, rather than being a simple case of applying the theory as written. It is the responsibility of the reader to extract the organic elements of a

41 These comparisons are useful up to a point, and both authors are at pains to ensure that their narrative of modern events is not dictated by the spectre of past revolutions.
text, to use Gramsci’s terminology, and to consign the conjunctural aspects of any theory to the context in which they arose.\textsuperscript{42} In \textit{Unravelling Gramsci}, Morton explores the question of how to approach Gramsci’s texts in considerable detail.\textsuperscript{43} Morton proceeds from the position that Gramsci cannot be read in infinite ways, and that some readings are more correct than others.\textsuperscript{44} He explores the work of Gramsci in order to formulate an approach that stays true to his spirit and intention, without necessarily slavishly following the letter of his works. Specifically, Morton proposes that “…any ‘reading’ of Gramsci based on a self-reflexive purpose, rather than a representative interpretation, cannot reveal a ‘true’ or ‘real’ Gramsci; thus no correct reading can be produced.”\textsuperscript{45} The important thing to consider in the context of this thesis, is being able to draw a useful explanation for the events in Egypt between 2011 and 2013 from this body of theory, without any philological distortions of Gramsci’s work (or, for that matter, distortions of events in Egypt to fit the theory). The subjectivity of the reader cannot be avoided, so by an approach that ‘stays true’ to Gramsci, I mean (following Morton’s arguments) an approach that allows for the liberation of Gramsci’s ideas from their context whilst remaining consistent with the \textit{leitmotif} of Gramsci’s own thought. This, generally speaking, means staying mindful of the dialectical progression of history, and seeing each historical moment as a moment in this dialectical process, rather than as discrete events. According to Morton, readings of Gramsci can be made from the perspective of one of two strains of historicism (either ‘austere’ or

\textsuperscript{42}Whilst not specifically talking about the ideas or theories, Gramsci (when explaining the analysis of structures) defined ‘organic’ movements as those that are “relatively permanent,” and conjunctural movements as “...occasional, immediate, almost accidental”. See: Q13§17
\textsuperscript{43}Morton has continued to discuss this since, see: A. Morton, “Reading Gramsci: Interpretation, Appropriation, or Negotiation?” \textit{Capital and Class} 36, no. 3, 2012, 541-7
\textsuperscript{44}A. Morton, \textit{Unravelling Gramsci}, 16
\textsuperscript{45}Ibid.
‘absolute’), and Morton centres the scholarly debate over the use of Gramsci on this bifurcation.

Austere historicism is, essentially, the view that the relevance of ideas is confined to the circumstances in which they arose. According to this understanding, the work of any theorist is confined to the historical, cultural, and political conditions in which they wrote. Ideas cannot be divorced from this context. With regard to this view being applied to Gramsci’s works, Morton warns that “... by elevating the Italianate dimension of Gramsci’s activity to centre stage an austere historicist treatment of his works might smother how his thought and action might help us to understand alternative historical and present-day conditions of uneven development.”46 This approach is self-evidently highly limiting, and Morton suggests an alternative approach be adopted in order to apply Gramsci’s theory to the modern world.

Morton’s alternative approach, in contrast with austere historicism, allows for the emancipation of ideas from their historical context; Morton labels it absolute historicism.47 Central to Gramsci’s thought is the idea that elements of the past are carried forward into the present and future.48 An absolute historicist approach is necessary to apply the work of Gramsci to different contexts, and is consistent with this aspect of Gramsci’s own thought. Gramsci himself made the point that “… every real historical phase leaves traces of itself in the succeeding

46 Ibid, 27
47 Ibid, 32
48 This is expressed in numerous comments in Gramsci’s work, concerning a wide variety of topics. See, for example, Q13§17; Q1§156; Q10II§41; Q3§34
phases, which in turn become its best document … what is ‘essential’ of the past realises itself in the present, without any ‘unknowable’ residue that would constitute its real ‘essence’…”⁴⁹ In order to think in a Gramscian way, therefore, the elements of the past that remain embedded in the present must be distinguished from those specific to their context. The individual ideas that transcend the context of their conception need to be recognised, and Morton proposes two ways by which this can be assessed: first, and most importantly, “…whether theory can advance a practical understanding of a concrete reality or situation that is different from that in which it originated”;⁵⁰ and secondly, in the social embodiment of a theory – or how theory is embodied in human action. According to Morton, the latter criterion is much more difficult than the former to establish, although by no means any less significant. The question posed by each of these measures needs to be assessed with equal weight. Thus, in order to apply Gramscian theory to the context of the Egyptian revolution, those concepts of Gramsci’s that fulfil these criteria will be used as a framework for further analysis. But which particular concepts are these? And how is their ongoing relevance established?

**Gramsci and the State**

A key element of any analysis of the Egyptian revolution must be an analysis of the Egyptian state itself. It was the state, after all, that embodied the existing power relations against which the revolution was waged, and the state that

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⁵⁰ A. Morton, *Unravelling Gramsci*, 34
successfully overcame and turned back the challenge to prevailing economic and political structures. To some extent, analyses of the Egyptian state in the period of the Arab Spring has occurred, albeit with the qualifications and limitations that I have noted above. While the various accounts of the revolution place a greater or lesser emphasis on the role or position of the state, however, they tend to view the state as little more than the coercive institutions that maintained the power of the Mubarak regime, and the bureaucracy that acted in support of them.

Going beyond this, the Gramscian ‘integral state’ explores the production of power on multiple levels, giving the consensual as well as the coercive power of the state a material expression. Consisting of both ‘political society’ (which roughly corresponds to more conventional understandings of the institutional state) as well as ‘civil society’ (which consists of the voluntary, consensual institutions of society), the integral state gives a far more complete picture of the exercise of political power through both domination and consent. The dialectical unity of civil and political society to form the integral state means that the distinction between them is methodological rather than substantive. That is, while we can abstract one from the other for the purpose of analysis, they are not separate entities in any organic sense.\textsuperscript{51} The different groups that contested state power in Egypt over the course of the revolution fit into both of these methodological categories, but the integral state allows analysis of them as elements of a single totality. Gramsci’s theory of the state gives us the tools to explore this aspect of the structure in much more nuanced terms, which helps to deepen our

\textsuperscript{51} P. Thomas, \textit{The Gramscian Moment}, 68n89
understanding of the revolution, as well as the political outcomes of the counter-revolution that occurred over the following years.

Gramsci’s concept of the integral state was developed not with the sole intent of forming a new abstract, theoretical approach, but was grounded in his analysis of the concrete political conditions of the time. He was clearly cognisant that the politics of the period were reflected in the changing character of the state itself. This, I think, helps to justify the need to not approach the integral state as a historically fixed form of social relations. Furthermore, given that Gramsci referred to the integral state in a number of different ways, it follows that the integral state should not be reserved for the highest ‘evolution’ of the capitalist state. Anything else would be inconsistent with the dialectical substance of Gramsci’s thought. Gramsci’s abstraction from the concrete historical conditions of his time allowed him to develop a theoretical approach to the state that adjusted the existing Marxist accounts of the state to the realities of the emergent modern capitalist state.

Somewhat surprisingly, even those scholars working on Egypt within a self-identified Gramscian framework have not considered the questions posed to Gramscian theory of the integral state by the case of Egypt. In the case of Nazih Ayubi’s work, for example, which is a study of the ‘Arab’ state in general, the state is positioned only separate to (and above) the subaltern classes. In the sense

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52 Ibid.
53 Ibid., 95
54 N. Ayubi, Over-Stating the Arab State: Politics and Society in the Middle East, (London: I.B. Tauris, 2001)
that this is how many people encounter the state in their day to day lives, this is true, but if we take the state as the entire social and political apparatus that upholds the rule of the ruling class, then the relationship needs to be further problematized. Ayubi, whilst acknowledging the various state forms explored by Gramsci, tends to also deal with the state as something disembedded from wider society – i.e. considering political society and civil society to be separate entities rather than constituent parts of a dialectical whole. This is perhaps a reflection of the historical moment in which it was first published (1995) and the development of the Egyptian state up to that point. In fact, he argues that the Arab state never really became an integral state and was stuck at the ‘stage’ of the nightwatchman state, or the police state. According to Ayubi, as a ‘nightwatchman’, the state is reduced to its coercive functions, and the institutions that perform them.

Such views of the Egyptian state fall into the trap of considering the state to be completely autonomous from civil society, a position that is incompatible with Gramsci’s integral state. This is perhaps due to Gramsci’s now-famous, evocative description of the relationship between the state and civil society in ‘East’ and ‘West’:

“In the East the state was everything, civil society was primordial and gelatinous; in the West, there was a proper relation between state and civil society, and when the state trembled a sturdy structure of civil society was at once revealed. The state was only an outer ditch, behind which there stood a powerful system of fortresses and earthworks.

55 Ibid., 99-108
56 Ibid., 7-8
or less numerous from one state to the next, it goes without saying – but this precisely necessitated an accurate reconnaissance of each individual country.”

Instead of treating these categories as absolutes, I propose that ‘East’ and ‘West’ be treated as two ends of a ‘spectrum’ upon which different states fall at different points, with analytical emphasis to focus on the transition between these two points. Furthermore, the uni-directionality of the east-west model needs to be reappraised – it would seem, under neoliberalism, that even in the west the further strengthening of civil society and the reduction of the state’s coercive function in favour of consensual strategies (which Gramsci assumed would occur with a well-developed civil society) is far from a fait accompli. In fact, the advent of neoliberalism as the dominant economic paradigm further proves this, with the conjoining of relatively advanced capitalism and primitive state structures present in many countries, including Egypt and other Middle Eastern countries, amongst others. What is clear in Egypt is that civil society, while still relatively underdeveloped, has seen the growth of some relatively strong institutions over the past few decades, in line with the intensification of neoliberalism. The Muslim Brotherhood, for example, have been anything but ‘primordial and gelatinous’ over the past two decades. Nevertheless, the example of Egypt poses some intriguing questions about the tensions inherent in the neoliberalisation of the state, and the ‘westernisation’ of the state that is expected to occur under capitalist relations of production.

57 A. Gramsci, *The Prison Notebooks (Vol. 3)*, 169 (Q7§16)
Historical Bloc

One of the realities of modern capitalist states is that they are not maintained by brute force, but through a balance of coercion and consent, of dictatorship and hegemony. Class-alliances, their associated ideologies and institutional infrastructure, and the broader configuration of structures and super-structures constitute, in their totality, an ‘historical bloc’. The primary reason for selecting historical bloc as a primary focus for this thesis, is that it allows for the collective analysis of the various class forces that coalesce into active political subjects, and to understand how the economic and ideological development of Egypt produced differing groups. Ernesto Laclau and Chantelle Mouffe persuasively argued that the active political subjects of Gramsci’s theory are not simply the strictly disambiguated (economic) classes of more orthodox Marxist thought, but are ‘collective wills’. These ‘collective wills’ are essentially the political expression of an historical bloc.

Historical blocs attain the unity of civil and political society in the modern, capitalist integral state, which is always structured according to the priorities of the leading element of any historical bloc. In a modern, capitalist state, and certainly in the case of Egypt, this has always been a sector of the capitalist class. De Smet emphasises the same connection with reference to the emergence of the capitalist state in England. The state not only changed quantitatively by the rise of a bourgeoisie-led historical bloc (from feudal to parliamentary), but the qualitative

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character of the state also changed.\textsuperscript{59} If the integral state allows us to understand the production of power as both consent and coercion, then historical bloc helps us to understand why this is accepted by subordinate classes, and who benefits from it. In this sense, understanding the workings of historical bloc is crucial to understand the configuration of the integral state. However, before the precise configurations of these blocs, and their changes over the course of modern Egyptian history can be illuminated, the theoretical implications of the concept have to be further teased out.

As with many of his concepts, Gramsci presents a number of differing definitions of historical bloc. Yet as with his other concepts, it is important to look for the theoretical elements that provide some coherence. There are two main ways that Gramsci presents historical bloc: firstly, as a description of the way “…in which different social forces relate to each other…”,\textsuperscript{60} and secondly, as a description of the relationship between structure and superstructures.\textsuperscript{61} Historical bloc is often interpreted, however, as being little more than a pragmatic alliance of social forces.\textsuperscript{62} This is a gross over-simplification of the concept, and ignores its deeper implications for political analysis. It is important to locate these political blocs that form within the context of the structures and superstructures of a given social formation. Each attempt to form a new historical bloc is differentiated from others by virtue of the fact that it provides a different understanding of the economic structure, and the place of people within it. Sassoon suggests that these

\textsuperscript{59} B. De Smet, \textit{Gramsci on Tahrir}, 17-18
\textsuperscript{60} A. Showstack-Sassoon, \textit{Gramsci’s Politics}, 121
\textsuperscript{61} Ibid.
\textsuperscript{62} For an example of this in regard to Egypt, see: K. J. Beattie, \textit{Egypt During the Nasser Years}, (Boulder: Westview Press, 1994), 9
differing political blocs (for example, in the case of Egypt, an Islamist-capitalist bloc) are produced by the broader historical bloc.63 The class fractions that lead historical blocs construct these projects through the production and dissemination of ideology by intellectuals. The success of these historical blocs largely depends on the success of their ideology. It should be noted that it would be wrong to infer that this is necessarily an economic-elite-led process: an historical bloc can, in theory, be led by any class. To paraphrase Anne Showstack-Sassoon, while historical bloc describes the relationship between two abstract elements of society on the one hand, on the other, in its concrete manifestation, it describes the relationships between social forces.64 Essentially, an historical bloc is predicated on the ideologically mediated unity of two ‘naturally’ opposed class forces.

Turning first to the more obviously political application of the concept of historical bloc, it refers to “concrete or practical relationships between social-class forces”.65 In this sense, the concept has a more direct relevance to the realisation of hegemony by a class alliance. This understanding was informed by Gramsci’s own political struggles to unite the industrial proletariat with the peasantry.66 Showstack-Sassoon noted that the existence of historical bloc implies the existence of hegemony; in other words, that an historical bloc needs a hegemonic project to tie its component class elements together.67 Historical bloc does incorporate the formation of social or political blocs, but proposes that they form as the ‘concrete’ manifestation of the ultimately unitary relationship between

63 A. Showstack-Sassoon, Gramsci’s Politics, 121
64 Ibid.
65 Ibid.
66 Ibid.
67 Ibid., 121-122
structure and superstructure. Given that historical bloc, in the sense of a social alliance, represents the conglomeration of different class aspirations and beliefs (i.e. a hegemonic project), this means that hegemony over at least part of the population (by creating ideological consent) is a prerequisite for the formation of an historical bloc. However, in spite of their interdependence, historical bloc and hegemony should not be equated with one another, nor reduced to aspects of the same phenomenon. An historical bloc, even when expressed as an alliance of social-class forces, is still formed within the context of the constantly evolving structure-superstructure dialectic in a given historical moment. Therefore, while historical bloc can represent a class alliance, it never represents a static configuration of class forces. Although seemingly abstract, when discussing the competition between classes (and class fractions) in the Egyptian revolution, historical bloc has a very real application. It gives us a theoretical foundation upon which to conceive the various social alliances that formed between class-fractions in the lead-up to, and aftermath of, the fall of Mubarak. Perhaps more importantly, it helps us relate any alliance between different class-fractions in Egypt to the dialectical relationship between economic structure and ideological superstructure.

The relationship between structure and superstructure can, and does, result in the alignment of social groups, but it is important to note that the analytical utility of historical bloc is not limited to observations of the concrete political

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68 Ibid., 121-4
69 A. Morton, *Unravelling Gramsci*, 97
70 See footnote 11 in the introduction.
outcomes of its formation. Focussing further on the relationship between structures and superstructures, Gramsci says the following about historical bloc:

“…structures and superstructures form a ‘historical bloc’. That is to say the complex, contradictory and discordant ensemble of the superstructures is the reflection of the ensemble of the social relations of production…” 71 Whilst the language of ‘reflection’ makes it seem as if the relationship is external rather than internal, Gramsci suggests otherwise later in the same note. Here, he says that “…only a comprehensive system of ideologies rationally reflects the contradiction of the structure…”. Moreover, “[the reciprocity between structure and superstructure] …is the real dialectical process”. 72 If the ‘social bloc(s)’ of an historical bloc is the concrete manifestation of this structure/superstructure relationship, then it can be said that these social blocs reflect the many interwoven processes of class formation in the social relations of production. The ideological complexity of these relations is reflected in the number of social blocs contesting power. In a later note, Gramsci presented the idea that:

“If the relationship between intellectuals and people-nation, between leaders and the led, the rulers and the ruled, is provided by an organic cohesion in which feeling-passion becomes understanding and thence knowledge (not mechanically but in a way that is alive), then and only then is the relationship one of representation. Only then does there take place the exchange of individual elements between governed and governing, between led and leaders, and one achieves the life of the

71 A. Gramsci, The Prison Notebooks (Vol. 3), 340 (Q8§182) [emphasis added]
72 Ibid.
whole which alone is the social force, one creates the ‘historical bloc’…’.

Again, as with much of Gramsci’s thought, the emphasis in this passage is clearly on the connections between, and in particular finding meaning within, the dialectical interpenetration of different elements. Identifying this is by no means unique to this thesis. Both Morton and Roccu (building on Morton) have investigated Gramsci’s emphasis on the dialectic in depth. While the structure/superstructure dialectic has been a key foundation of Marxist thought from Marx himself, Morton recognised that Gramsci’s innovation in this regard was to identify that “…whilst the economic ‘structure’ may set certain limits… ‘superstructural’ factors have a degree of independent autonomy”. According to Morton, this allows us to understand how certain relations of production persist, even when they may seem to be exploitative – through supportive ideologies. Without understanding the dialectic between the economic and the ideological, any understanding of the relationship between classes and/or class-fractions would be incomplete.

**War of Manoeuvre/War of Position**

The political blocs that contested the revolution of 2011 used tactics that are best conceived in the twinned concepts of ‘war of position’, and ‘war of position’.

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74 A. Morton, *Unravelling Gramsci*, 96
75 Ibid.
manoeuvre’. In spite of the heavy usage of military metaphor, the concepts of war of position and war of manoeuvre represent the political tactics that different historical blocs can use in their struggle to attain hegemonic status. Gramsci’s thoughts on the subject were heavily influenced by his experience in the international communist movement, and the context of the then-recent First World War. Rosa Luxemburg, Lenin and Trotsky were earlier prominent Marxist thinkers who co-opted the terms from military theory, and Gramsci clearly draws upon these sources.\(^{76}\) Both war of position and war of manoeuvre deal with organised opposition to the state, and to the prevailing conditions of hegemony.

War of manoeuvre is essentially violent opposition directed against the institutions of the state (i.e. armed insurrection). It was informed by Gramsci’s observations of the Russian Revolution of 1917. War of position, on the other hand, is slightly more complicated. It refers to the ideological struggle in which rival groups challenge each other’s attempts to construct hegemony without indulging in violence as a primary means to attain their goal. The precise meaning of these concepts needs to be drawn out of an attentive reading of Gramsci’s texts, such as that by Brecht de Smet, who builds on the earlier work of Peter Thomas. De Smet argues that within the context of the modern capitalist integral state, the categories of war of position and manoeuvre become different aspects of class struggle, rather than discrete tactics based on geographical distinctions.\(^{77}\) The two types of ‘war’ instead find themselves fused, with wars of manoeuvre becoming

\(^{76}\) For a detailed discussion of the roots of the concepts, both in military theory and Marxist thought, see: D. Egan, “Rethinking War of Maneuver/War of Position: Gramsci and the Military Metaphor,” *Critical Sociology* 40, no. 4, 2014. Egan proposes that examining the genealogy of the terms necessitates a new understanding of it that is more in line with this historical military understanding.

\(^{77}\) B. De Smet, *Gramsci on Tahrir*, 83-5
part of a war of position. This is a significant departure from a simplistic understanding of Gramsci’s theory that assigns war of manoeuvre to states of the ‘east’ in which civil society remains under-developed, and war of position that is allegedly characteristic of advanced ‘western’ capitalist states.

The two concepts, *prima facie*, both rely on an understanding of the state as political society (there is a clear distinction between the ‘state’ and civil society in his writings on the subject). Whilst this is not particularly problematic, even when placing the concept within the broader context of Gramscian theory, it bears mentioning to avoid any unnecessary confusion. As will be noted in the next section, Gramsci wrestled with multiple understandings of the relationship between the state and civil society. In war of position/manoeuvre, the state (political society) is conceived of as the site of coercion and domination, whereas civil society is the site of consent and hegemony. This relationship between the state and civil society recurs in his writings on the dialectical nature of this relationship in his concept of hegemony.

**Passive Revolution**

Central to Gramsci’s political theory, and in particular his thoughts on political change, is the concept of passive revolution. This particular concept

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78 Ibid.
79 This relies on the distinction quoted earlier in this thesis- see A. Gramsci, *The Prison Notebooks (Vol. 3)*, 169 (Q7§16)
80 A. Gramsci, *The Antonio Gramsci Reader*, 227
cannot be treated in isolation, as it is informed by, and in turn informs, other theoretical concepts of Gramsci’s. In Gramsci’s thought, passive revolution is inextricably linked with processes of state formation, hegemony, war of manoeuvre/position, and the ‘party’. Nevertheless, this section aims to give a brief outline of the concept in relative isolation, followed by an overview of how it will be utilised in this thesis. The development and refinement of passive revolution is observable through Gramsci’s pre-prison and prison writings, and it is far more complex than limitations of space allow us to explain here. Rooted in Gramsci’s historical work on the development of bourgeoisie power in Europe, any definition of passive revolution that transcends these historical origins needs to identify the organic elements of Gramsci’s theorising.

Gramsci’s development of passive revolution was shaped by his work on the Italian Risorgimento, and in particular how the Moderate Party came to power. He called the Risorgimento “…a revolution without revolution…”; adding in the margins, “or, in V. Cuoco’s terms, a passive revolution”.81 The issue of concern for Gramsci was that the bourgeois Moderates had managed to seize power in Italy without needing to rely on the tactics of the Jacobins in France. The Moderates had managed to institute the dominance of the bourgeoisie without rupturing the social fabric of Italy. Gramsci did not limit the application of passive revolution to this particular set of circumstances, and related his theory to a number of different European revolutions, from England in the seventeenth century to

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81 A. Gramsci, *Prison Notebooks* Vol. 1, 137 [Q1§44] It needs to be noted that Gramsci’s conceptualization of passive revolution differed significantly from that of Cuoco.
Germany in the nineteenth. These revolutions were all directed by the bourgeoisie, and were critically important in the formation of the modern bourgeoisie state in these countries. More than allowing the bourgeoisie to take power in these states, these revolutions also instituted the conditions in which a capitalist mode of production could be best established. A usable definition of passive revolution requires it to be removed from this (historically-specific) context. The extraction of the organic elements of these bourgeoisie revolutions is possible by way of theorising passive revolution “… not as a program… but as a criterion of interpretation”. In this sense, passive revolution is suitable for “[the] interpretation of any epoch characterised by complex historical upheavals”. Morton identifies this as the ‘method of historical interpretation’.

In his book, Gramsci on Tahrir, De Smet offers a similar definition to that of Morton, consciously building upon Morton’s earlier theoretical work. He goes so far as declaring “there is no such thing as passive revolution…”, and that, instead, passive revolution is to be treated as a “research theme…”, or, quoting Gramsci, a “criterion of interpretation…”. This has, since the publication of De Smet’s book, become the subject of some criticism. Cemal Burek Tansel takes issue with De Smet’s insistence that passive revolution does not constitute a

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82 Ibid, 136-151 (Q1§44)
83 This is explored in much greater detail in: A. Morton, “The Continuum of Passive Revolution,” Capital and Class, No. 34 3, 2010, 315-342
84 A. Showstack-Sassoon, Gramsci’s Politics, 207
86 A. Gramsci, The Antonio Gramsci Reader, 263 [Q15§62]
87 A. Morton, Unravelling Gramsci, 58, 67
88 B. De Smet, Gramsci on Tahrir, 68
‘model’, and offers quotes from Gramsci that indicate that Gramsci did, indeed, consider exactly that: that passive revolution is a model for capitalist development.\textsuperscript{89} In response, De Smet proposes that their disagreement is only really semantic, and offers up a further quote from Gramsci in support of his position that passive revolution is a ‘criterion of interpretation’.\textsuperscript{90} Furthermore, he claims that the quotation marks in which Gramsci placed his use of the term ‘model’, indicate that Gramsci did not intend for it to be used as a “catch-all concept of capitalist transition.”\textsuperscript{91} This debate speaks to the issues of the application of theory to circumstances outside of their own genesis, and is, in short, a microcosm of the ongoing scholarly disagreement about what exactly constitutes passive revolution. For my part, I have a foot in both camps, so to speak, and I do not think that seeing passive revolution as both a criterion of interpretation and a model of revolutionary change ‘from above’ is in any sense contradictory. After all, when using the organic features of passive revolution as a criterion for interpretation, one needs to be able to point to concrete examples.

Passive revolution is often understood as revolution from above, with limited direction by the masses; as an elite-led realignment of the political order without upsetting or altering the prevailing relations of production.\textsuperscript{92} This view of passive revolution seems to be mired in the historical contexts in which Gramsci first identified of the concept, and doesn’t really disentangle the organic elements of the theory from the conjunctural features that framed its historical expression.

\textsuperscript{89} C.B. Tansel, “Passive Revolutions and the Dynamics of Social Change in the Peripheries,” 2-3
\textsuperscript{90} B. De Smet, “Rejoinder: Reading Gramsci in Tahrir,” 2
\textsuperscript{91} Ibid., 10 n. 2
\textsuperscript{92} A. Morton, \textit{Unravelling Gramsci}, 64
Even the name itself is something of a misnomer, and doesn’t necessarily refer to a lack of violence. For Gramsci, passive revolution was “…not literally ‘passive’ but refers to the attempt at ‘revolution’ through state intervention, or the inclusion of new social groups within the hegemony of a political order without an expansion of mass-producer control”.  

Anne Showstack-Sassoon addresses this view of passive revolution in some depth. For Sassoon, the ‘passive’ referred to the ‘molecular’ transformation of the classes, while the ‘revolution’ was the establishment of a new (form of the) state, with its corresponding relations of production. Upon forming this new state, the bourgeoisie then maintains it through policies of passive revolution (as in, molecular change). Through passive revolution, they can co-opt rival class groups into their ruling project, and neutralise the threat that they pose. This allows the ruling classes to maintain their dominance due to the continued weakness of their opponents’ claims to hegemony, rather than the strength of their own hegemony.

Morton offers an alternative understanding, arguing that passive revolution should not be limited to defining a top-down process of social change. He argues that passive revolution requires explanation through a second process: the reaction of elites to the rebelliousness of the masses, redirecting the revolutionary process into “…a conservative project of restoration, while lacking a radical Jacobin moment”. The two processes of elite-led change and elite reaction mutually

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93 Ibid., 65
94 A. Showstack-Sassoon, Gramsci’s Politics, 210; 244 n. 15
95 Ibid., 207, 210-11.
96 Ibid., 204
98 Ibid.
constitute the concrete features of passive revolution as a whole. This second process also maintains that the relations of production stay largely unchanged – there might be a realignment of the hierarchy of particular fractions of the dominant class, but in a broad sense, the class structure remains stable. The concept of passive revolution evolved in Gramsci’s thought over the course of his imprisonment, and moved from being a somewhat historically defined concept, to a more fluid ‘criterion of interpretation’. Consistent with this, Roccu developed an approach to passive revolution (and Gramscian theory in general) centred on the use of what he calls ‘historical dialectical materialism’, by which he meant:

“The first term refers to Gramsci’s conception of history as both contingency and necessity. The second refers to Gramsci’s use of the dialectic as both interaction of opposites within unity and process of thesis, antithesis and synthesis. Lastly, materialism is conceived as the transcendence of metaphysical and sectarian conceptions of both materialism and idealism, towards an integral philosophy that is at once ‘absolute humanism’ and ‘earthliness of thought’”.

In its application to passive revolution, this approach translates to a view of passive revolution as a:

“…strategy of interscalar articulation on the national scale in peripheral countries… intended as a process of adaptation of the economic structures to the increasingly pressing demands of global capital accumulation accompanied by a restoration of political relations under

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99 R. Roccu, “Gramsci in Cairo,” 23
the control of a ruling class or ruling bloc headed by a specific class fraction.”

Though he focuses on the articulation between the national and global ‘scales’, Roccu’s view of the process of passive revolution is essentially that of a revolution from above.

The interpretation of passive revolution as-revolution-from-above bears a number of superficial similarities to war of position – this relationship was also noted by Gramsci. In his most explicit musing on the relationship between passive revolution and war of position, Gramsci posed the rhetorical question: “… does there exist an absolute identity between war of position and passive revolution?” Elsewhere, Gramsci proposed that, “One may apply to the concept of passive revolution… the interpretative criterion of molecular changes which in fact progressively modify the pre-existing composition of forces, and hence become the matrix of new changes.” In this way, passive revolution is markedly different from war of position. Whilst war of position will be expanded upon later in the thesis, at this point it is sufficient to note that if war of position is the struggle for control of ideological ‘terrain’, then passive revolution is the process through which that terrain is formed. There is undoubtedly a certain amount of feedback between the two processes, and they are perhaps even mutually constitutive to some degree, but there are distinct and important differences between the two. Specifically, passive revolution is confined to the consolidation or expansion of

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100 Ibid., 82
101 A. Gramsci, The Antonio Gramsci Reader, 63 [Q15§11]
102 A. Gramsci, Selections from the Prison Notebooks, 109 (emphasis added)
specifically capitalist relations of production. Viewing passive revolution as a molecular process of change perhaps best encapsulates the idea of passive revolution as ‘revolution without revolution’. It is through processes of change that retain the overall structure of power and relations of production, that passive revolution is achieved.

At an intuitive level, it seems as if the revolution in Egypt conforms to the definition given by Morton, and the support for this in the material conditions of revolutionary Egypt will be the subject of a later chapter. The manipulation of the unrest of the masses by the competing fractions of the capitalist class is consistent with the view of passive revolution as state-formation without altering the prevailing relations of production (which amounts to little more than regime change). The utility of passive revolution for this thesis is that it gives us the theoretical tools to analyse this process of state-formation/regime change, and the breakdown and reconstitution of hegemony (a concept further elaborated in the following section). Given that the competing fractions of the Egyptian capitalist class all sought to take control of the state without rupturing the social fabric of Egypt, passive revolution will be at the heart of the analysis of recent events. Particularly important is the emphasis that passive revolution allows us to place on the realignment of power by fractions of the dominant class, and their relationship with subaltern classes in this process. In this way, neither the capitalist class, nor the working-class nor the peasantry are ignored, and nor are they given

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unwarranted preferential treatment. It is important to note that the theoretical approach in this thesis will be driven by the adoption (as best as is possible) of Morton’s notion of ‘thinking in a Gramscian way’. Passive revolution, therefore, will be subject to critique according to the data presented by the Egyptian case, and it may be found that more (or fewer) aspects of the concept are historically limited than Morton proposed, and that the theory needs to be reconsidered.

**Counter-Reformation**

An alternative form of political change, the idea of ‘counter-reformation’ was a comparatively insignificant aspect of Gramsci’s theory, and the dearth of work on the idea compared to passive revolution and hegemony, for example, is testament to this. In spite of the fact that it is often overlooked, counter-reformation seems particularly well suited to explain the post-2011 counter-revolution in Egypt, and the rise of Abdel Fatah Al-Sisi at the very least. Brought to the attention of modern scholars by Carlos Nelson Coutinho, a Brazilian Gramscian political theorist, counter-reformation has some similarities with passive revolution, in that it is conducted ‘from above’, and *appears* to combine the moment of the ‘new’ with that of the ‘old’. ¹⁰⁴

Coutinho uses counter-reformation to offer a provisional theoretical explanation of the process of neoliberalisation. First, he contrasts passive

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revolution to counter-reformation, by noting that Gramsci described passive revolution as ‘revolution-restoration’, whereas counter-reformation was defined as just ‘restoration’. By this, he meant that a passive revolution actively incorporates some of the progressive demands ‘from below’; a forced change where the moment of the ‘new’ triumphs (if only in a pyrrhic sense). This means that passive revolution results in a real change; albeit a change that is manipulated by the powerful to serve their interests. In contrast, in the case of counter-reformation, it is simply a restoration to power of the moment of the ‘old’. There is no real, substantive change, and no concrete adoption of the demands for change. Even so, a counter-reformation always presents itself as reformist. In the words of Countinho, “A counter-revolution process is thus characterised not by the complete absence of the new, but by the vast preponderance of conservation (or even restoration) in the face of any novelties, however timid.”

De Smet takes exception to Countinho’s characterisation of neoliberalisation as counter-reformation. De Smet emphasises the restoration aspect of counter-reformation, declaring that Countinho’s argument should be rejected on the basis that neoliberalism is not a pure ‘restoration’. However, as we have just seen, this is not quite the point that Countinho made. Nevertheless, I do agree with De Smet that neoliberalisation is better conceived of as a passive-revolutionary process, if only for the fact that it has deepened and extended capitalist relations of production into spaces that were previously untouched. The neoliberalisation of Egypt’s

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105 Ibid., 157-8
106 Ibid., 161
107 B. De Smet, Gramsci on Tahrir, 67
economy is no longer really the issue, though. To explain the counter-revolutionary dynamic of post-2011 Egypt in the Gramscian vernacular, counter-reformation seems to be far more appropriate than just seeing it as another moment of passive revolution. After all, the demands ‘from below’ have been substantially ignored, and the restoration of neoliberal capitalism is ‘vastly preponderant’ over any subaltern demands.

**Hegemony**

It is impossible to discuss Gramscian theory without making reference to his concept of hegemony. As Forgacs points out, Gramsci has become almost synonymous with this one aspect of his broader political theory. Subject to a number of different interpretations, the concept of hegemony has become so widely used (it could be argued that it’s over-used) and re-defined in various academic fields, that its meaning has become distorted to the point that it sometimes seems to bear only superficial resemblance to Gramsci’s own definition. Roccu provides a thorough overview of the international relations literature on hegemony, and there is no need to repeat his efforts in depth here. Roccu gives an overview of the use of the concept in international relations literature, partly in the interests of critiquing accounts that pay lip service to Gramsci, as use of the term has percolated through the wider literature of the field.

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108 D. Forgacs, Introduction to *The Antonio Gramsci Reader*, 13
since Robert Cox’s seminal 1981 article.\textsuperscript{110} This wider adoption of the idea has led to its adoption by authors of a very different ideological persuasion to Cox, leading to a variegated understanding of the concept. But academic analysis of the concept has not been limited to international relations approaches, or even political economy approaches. The last few decades have seen a number of theoretical and philosophical works published, and these have engaged more with the genealogy of his ideas and the philological considerations of his work than the literature that is focussed on applying it to case studies.

Beginning with international relations, hegemony has come to be understood in a number of different ways. Almost every author who engages with the topic seems to have a (sometimes only slightly) different take on it. Definitions vary, from hegemony as the outright (material or economic) dominance of one state over other states, to the ideological leadership of one state over others. Roccu distilled the various conceptions found in IR and international political economy down to four dominant meanings: “…(i) preponderance of material resources; (ii) preponderance of material resources and willingness to exert them; (iii) leadership; (iv) material incentives and socialisation”.\textsuperscript{111} After evaluating the ontological foundations of these four viewpoints, Roccu eventually dismisses them for their state-centrism and mechanical materialism. Instead, Roccu offers his own understanding of hegemony, based on his historical-dialectical-materialism, which will be discussed shortly.

\textsuperscript{111} R. Roccu, “Gramsci in Cairo,” 50
Secondary accounts, of course, beg the question of what Gramsci had to say on the subject of hegemony. Like all of his theoretical work, the idea of what constitutes hegemony evolves over the course of his writing, from his pre-prison work through to the prison notebooks. Initially, Gramsci used it to describe the (economic) leadership of one class in an alliance with others (specifically leadership by the proletariat in the Russian revolution). This later evolved into leadership of class-alliances by the bourgeoisie (and, implicitly, any other class that might appear), with ‘leadership’ extended from being confined to economic leadership, to encompass the levels of politics, ideology, and culture.\textsuperscript{112} This evolution of Gramsci’s thought presents certain difficulties for the reader. Given that he was unable to finish his work, his conceptions of hegemony can be inconsistent, and the definition certainly changes across the course of his writings.

Roccu also examined these various conceptions, in an attempt to answer the question of where hegemony operates. He found that critical to hegemony was the dialectical relationship between civil society and political society, with political society being more-or-less equivalent to the institutional state. Roccu builds on Perry Anderson’s earlier work, in which Anderson found that Gramsci gave three conflicting definitions of the relationship between the state and civil society:

“1. The state in opposition with civil society;

\textsuperscript{112} David Forgacs, “Glossary of Terms,” \textit{The Antonio Gramsci Reader}, 422-424
2. The state as ‘the massive structure’ cancelling the autonomy of civil society;

3. The state as an ‘outer surface’ of civil society”

Within these three versions of the state-civil society relationship, Roccu found that hegemony was confined to the superstructures in all of them, and the definition of hegemony changes slightly in each. Further investigating these three forms of the state/civil society relationship, and their corresponding implications for hegemony as a concept, Roccu overcomes the problems presented by the above three relationships by presenting a new kind of dialectical understanding of hegemony, which he labels a “differentiated understanding” of hegemony. In this understanding, hegemony is a combination of coercion and consent when exercised by the state. But when exercised by civil society, it is confined to consent.

Adopting a different line of critique, Peter Thomas, points out that Anderson’s definitions of hegemony were not necessarily a philologically accurate reflection of the chronological development of Gramsci’s ideas. Not only this, but Anderson actually contradicts himself at times, attributing certain formulations of hegemony to the wrong definition in Gramsci’s work. Thomas suggests that this is partly due to the academic resources of the time- that Anderson’s analysis was inevitably influenced by the existing interpretations and translations of Gramsci’s

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114 R. Roccu, “Gramsci in Cairo,” 49
115 P. Thomas, The Gramscian Moment, 62-7
work. This led, in Thomas’ view, to Anderson misreading the significance of the passages upon which *The Antinomies of Antonio Gramsci* was purportedly based. As a consequence of this, passages that Anderson saw as containing fully-formed ideas were taken out of their chronological context and inaccurate meanings inferred from them.

Whilst Roccu argues quite convincingly that his understanding of hegemony is well suited to the neoliberalisation of Egypt prior to the revolution, I’m not certain that his differentiated understanding of hegemony will account for the revolutionary struggles in Egypt after 2011. It *may* become clearer that the possibility that coercion extends into civil society is more tangible than Roccu allows. Roccu contends that “…in modern capitalist states, the monopoly of coercion is in the hands of the state alone”, implying that actors from civil society cannot perform any acts of coercion whatsoever. Gramsci’s example of civil-society-coercion were the Fascist and anti-fascist militias of early twentieth-century Italy. When he was referring to these metaphorical ‘commandos’ or ‘shock troops’, it is quite clear that he thinks that coercive acts can only be performed by elements of civil society in the conditions of the breakdown of the (institutional) state. Only within a certain form of state-civil-society relations, therefore, is this activity possible.

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116 Ibid., 56
117 R. Roccu, “Gramsci in Cairo,” 51
118 A. Gramsci, *Prison Notebooks* Vol. 1, 135-7
Even if this state-breakdown is the only circumstance in which forces from civil society can perform coercive acts (presumably against competing elements of civil society, but perhaps also the ‘state’ – as in governmental institutions), this presents a markedly different understanding of hegemony to Roccu’s. Roccu’s differentiated understanding of hegemony is, at least with regard to the operation of coercion, built on the premise that within the modern capitalist state the state (qua political society) has a monopoly on coercion. The rise of terrorism, extra-state (albeit state-sanctioned) groups of thugs, and other forms of politically-motivated violence throughout the revolutionary period (2011-2013) will be discussed later in the thesis, and related to their relevance for this dynamic. The discussion above has produced many questions; certainly, more questions than conclusions. What is clear to me, though, is that whilst Roccu’s approach provides a very good explanation of the neoliberalisation of Egypt, it fails to account for the contest between class forces over the revolutionary period. For this, we must return to Gramsci, and as Morton proposed, internalise a Gramscian way of thinking.

Conclusion

Overall, the concepts outlined above serve only to give us a basic framework upon which we can build an analysis of the Egyptian revolution. Each of the concepts needs further elucidation, and this will come as the thesis progresses. Following Morton’s line of thought that Gramsci can only be understood (or is only useful) through the application of his theories to concrete political
circumstances, the events in question will potentially provide a new insight into Gramsci’s theory. In any case, the process of political change in Egypt during the ‘Arab Spring’, and in its aftermath, can be understood as processes of molecular change. By maintaining the pre-existing relations of production, the actions of the various competing fractions of the capitalist class appear consistent with a Gramscian understanding of passive revolution and counter-reformation. The dialectical process relating theory to practice will be utilised in order to explain both the concepts in an abstract sense, as well as their application to the contemporary case of Egypt. It is important to internalise this Gramscian way of thinking, and perhaps the most important thing to come out of this brief overview of Gramsci’s work, is a thought-process with which revolutionary Egypt can be further examined. More than just simply framing a discussion of Egypt’s revolutionary upheaval, this study will also help to clarify Gramsci’s theory. Following Morton’s line of thought, that Gramsci can only be understood (or is only useful) through the application of his theories to concrete political circumstances, the events in question will provide a new insight into Gramsci’s theory.

While some of the concepts discussed may seem similar to each other, each performs a unique analytical role in our analysis of the stages of the contest between class fractions in Egypt. Furthermore, the attention paid to historical bloc may lead to an alternative Gramscian understanding of revolutions. Through historical bloc, we can demonstrate how each fraction (and the corresponding class alliance) constructed their own ideological program, and the methods by which they engaged in competition. By relating these concepts to the events of 2011-2013 in Egypt, we will not only add to the understanding of the continuing
relevance of Gramscian theory to the modern day, but also deepen understanding of the complexity of the concrete events that occurred. These concrete events have their roots in Egypt’s history of capitalist development, to which we now turn.
Chapter Two:

STATE DEVELOPMENT, CLASS, AND IDEOLOGY IN
EARLY CAPITALIST EGYPT

Though historically distant from the events on Tahrir square in 2011, the origins of capitalism in Egypt helped to shape not just the economic conditions that caused so much popular resentment, but the political blocs that came to contest the revolution. Historical analyses of Egypt that have taken a class-based approach have often neglected to sufficiently disaggregate broad class groups. The emphasis, instead, has been firmly on either the elites or the working class and peasantry as relatively undifferentiated economic and political actors.119 Though some studies do pay attention to the antagonisms within classes, the complex

cleavages and interconnections between different class fractions are often obfuscated by the focus on a particular broad category. This trend is especially true of recent history. Whilst Joel Beinin and Zachary Lockman have (on multiple occasions) acknowledged the need to move away from an economic-determinist approach, and have incorporated social, cultural and discursive elements into their work on the Egyptian working class, this has not translated into other recent studies that use class as a unit of analysis. An analysis of the dialectical relationship between structure and superstructure – central to Gramsci’s thought – is missing in many works on Egypt, including those mentioned above. By contrast, this chapter examines the early historical roots of the class conflicts in Egypt, by tracing the evolution of the aforementioned cleavages and interconnections from the point of Egypt’s initial integration into the global capitalist system. I cannot offer an exhaustive account of this historical development, but am more interested in examining pivotal moments that constitute the antecedents of contemporary class politics.

To uncover the origins of the fractions caught up in the more recent political processes of the post-Mubarak period, it is instructive to examine the various fractions formed under previous regimes. Examining the historical context that shaped the formation of political blocs at any given period helps us to obtain a deeper understanding of the relationship between the economic base and the ideological superstructures in Egypt, but without reducing the latter to the former,

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and how this was reflected in the political blocs that contested the Egyptian Revolution of 2011. I begin by exploring the beginnings of Egyptian capitalism; and the origins of nationalism and the notion of a moral economy. Both are analysed through the Gramscian theoretical lens outlined in the previous chapter. Following this, the chapter’s attention will be devoted to the development of capitalism under Nasser, and the associated development of the economic structures and ideological superstructures. Particular attention will be given to those fractions of the capitalist class that emerged after the Free Officers’ Revolution.

The Origins of Egyptian Capitalism

The struggle for hegemony by different classes and class fractions is not new in Egypt, nor in any class-divided society. From a Marxist perspective, such class-conflict is the driving force of all Egyptian history, not just under capitalist relations of production. Nevertheless, the capitalist era in Egypt resulted in a new configuration of inter-class relationships, and saw the emergence of new classes or class fractions, and the decline of others. Though it might be true that traditional Islamic society (in the broadest possible sense) is ‘naturally’ amenable to the ideas of capitalism, and perhaps even formed a proto-capitalist economic system, the arrival of the British in 1882 represented a qualitative historical rupture in Egypt.¹²¹ Egypt’s sudden need to negotiate the then-emerging world order of

global markets and industrialised production, not to mention attempting to maintain its territorial sovereignty, came to define the evolution of class and state structures over the coming centuries. The period prior to the Egypt’s fuller incorporation into the global capitalist system has been characterised as a peasant-tributary mode of production by Samir Amin, with Nazih Ayubi adding that it was a ‘hybrid’ between a traditional ‘Asiatic’ mode of production, mercantile capitalism, and semi-feudalism. However the pre-capitalist Egyptian economy is defined – and a discussion of this would take us too far afield from our main task – its key elements included its highly centralised nature, and its reinforcement of patrimonial social structures.

Egypt’s initial integration into the world capitalist economy came under the Ottoman governor Muhammad Ali (who ruled Egypt from 1805-1848), who sought to modernise the country through the development of national industries in textiles and cotton production. He founded some of Egypt’s first attempted modern industry. Under his rule, the modern state in Egypt began to emerge, and the entirety of Egyptian society was subjected to the new forms of regulation, all in the name of expanding Egypt’s ‘productive powers’ (for the benefit of the British, of course). Land and labour was first commodified in the nineteenth century (mostly in the agricultural sector), and there was a general desire to

124 T. Mitchell, Colonizing Egypt (Berkeley: University of California Press, 1991), ix
establish a sense of order on Egyptian society.¹²⁵ The massive changes in land
tenure, labour practices and modes of production and consumption wrought
serious social dislocation, which the state sought to contain, with the use of force
when required. These modernising changes that Muhammad Ali constituted were
significant for three reasons. First, budding capitalist social relations of production
and commodification entailed a disruption of pre-existing social relations, and
especially land tenure, in those areas that became subject to the remorseless logic
of commodity production for the world market. Second, and intimately related to
the first development; Egypt was drawn into the world capitalist system as a
subordinate partner, with all that this entailed for the country’s capacity to
determine its own future. Finally, nineteenth century Egypt saw the articulation of
western political ideologies with existing political ideologies, especially
nationalism. This often manifested as a clash between liberal-influenced
cosmopolitan elites, and the more traditional Islamists.¹²⁶ Ali’s successors ruled
Egypt until the Khedive Ismail was deposed by the Ottoman Sultan in 1879. The
short-lived dynasty came to an end mostly due to their inability to service the
enormous foreign debt (mostly French and British) that they accrued to fund their
economic program. This led to the 1881 military revolt by Colonel Ahmed ’Urabi
in the name of restoring the country’s sovereignty. In response, and in the name
of ‘restoring order’, came the British occupation.¹²⁷

¹²⁵ Ibid., passim
¹²⁶ A. Hourani, Arabic Thought in the Liberal Age 1798-1939 (Cambridge: Cambridge University
Press, 1983), 53
¹²⁷ See: C. Phelps Harris, Nationalism and Revolution in Egypt: The Role of the Muslim
British Rule, Social Class, and the Rise of the Wafd

The influence of foreign capital in Egypt was central to the popular grievances about foreign exploitation that were at the heart of both the anti-colonial and anti-capitalist struggles. The first nationalist uprising against this exploitation, the revolt led by Colonel ’Urabi in 1881, ultimately failed and resulted in the military occupation of Egypt by Great Britain in 1882. The arrival of the British represents the catalyst for the emergence of a recognisably capitalist class structure in Egypt, and the eventual penetration of capitalist relations of production into almost every sector of the economy. Under the British, the economy and state were further oriented toward the demands of the world capitalist economy, and cotton mono-crop production was further consolidated.128 Growing numbers of peasants, subject to the loss of land and forms of subsistence, were seasonally compelled to seek work in the cities, and to sell their labour power for a wage in newly-emergent industries. Through their struggles against their employers, they began to exhibit an embryonic class-consciousness.129 Consequently, the beginnings of an urban proletariat emerged in the final decades of the Nineteenth Century, as waged-labour became increasingly salient across both the nascent industrial and the long-established agricultural sectors.130 In addition to this industrial proletariat and the urban bourgeoisie that employed them, the changes in the Egyptian economy also led to the rise of an agrarian

128 N. Ayubi, Overstating the Arab State, 105
129 See the example of the militant coalheavers in Port Said (1882): J. Beinin and Z. Lockman, Workers on the Nile, 27-31; For a discussion of the problem of ‘objective’ explanations of class, as opposed to ‘cultural/experiential’ explanations in Egypt, see: Z. Lockman, “Worker” and “Working Class” in pre-1914 Egypt,” 74-7
130 J. Beinin, “Formation of the Egyptian Working Class,” 14
bourgeoisie, as the traditionally aristocratic landowners were favourably incorporated into the imperialist project.\footnote{S. Amin, \textit{The Arab Nation}, 28, 36} Hence, capitalist social relations were consolidating in both the cities and towns, \textit{and} the rural areas.

The new working class in Egypt was by no means homogenous, and this was reflected in the political climate in which nationalism emerged as a political force. The nascent working-class was divided by urban and rural cleavages, as well as by insider/outsider divisions. Foreign workers, who were better-paid than their Egyptian counterparts, were a source of resentment for locals, and some early efforts at collective organisation by workers were formed on the basis of national identities, rather than any kind of working-class consciousness. Integration of nationalist ideas into the competing ideological programs advanced by major political groups (whether they be communist, nationalist, or after 1928, the Islamism of the Muslim Brotherhood) was one of the major impediments to class-consciousness taking hold in Egypt on a broad scale (although the small size and short history of the proletariat no doubt contributed to this). The poor economic position of the workers was most often blamed on the predations of foreigners, rather than class exploitation inherent to the capitalist system. Workers largely accepted this moralistic explanation of their plight.\footnote{J. Beinin and Z. Lockman, \textit{Workers on the Nile}, 163}

In contrast to the Nationalist Party (established in 1907), the Wafd party achieved widespread popularity on a scale hitherto unseen in Egypt. The First World War had had a significant impact on Egypt, for both the privileged classes
and the subaltern masses. In 1919, the Wafd was formed by a group of the intelligentsia under the leadership of Sa’d Zaghlul, with the intention of delivering Egyptian demands for independence to the post-World War One Paris Peace Conference (which they were denied by the British). The leadership of the Wafd was essentially a group of bourgeoisie nationalists. Their desire to expel the British was just as concerned with opening up opportunities for investment (the accumulation of capital) as it was with fulfilling a national destiny. Unlike the Nationalist Party, who had established a network of night schools for workers and attempted to foster the development of a working-class identity, the Wafd initially took little interest in the problems of Egypt’s workers. The Wafd failed to realise the potential for political change that an engaged, active, and organised working class represented, at least until the workers had begun to organise and take action themselves.

By March 1919, a wave of strikes and popular protests broke out, which continued throughout the year, and leading to the foundation of dozens of new unions. Lawyers provided by the Wafd led many of these unions, and their structures were generally less than democratic. These developments lent working class organisations a corporatist character under the leadership of the Wafd. They did not desire to overthrow the capitalist state, but to simply get a better deal within its parameters (which was assumed would follow from independence from the British).

134 J. Beinin and Z. Lockman, Workers on the Nile, 121
On 28 February 1922, the British made a unilateral declaration of Egyptian independence, and the Wafd gained control of the (albeit neutered) political institutions, thereby securing a status an apparent hegemonic status (in the sense that it is both consent and coercion, on the terrain of *both* the state and civil society). However, the caveats placed on Egypt’s independence by the British meant that actual hegemony was out of reach for the Wafd (as they did not control the coercive apparatus of the state). Although the Wafd took over some civilian functions of government, the British retained coercive power in Egypt, including the right to protect their imperial interests. It is important to note here that the British willingness to concede even some power to the Wafd, is illustrative of the fact that the imperialist capitalist project was just as invested in establishing and maintaining bourgeoisie class power as it was in overseeing more purely ‘economic’ goals. The colonial state had the important function of mediating the relationship between the people of Egypt and the international economy – or to put it another way, organising their exploitation. Despite these limitations on achieving an unequivocal hegemonic position, the Wafd led the dominant political bloc of early capitalist Egypt. After most of the traditional landowners split from the party in 1921 to form the Liberal Constitutionalist party, the Wafd became the party of the middle classes (urban and rural) supported subaltern classes, bound together by a democratic nationalist ideology. The fact that the Wafd represented the indigenous bourgeois was of little consequence for the workers,

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136 For more on the political nature of the global division of labour and the emergence of a global circuit of capital accumulation see E. Wolf, *Europe and the People Without History* (Berkeley: University of California Press, 1982)
138 J. Beinin and Z. Lockman, *Workers on the Nile*, 122
who were won over by the intellectuals of the Wafd and their insistence that the economic troubles of Egypt were due to the pernicious influence of foreigners in the economy. Even the organised labour movement tended to favour nationalism over class solidarity, and the Islamists appealed to many of the same arguments as the Wafd.

The Wafd’s power was confirmed in the elections of January 1924, where they achieved an overwhelming majority in the ensuing parliament (195 seats of 214). This represented the high-water mark for the fortunes of the Wafd, however. They had to contend with a number of crises that would ultimately erode their support. These included the impact of the Great Depression, their failure to meaningfully oppose the Anglo-Egyptian Treaty of 1936 (which allowed the British to maintain their military presence in Egypt, and control of the Suez Canal), and their loss of influence in the trade unions in the face of increasing worker independence and communist agitation. As a result of these problems, the Wafd experienced a steady decline in influence over the next thirty years, representing an ever-narrower cross-section of Egypt, and ultimately failing to live up to their promises of liberation. Nevertheless, nationalism remained ideologically powerful, and remained a crutch for political aspirants in Egypt throughout the Twentieth Century. In every successful historical bloc in Egypt, the dominance of the bourgeoisie was at least partially justified by the need to reinforce, or restore the glory of, the nation. One strand of nationalist thought that can be traced from the Wafd (or even the Nationalist Party) through to the present is the emphasis on

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139 N. Ayubi, *Overstating the Arab State*, 107
the political and economic subordination of subaltern classes to the needs of the bourgeoisie, in the name of strengthening the ‘nation’.\textsuperscript{140} Throughout the Twentieth Century and into the current century, nationalism has been instrumentally employed to advance the interests of the capitalist classes. Essential to this is the denial or distortion of class conflict, emphasising instead the cohesion of the Egyptian people constituted as a nation.

**Egyptian Nationalism**

The configuration of capitalist relations of production that came to dominate the politics and economy of Egypt were imported from Europe, and associated with the domination of Egypt by the British- in response, nationalism gained popularity. These ideas were not simply forced onto an unwilling populace, but in many cases were enthusiastically embraced by Egyptian people and politicians, for whom nationalist politics provided the solution to the seemingly intractable problem of British domination and their inability to establish a thriving nation-state of their own. A dedicated Nationalist Party (\textit{al-Hizb al-Watani}) was established as early as 1907, with a leadership from the westernised, western-educated intelligentsia. Contrary to what one might assume about the class position of their founders, Samir Amin rejects the idea that they were the party of the bourgeoisie (in terms of the structural position of their leadership). Instead he defines them as “…an aristocracy with bourgeoisie tendencies,” where nationalists

\textsuperscript{140} J. Beinin and Z. Lockman, \textit{Workers on the Nile}, 105
owed their intellectual inspiration to the European bourgeoisie tradition, so were bourgeoisie in thought. In spite of this, they dedicated considerable efforts to encouraging working-class activism and class-consciousness, and assisted with the foundation of trade unions, supporting and encouraging industrial action by workers. The Nationalists were crushed by British repression during the First World War, and the party was never again a potent political force, though they maintained a formal existence until 1952.

What nationalism and ‘the nation’ meant to the various classes and social groups was never consistent. Different groups deployed the term in different ways, and this is in some sense reflective of the abstract origins of the concept. It is worth pausing, therefore, to locate the nationalism and associated terms in political theory. In terms of locating the theoretical origins of nationalism, Gramsci’s views of nationalism were often contained in his notes concerning other topics—particularly the ‘national-popular’, and religion. Whilst nationalism can therefore be incorporated into a Gramscian theoretical framework under the broad category of ‘ideology’, this does not give sufficient consideration to the idiosyncrasies of nationalism. We need to turn elsewhere to understand the origins of the phenomenon.

Rather than engaging with the entire corpus of literature on nationalism, which would necessitate a needlessly lengthy diversion; the works of Tom Nairn and Samir Amin are enough to get a clear picture of nationalism in an abstract

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141 S. Amin, *The Arab Nation*, 36
143 J. Beinin, “Formation of the Egyptian Working Class,” 18
sense. Nairn posits that rather than being a ‘natural’ product of a certain stage of
development or that it is an equally ‘natural’ expression of the mystical and
romantic essence of the ‘Volk’, nationalism is instead the product of the structures
of the “machinery of world political economy”, and more specifically, the material
processes of uneven development.144 For Nairn, nationalism was an ideological
necessity for peripheral elites, as there was nothing else substantive to bind people
together in the name of a developmentalist economic project.145 In this way,
nationalism is the product of uneven development in the global political economy.
As capitalism expanded, the fact of imperialist domination generated a hostile
reaction, but at the same time an attempt by its victims to appropriate it.146 Hence,
Nairn is able to reveal the ‘Janus-faced’ nature of nationalism: on one hand, it
turns its gaze inward and backward, to the supposed essential characteristics of a
given social formation (language, ethnic group, geography) and a mythologised
history; on the other hand, it looks outwards and forward to the apparently
replicable stages of capitalism. The program for the advance forward to capitalist
development is to be achieved through looking backwards. In this way,
nationalism represents a kind of progress through regress.147

In contrast with Nairn, Amin does not consider nationalism to be a product
of capitalism or even uneven development per se, and in contrast, proposes that a
‘nation’ can emerge at any point in history.148 In an effort to develop a theory
distinct from the failed mysticism of bourgeois science, and what he sees as the

145 Ibid., 11
146 Ibid., 12
147 Ibid., 18
148 S. Amin, *The Arab Nation*, 81-83
failures of Marxism to develop a theory that overcomes the limits of Stalin’s intervention into the question of nationalism, Amin poses his theory of nationalism as a consequence of political and economic centralisation. While he concedes that capitalism is not exclusively responsible for nationalism, he does argue that it is responsible for an increase in the intensity of nationalism. Amin sees the nation, and by extension nationalism, as the product of a certain confluence of political and economic developments that can theoretically be present in any given social formation. Essentially, he argues that the more centralised that political and economic power in any given social formation (as well as cultural, geographic, and linguistic requisites) under a dominant class is, the more likely the said formation is to develop into a ‘nation’. 149 This is a process intensified by capitalism, as political and economic power is increasingly centralised “…by the creation of an internal market for labour, capital, and merchandise.” Later, referring more specifically to the twentieth-century Arab world, Amin proposes that nationalism is the ideology of the petty-bourgeoisie. Though this is not a result of some inevitable historical determinism, but of the position occupied by the petty bourgeoisie during imperial expansion into the Arab world. 150 What he is mostly describing is the ‘Arab nation’, as in the broad social-cultural formation across the Arab world, or modern ‘national states’, which Nairn considers ‘precursors’ that are distinct from the modern ideology of nationalism. 151

150 S. Amin, The Arab Nation, 85
Amin’s analysis of nationalism supports his contention that the development of a nation is contingent on certain modes of production: specifically, highly centralised modes of production i.e. tributary systems or capitalism. In his efforts to counter what he saw as the Stalinist view that the nation is a product of contemporary capitalism, he doesn’t really discuss what nationalism is, and how it functions on the level of ideology. The implication is that it is a by-product of the formation of a nation, and is employed by the ruling classes to legitimise the mode of production, whether that is a tributary system or capitalism. This notion of the structures directly informing the superstructures is a relatively common feature of Marxist thought in general. But it is such a unidirectional view of the relationship between structures and superstructures that was rejected by Gramsci in favour of presenting the two as being in a dialectical relationship. In a Gramscian sense, the relationship between nationalism and the national social formation would be better considered to be one of interpenetration and mutual reinforcement. Amin’s work on the evolution of the modes of production throughout the Arab world is helpful, but it says little about the function of ideology. Thus Nairn’s work overcomes the limitations of Amin’s, by more thoroughly examining the interstices between the material world and ideology. Whereas Amin’s work helps us to understand the historical evolution of Egypt’s economic structures, Nairn gives us the tools to examine why the moment of capitalism was able to be exploited by Egyptian elites to harness popular discontent, and gain popular support for their own project.
Corporatism and the Moral Economy

A second major ideological continuity between the different regimes of twentieth-century Egypt was the notion of a moral economy as a means of structuring the relations of production. The association of the idea of a moral economy with Egyptian political economy has featured prominently in scholarly literature, especially that which concerns the working class.\textsuperscript{152} The basic idea, adapted for Egypt by Marsha Pripstein-Posusney from E.P. Thompson’s theory, is that the workers are happy to sacrifice certain freedoms (or comply with their restriction) in return for certain rights and privileges, and that there is a perceived moral imperative for the state to provide these rights and privileges, which in turn constrains the behaviour of the state.\textsuperscript{153} In turn, the state or dominant class is constrained in how it can act, as it needs to maintain this bargain with the workers. The moral economy is thus a theoretical abstraction, but it is relatively easy to identify through government rhetoric and behaviour, or the actions taken and demands made by protestors. The moral economy is significant for two major reasons. The first is its longevity. The moral economy has proven to be one of the more enduring political ideas in modern Egypt, surviving the infitah period under Sadat, and only declining in importance with the deepening neoliberalisation


under the Mubarak regime.\textsuperscript{154} Secondly, the moral economy presented a way for subaltern classes to wield limited influence over the state and the dominant parties, even if this influence was often dependent on workers going outside of approved channels (e.g. the corporatist official Egyptian Trade Union Federation) to express their dissent. This latter point is key to the longevity of the idea, with its legitimacy being tied to its restricted empowerment of the masses. This empowerment was illusory, however. The moral economy reinforced the notion that the state was the ultimate guardian of workers’ interests, and thus embedded a corporatist logic into class relations in Egypt.

The nature of the different conceptions of the moral economy was at the heart of the divisions between different political blocs in the early Twentieth Century. The liberal nationalists of the Wafd, the Muslim Brotherhood, and subsequently the Free Officers all articulated their own versions of the moral economy. While their core ideas were fairly similar, in that they all advocated the subordination of the masses to a particular fraction of the capitalist class, the diversity of justifications and applications gave each project a distinct identity, beyond the differences between the elites advocating these ideas. For example, the Muslim Brotherhood proposed a moral economy in which the ‘moral’ duties of each party took on an explicitly religious tone, and it was the religious duty of each party to uphold the bargain.\textsuperscript{155}

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\textsuperscript{155} Beinin and Lockman, \textit{Workers on the Nile}, 376-9; B. O. Utvik, \textit{The Pious Road to Development}, 30-40
\end{flushright}
The nationalists were almost certainly the first political party to advocate this kind of mutual responsibility between workers and capital, and this was part of their project to seize power on behalf of the domestic bourgeoisie.\textsuperscript{156} In this sense, the moral economy was simply the attempt to negotiate the formal adoption of their broader ideological project. Later, in the 1930s, the Muslim Brotherhood began to promote their own vision of a moral economy—albeit one based on Islamic notions of mutual responsibility.\textsuperscript{157} Beinin and Lockman explicitly identify the moral economy only with the Muslim Brotherhood. They do not use the term to describe the program of the Wafd, preferring to describe them simply as corporatist. This is reasonable enough, but the distinction is unnecessary. The Wafd did advocate for a kind of moral economy, if we are to use the same criteria as Beinin and Lockman used to define the moral economy of the Muslim Brothers, or Posusney’s definition of the Nasserist moral economy. The Wafd never accepted the reality of class conflict, seeing it as of secondary concern to questions of foreign dominance and national development.\textsuperscript{158} In order to achieve this development for the nation, the workers would have to forgo some of their industrial rights. There was a clear moral imperative here to sacrifice workplace rights (such as the right to strike) for the greater prize of the rapid industrial development of the nation.\textsuperscript{159} The fact that the Wafdists never delivered their promises does not render their appeals to mutual social responsibility any less of a moral-economy argument. The moral economy in the post-1952 period analysed

\textsuperscript{156} J. Beinin and Z. Lockman, \textit{Workers on the Nile}, 66-72
\textsuperscript{157} Ibid., 376-9
\textsuperscript{158} Ibid., 105
\textsuperscript{159} Ibid., 101-105
by Pripstein-Posusney did not simply appear out of the ideological ether (nor am I trying to imply that she suggests that it does). The flirtations with the idea by the Wafd and the Muslim Brotherhood laid the foundations for the idea in Egypt, and normalising the idea of industrial discipline in pursuit of national development.

Communicating the appeal of nationalism and the moral economy to the masses did require some organisational effort on behalf of the Wafd and the Brotherhood, with both groups (along with the Communists) providing leadership to organised labour. The Wafd party pioneered this strategy, providing a number of well-credentialed leaders for the unions, mostly lawyers, who had the expertise and the contacts to negotiate with business and the state.\textsuperscript{160} In later years, the Muslim Brotherhood adopted a similar strategy to that of the Wafd, providing well-educated and well-respected representatives (also often lawyers) from the bourgeoisie to lead workplace unions in the 1930s. These Wafdist elites that led the embryonic trade unions of the period effectively functioned as bourgeois “traditional intellectuals” in the Gramscian sense. While their aim was to control the unions, and to instil a sense of obligation to the (bourgeois-led) Egyptian nation, their most enduring legacy turned out to be the inculcation of the corporatist idea that the state could be (or should be) relied upon to ensure that the working class in Egypt could improve their standard of living.

Broadly speaking, the Muslim Brothers met similar results. Although they quite clearly differed in their ideological justifications, the outcomes for the

\textsuperscript{160} Ibid.
workers were fairly similar. This is not to downplay the differences. These differences were significant enough to give rise to distinct political blocs, both in the early Twentieth Century and closer to the present. Beinin and Lockman argue that ‘mutual social responsibility’ was at the core of the Brotherhood’s conception of the moral economy, and this was equally true of the Wafd.161 The Islamic character of the Brotherhood’s project was certainly unique, and their message of revivalist Islam was attractive to many Egyptians from working-class backgrounds.162 However, it must also be noted that this was a reflection of the dominance of nationalist discourse at the time. As much as the Islamism of the Brotherhood was compelling to Egyptians for religious reasons, it also appealed to their desire to expel foreign influence and restore the Egyptian nation –even if the ‘nation’ was in this case envisioned according to its Islamic roots.163 The Brotherhood positioned an Islamic moral economy as the ‘natural’ state of political-economic affairs in Islamic society, which was only unrealised due to the influence of the British.164

In terms of the Gramscian theory that underpins this thesis, moral economy (as an element of the ideology of the ruling classes, rather than the scholarly theory) plays a central role in the analysis. Its tenacity (enduring up until the present) lends it an organic character, rather than it being a historically conjunctural phenomenon. Much like nationalism, the lingering presence of the moral economy in the popular imagination at the time of the 2011 revolution can

161 J. Beinin and Z. Lockman, *Workers on the Nile*, 376-9
163 Ibid., 264-267
164 J. Beinin and Z. Lockman, *Workers on the Nile*, 376-9
be linked back to this early period. It was firmly embedded in the superstructures during this early period, both reflecting and shaping the economic structures. By this, I mean that the moral economy was (and still is) a reflection of the reality of economic structures in terms of the stratified class relations (albeit, this reflection has altered over the course of the last century). The moral economy, as it developed as a part of national liberation projects, became a necessary ideological mystification of the exploitative role of the state and national capitalists.

Class Structure in Pre-Nasser Egypt

The class structure of late-nineteenth and early-Twentieth Century Egypt was in a state of flux, with the new capitalist relations of production being articulated with the pre-capitalist social and economic structures of the country.\textsuperscript{165} New classes and fractions of classes were emerging amidst the stubborn remnants of the pre-capitalist system, and these emergent groups began to re-shape the political landscape through their struggles. As in any society undergoing the replacement of one mode of production with another, Egypt between 1882 and 1970 was the site of complicated social evolution. It was during this period that the tributary mode of production of pre-capitalist Egypt was mostly brought to heel, and various new classes developed. This was not only in the sense that workers found themselves with a new relationship to the means of production, or

\textsuperscript{165} N. Ayubi describes the process of transition from one mode of production to another as best encapsulated by ‘articulation’. According to Ayubi, no single mode of production ever completely dominates any given social formation. Different modes of production are instead articulated with each other in any given formation. See: N. Ayubi, \textit{Overstating the Arab State}, 39-41
performed new types of work, but they also developed a consciousness of this position in the rapidly evolving economy of Egypt (through the process of collective organisation). These new forms of class-consciousness were articulated with pre-existing ideologies and identities, leading to a variety of class identities, even (perhaps especially) amongst workers who shared an otherwise identical relationship to the means of production. As the craft-based guilds of pre-capitalist Egypt declined in relevance, the identification of workers according to their trade persisted. Even after the founding of the first trade unions, these initially took on the form of modernised guilds, generally operating in single workplaces, and provided no real impetus for the development of class-consciousness.

As well as the predictable generation of a proletariat and a bourgeoisie, the adoption of capitalism in Egypt generated a number of class-fractions or social groups that are perhaps best conceived of in cultural terms, rather than by an understanding that relies strictly on their relationship to the means of production. The first of these, the mutamassirun, were foreigners who had settled in Egypt permanently, and had become “Egyptianised”.166 They were both workers and bourgeoisie, though if they were employed to perform the same job as Egyptians, they generally received higher pay. Perhaps the inverse of the mutamassirun were the effendiyya. The effendis were essentially the local petty-bourgeoisie that adopted a more European lifestyle, and tended to work in the newer capitalist industries.167 Many of the Wafd-appointed leaders of the trade unions were drawn from this class of effendis, but the majority of them worked in professional roles

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166 J. Beinin and Z. Lockman, *Workers on the Nile*, 9
167 Ibid., 6-10
(especially as lawyers) rather than coming from the shop floor. The effendis in particular were typically aligned with the nationalists of the Wafd, and as mentioned, they were particularly active in introducing bourgeois ideology to the subaltern classes. Their goal was no more revolutionary than placing their own hands on the levers of economic power in Egypt, but they still managed to cultivate an enthusiastic following among the workers.\textsuperscript{168} The lack of potential emancipatory outcomes was glossed-over or ignored, with the general assumption by the workers and peasants being that the withdrawal of foreign influence would work as a panacea for Egypt’s political and economic woes, with the gross inequality seen as a product of foreign rule rather than a systemic issue resulting from capitalism itself.\textsuperscript{169} Through this leadership of the early union movement until the mid-1920s, the Wafd formed a political bloc, which dominated the struggle for hegemony in Egypt.

The nationalism of the effendis did manifest some aspects of a ‘moral economy’ as well, although it was never articulated explicitly as such. Insofar as a moral economy involves the sacrifice of certain freedoms for material reward, especially in the name of a higher moral purpose, the economic program of the domestic bourgeois certainly fits this model. The peasants, and in particular the working class, were encouraged to direct their frustrations towards the British, and to band together as Egyptians, rather than as workers. However, the Wafd went further than this rhetoric to assert their control of the workers. In 1924 (the year that they were elected with a parliamentary majority) they founded two

\textsuperscript{168} Ibid., 98-106
\textsuperscript{169} Ibid., 90
organisations that cemented their dominance of organised labour: the General Union of Workers, which reached a total membership of 12,000 by June of that year; and the General Federation of Labor Unions in the Nile Valley, which claimed (dubiously, according to Beinin and Lockman) a membership of 150,000 affiliated workers. This leadership of the organised working class was rooted in a world-view that denied class conflict, and insisted that the workers had a duty to work hard for, and accept their subordination to, their social ‘betters’.

By the time of Nasser’s coup, the proletariat had become firmly established, class-consciousness had replaced earlier forms of occupation-specific worker identity, and the social and economic ramifications of the capitalist restructuring of Egypt were readily apparent. Change encompassed not just the emergence of new ideas, but included the emergence of a new social structure. The newer class fractions, and even entirely new classes, shaped the political struggles in Egypt in terms of both the ideologies that they propounded and the more concrete alliances that they formed. The social forces unleashed by capitalist development punctuated the first half of the Twentieth Century with massive displays of resistance, and carried their social and political influence into the Egypt of Nasser.

170 Ibid., 157-9
171 Ibid., 163
The Free Officers’ coup of 1952 did not represent a clean historical break with the past, but rather a consolidation and intensification of ideological trends from the tumultuous first half of the century. Nasser’s rule, and the acceptance of it by the masses in Egypt, was mediated by his reinterpretation of nationalism and his institutionalisation of the corporatist social relations of a moral economy.\textsuperscript{172} Whilst Nasserist Egypt’s relevance to the present conjuncture is two-fold. On one hand is the continuing influence of his ideological legacy. On the other, the coercive and corporatist institutional apparatus that he established are still extant, though their form has changed over the decades. Illustrative of this enduring relevance is the fact that Abdel Fattah al-Sisi, the current president of Egypt (at the time of writing), has consistently invoked Nasser’s legacy to justify his own political and economic policies.\textsuperscript{173} Through these developments, the character of the modern Egyptian state began to emerge in a definite sense.

Nasser, at least according to his own recollections, first became politically conscious as a teenager, participating in the then-annual protests against the Balfour Declaration.\textsuperscript{174} Through this, and his experience fighting in the 1948 Arab-Israeli War, he came to develop his political ‘philosophy’. His early writings, although not particularly well articulated, provide some indication that

\begin{itemize}
  \item \textsuperscript{172} M. Pripstein Posusney, \textit{Labor and the State in Egypt}, 41
  \item \textsuperscript{174} G. Nasser, \textit{The Philosophy of the Revolution} (Buffalo: Economica Books, 1959), 59, 62
\end{itemize}
both Arab and Egyptian Nationalism were key motivations for the Free Officers-coloured as they were by the somewhat self-indulgent passages about the need for a hero to rise to the historical moment. Of course, though Nasser’s early writings were written with specific audiences in mind, they do give some insight into his ideological underpinnings, and the ideas that won him the support of so many Egyptians, including those from the subaltern classes. After a brief but intense internal struggle (over the continuation of military rule or the return to civilian rule,) to secure the leadership of the Revolutionary Command Council (RCC), Nasser managed to secure himself as unquestioned leader of the revolution by 1954. On 19 October that year, the agreement for the evacuation of British troops was finally signed. In June 1956, Nasser became President of the Republic, his position now more secure. After the USA and Great Britain reneged on their promises to fund the construction of the Aswan High Dam, Nasser proceeded with the nationalisation of the Suez Canal in 1956, leading to the military intervention of Britain, France and Israel. After Nasser’s eventual triumph against the imperialist aggressors (albeit with the help of the United States and the Soviet Union), he began to emphasise pan-Arab nationalism, rather than just Egyptian nationalism. This is not to say that it was a simple process of switching ideological emphasis as needs dictated, as Nasser and the other Free Officers had attempted to incorporate both forms of nationalism (even, to a limited extent, appealing to notions of a pan-Islamic identity) into their project of national

175 Ibid., 61
177 N. Ayubi, *Overstating the Arab State*, 143
development. Until Nasser rose to pre-eminence among the Free Officers, the revolutionary movement was still relatively politically diverse— with the popular former leader of the Free Officers General Mohammed Naguib, representatives of the Muslim Brothers (Abdel-Moneim Abdel-Raouf), and the communist left (Youssef Saddiq, Ahmed Shawki, and Khaled Moheiddin) deposed only after Nasser took control.179

The program of economic development immediately pursued by the Free Officers was one of import-substitution industrialisation, to be conducted as rapidly as possible. Land was redistributed among the peasants in 1952, through legislating a maximum land-holding of 200 feddans.180 This severely diminished the power of the landowners and ensured popular support for the regime among those peasants who benefitted from the reforms. The RCC’s later commitment to a program of corporatism with the working-class was not yet policy however, and in an effort to maintain economic stability, strikes and collective action by workers were banned. On 12 August 1952, less than one month after the coup, the workers at the Misr Spinning and Weaving Company at Kafr al-Dawwar participated in a strike action that was brutally repressed by the new government. Four workers, two soldiers, and one police officer were killed in the ensuing violence, and 29 of

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180 This could be legally increased to 300 feddans by assigning 100 further feddans to wives and children. One feddan is roughly equal to one acre. See: J. Waterbury, *The Egypt of Nasser and Sadat*, 265-6
the workers were charged with various offences. Two workers were hanged for their leadership of the protests.\textsuperscript{181}

In December 1952, the first post-coup labour laws were introduced (Laws 317, 318, and 319), which drove down wages and severely curtailed the right to strike. These laws privileged capital over the workers, and this was consistent with the desire of the RCC to attract foreign investment to fund their import substitution industrialisation.\textsuperscript{182} Over the course of the next few years, workers attempted to form a national trade union federation, which in 1959 resulted in the state creating the corporatist Egyptian Trade Union Federation (ETUF).\textsuperscript{183} Having initially repressed the workers, Nasser soon realised their political potential during his struggle for control of the RCC, and hence the regime used this organisation to formally introduce a corporatist approach to industrial discipline. The leadership of this new Federation was appointed by the regime, and they maintained a strict vigilance against potential communist infiltration. As well as repression of workers, the regime pursued the Muslim Brotherhood after clashes between Brotherhood students and the police. On 26 October 1954, a member of the group attempted to assassinate Nasser at a rally. The repression that followed all but destroyed the organisation, and it was effectively neutralised until Sadat allowed their rehabilitation into Egyptian politics in 1971.\textsuperscript{184}

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\item\textsuperscript{181} J. Beinin, ‘Labor, Capital and the State in Nasserist Egypt’, \textit{International Journal of Middle East Studies} 21, no. 1, 1989 73-4; M. Posusney, \textit{Labor and the State in Egypt}, 43
\item\textsuperscript{182} J. Beinin, ‘Labor, Capital and the State in Nasserist Egypt’, 74; M. Posusney, \textit{Labor and the State in Egypt}, 43
\item\textsuperscript{183} M. Posusney, Labor and the State in Egypt, 74-5
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Having eliminated or co-opted most of his opposition, after attacking the communists in 1959 and the bourgeoisie in 1961, and frustrated with what he saw as the slow pace of development, Nasser turned to ‘Arab Socialism’ in December 1961. In 1962, a single mass party was established, the Arab Socialist Union, as a replacement for the National Union. It was during this period that the corporatist structures that had been introduced since the revolution began to dominate Egyptian politics under the banner of ‘socialism’. This was, in fact, state capitalism rather than socialism, but it reinforced corporatist relations- and explicitly framed them in the sense of a moral economy in which the state was obligated to provide for the people. Waves of nationalisations across a number of sectors, and the introduction of guaranteed civil service jobs for university graduates created groups of workers who were dependent on the state for their positions and livelihood. Measures to improve the conditions and remuneration of workers were also introduced, with employers having to contribute 17 percent of a workers’ salary to social insurance, and a shorter working week was legislated into being (of six seven-hour days).

This program of reform represented Nasser’s most significant break with his predecessors. The moral economy had moved from the realm of the abstract to a concrete reality. Pripstein Posusney has explored this dimension more fully in her work, examining the position of the non-agricultural working-class in Egypt. In

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185 J. Waterbury, The Egypt of Nasser and Sadat, 315
187 Ibid., 70
her work, the moral economy was conceived as the expression of the relationship between the non-agricultural labourers and the state. In her view, in the moral economy,

“…workers view themselves in a patron/client relationship with the state. The latter is expected to guarantee workers a living wage through regulation of their paychecks as well as by controlling prices on basic necessities; the government should also ensure equal treatment of workers performing similar jobs. Workers, for their part, provide the state with political support and contribute to the postcolonial national development project through their labor.”

This bears striking similarities with the earlier projects for control of the working class by the Wafd, if only rhetorically. Both the Wafd and Nasser attempted to ‘buy’ the political support of the urban and rural working class, although only Nasser actually delivered these outcomes. Perhaps more importantly, Nasser’s reforms represented an institutionalisation of the relationship between the workers and the state that had seemed merely aspirational in preceding years. Although there were certain consistencies between the pre-Nasser period and the moral economy under Nasser, this is not to say that there was a consistent process of evolution of these ideas in the working class and the bourgeoisie. The working-class movement developed an independent (communist, rather than bourgeois-led) identity in the post-Second World War years, prior to the coup d’état of the Free Officers. In spite of this, the state-

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188 Ibid., 16
189 J. Beinin and Z. Lockman, *Workers on the Nile*, 310-62
dependent moral economy still clearly resonated with the masses, and even if Nasser did not obtain the active support of the majority of the working class, he attained their tacit approval by ensuring that the state complied with its obligations to them under the moral economy.\textsuperscript{190} It was in this way that Nasserist hegemony was constructed and reconstructed.

**Nasser’s Decline**

Between the defeat of 1967 at the hands of the Israelis and his death in 1970, Nasser struggled with numerous political and economic problems, each of them seemingly as intractable as the last. The combination of internal and external economic pressures, from the inefficient economic policies of ‘Arab Socialism’, to the military commitments in the Yemeni Civil War, continued to be a drain on the economy. This expedition was funded by the government reducing investment whilst maintaining consumption, effectively postponing the political and economic consequences.\textsuperscript{191} To make matters worse, the Sinai Peninsula (lost in the 1967 war) was the site of Egypt’s oil fields, cutting off a critical source of rentier income and foreign exchange for the regime (along with the Suez Canal, another source of economic rent). Just as significant as these concerns for the regime, was the fact that the defeat also signalled the demise of Nasser’s ‘Arab Socialism’ as a unifying ideology.\textsuperscript{192} Nasser’s efforts to establish ‘socialism without socialists’

\textsuperscript{190} M. Posusney, *Labor and the State in Egypt*, 54-64  
\textsuperscript{191} N. Farah, *Egypt’s Political Economy: Power Relations in Development* (Cairo: The American University In Cairo Press, 2009), 37  
\textsuperscript{192} J. Waterbury, *The Egypt of Nasser and Sadat*, 37
relied on the popular appeal of this pan-Arab identity to justify the abrogation of political freedoms under his corporatist social structure.

The economic malaise in the wake of the war was not entirely due to the costs of the war itself. The war served to exacerbate an already-occurring economic decline, and the combination of a devastating military defeat with economic stagnation had a profound effect on national morale and the appeal of Nasser’s ideological program. Nasser’s ‘Socialist Decrees’ of July 1961 were the genesis for the creation of a state-capitalist bourgeoisie, and were designed to break the back of the commercial- and the land-owning bourgeoisie that had dominated the Egyptian economy up to the Free Officers’ revolution of 1952. Through the 1960s, the economic situation gradually worsened- and this was at least partly attributable to the economic policies implemented as part of the Five-Year Plan (1960-65; though it lasted only about half of that). Import-substitution industrialisation was in full swing by the mid-sixties, and the corporatist institutions of Nasser’s state ensured social peace and reliable productivity. The Socialist Decrees reduced the working week to 42 hours, and workers were compensated for the loss of overtime. Social insurance was introduced, and, perhaps most significantly, university education was henceforth a guarantee of a job in the public service (and a high school diploma a guarantee of one in the manual trades). Finally, in 1962 the minimum wage was doubled from 12.5 to 25 piasters per day. Between 1961 and 1964, the economy grew at a rate of 6.6%,
and industrial output grew by an average of 12.3% annually, with employment growing at an 11.83% annual average.\textsuperscript{195}

In 1962, tariffs were introduced to protect the new national industry from foreign competition, but economic problems had already begun to set in. The external problems, including the deployment of 20,000 troops in Yemen (growing to 70,000 by 1965)\textsuperscript{196} and the cancellation of subsidised US food shipments were significant, but not the sole cause of the economic problems. The economic policies that gained Nasser so much popularity were a drain on the country’s resources, and the reserves of foreign exchange were depleted to only $46m by 1967.\textsuperscript{197} As early as 1962, assistance was sought from the International Monetary Fund, and a Stand-by Agreement was reached. By the time that war broke out in June 1967 Nasser was already having to reconsider the economic direction of the country, as along with the depletion of foreign exchange, public debt had increased (by Nasser’s death in 1970, it was at $1.7b USD), and the trade deficit had increased.\textsuperscript{198} The war itself provided a useful justification for the implementation of fiscal austerity and economic ‘liberalisation’ that Nasser was already veering towards.\textsuperscript{199}

The outcome of the war exacerbated existing international economic and political trends. While the US were not particularly interested in Egypt in the

\begin{itemize}
\item \textsuperscript{195} Ibid., 71
\item \textsuperscript{196} A. McDermott, \textit{Egypt From Nasser to Mubarak: A Flawed Revolution}, (London: Croom Helm, 1988), 156
\item \textsuperscript{197} Ibid., 30
\item \textsuperscript{198} R. Bush, \textit{Economic Crisis and the Politics of Reform in Egypt}, (Boulder: Westview Press, 1999), 14-15
\item \textsuperscript{199} Ibid., 15, 16
\end{itemize}
immediate post-WWII period, their growing closeness with Israel, their economic interests (oil) in the Gulf, and their deepening world-wide struggle with the Soviet Union, caused them to change their outlook.\textsuperscript{200} Egypt’s strategic importance, due to the importance of the Suez Canal to international trade, meant that the US became far more invested in the potential reintegration of Egypt into the capitalist world economy (though that is not to say that it had entirely withdrawn from it under Nasser).\textsuperscript{201} If the ideological appeal of Nasser’s radical Arab nationalism was diminished, it would no longer potentially threaten US oil interests in the Gulf monarchies. After the war, the economic recovery was made even more difficult by both the loss of the Sinai oil fields, and the significant increase in military expenditure as the regime tried to re-arm as soon as possible, all while conducting a war of attrition against the Israelis along the Suez Canal. In 1969, in the torpor of post-war attempts to wrest back control of the economy, Nasser appointed Anwar Sadat as vice-president.

**Conclusion**

The near-century between the British occupation of Egypt in 1882 and the death of Nasser in 1970 were foundational for the development of the political-economic context in which fractions of the capitalist class competed for power in Egypt between 2011 and 2013. Whilst the subsequent presidency of Sadat laid the

\textsuperscript{200} F. Halliday, *The Middle East in International Relations* (Cambridge: Cambridge University Press, 2005), 97-101
\textsuperscript{201} S. McMahon, *Crisis and class War in Egypt*, 30-31
foundations of neoliberalism and caused the demise of some of these fractions of capital in favour of newer ones, the period outlined in this chapter saw the emergence of powerful political ideologies, the vestiges of which remained influential in not only motivating the protest movements in the years leading up to the revolution of January 2011, but even the course of politics in the years thereafter. Nationalism was never quite so bluntly pronounced as in the years in which the Wafd and then Nasser dominated the internal politics of Egypt, but by the time of Sadat’s ascension to the presidency it was firmly entrenched within the superstructures of the Egyptian integral state. Similarly, with the corporatist legacy of the moral economy, in spite of the best efforts of Sadat and then Mubarak to reform the relations of production (and thus the subjecthood of the Egyptian masses) along more explicitly neoliberal lines, the idea of a moral economy endured, creating a barrier to the realisation of their maximum program.

Whatever the ultimate failures of Nasser’s regime, he was the only ruler of modern Egypt to have effectively constructed an historical bloc, however fleetingly. Nasserism, in its discordant and contradictory ideological expression, and in its nation-building economic policies, was able to bind together the ‘people-nation’ of Egypt in a way that none of his predecessors, nor his successors have managed to do. He had his opponents, of course, particularly amongst those who were dispossessed of their land or business interests, but under his rule, to paraphrase Peter Thomas, the relationship between the ideological superstructures
and economic structures of ‘Arab Socialism’ informed the way in which the Egyptian people came to ‘understand’ their place in society.\textsuperscript{202}

Nasser’s ability to construct this historical bloc shaped the Egyptian integral state in a manner that has seen its essential features persist into the present. Nasser’s ability to co-opt (or crush) dissent meant that the dialectical unity of civil society and political society was a relationship in which political society predominated. Its influence over Egypt’s civil society ensured that no credible threats to capitalist accumulation could emerge. Following the definition given in chapter two, Nasser’s historical bloc completely transformed the earlier colonial Egyptian integral state in both a quantitative and qualitative sense.

This chapter has outlined the emergence of the moral economy and nationalism, and the concomitant emergence of new forms of class-identity, and structural relationships. These ideologies and identities are of crucial importance for understanding subsequent events in Egyptian politics, up to and including the revolution of 2011 and the ensuing counter-revolution. It is not just that these ideas were instrumentally deployed at various points over the course of the Twentieth Century (and into the twenty-first), but that these ideas were crucial when it came to the formation of the historical blocs that contested for hegemony in more recent years. Gramsci’s theory of historical blocs proposes that each respective bloc reflects a different conjuncture of the structures and superstructures, at any given point in time. Each of these blocs in Egypt is reflecting the same economic

\textsuperscript{202} P. Thomas, \textit{The Gramscian Moment}, 100-1
structures, and so what differentiates them is their articulation of these structures with a unique ideology. Furthermore, this period saw the emergence of Egypt’s capitalist integral state, as a consequence of its wholesale absorption into the global capitalist ‘market’. It was not until the early twentieth century that such a state really took root, but it was transformed from a liberal elite and commercial-capital dominated formation, to the nationalist integral state under Nasser, in which Nasser’s unique brand of nationalism dominated through both coercion and consent.
Chapter Three

SADAT AND THE ORIGINS OF EGYPTIAN NEOLIBERALISM

The defeat suffered in the war of 1967 was the beginning of the end for Nasser. Egyptian pride and prestige was gravely wounded. The following three years, until his eventual death in 1970, were notable for a steady and seemingly irreversible economic decline, as Egypt struggled to deal with reduced revenue and increased military and social spending.\textsuperscript{203} This raised serious doubt about the prospects of ‘Arab Socialism’ delivering the benefits that it had promised. Anwar Sadat quickly implemented a number of political and economic reforms after coming to power in 1970, in the midst of a slow-motion economic disaster. These changes allowed for the emergence of economic ideologies that had found

\textsuperscript{203} R. Bush, Economic Crisis and the Politics of Reform, 15; R. Hinnebusch, Egyptian Politics Under Sadat, 35-9
comparatively little traction under Nasser. The economic program that accompanied the new market-centric ideology began to redistribute political power away from state-sector bureaucrats and into the hands of the private-sector bourgeoisie (predominantly those working in finance and import/export businesses) and large landowners.\(^{204}\) This had serious implications for Sadat’s own power base within the institutions of state. Targeting the ‘state socialism’ of Nasser was a way for Sadat to empower (or re-empower) new classes and social groups, upon whom he could rely for popular support, as well as delegitimising an influential ideological threat to his rule. Not only did Sadat bring the private-sector bourgeoisie and the large landowners into the orbit of his regime, he deliberately positioned himself as a pious, ‘believer’ president, in order to shore up his support among the masses and to provide an ideological alternative to Nasserism.\(^{205}\) In turn, he released the Muslim Brothers imprisoned by Nasser, in an effort to further blunt the influence of the left.

Sadat’s economic program, known as the *infitah* (open door), planted the seeds in Egypt of what is now called neoliberalism. Although the newly emerging international consensus on what constituted sound economic management influenced *infitah*, the former did not inevitably determine the latter. Rather, the *infitah* was shaped by the conjoining of endogenous and exogenous developments, whose objective was the resolution of economic problems inherited from Nasser


\(^{205}\) M. Kassem, *Egyptian Politics: The Dynamics of Authoritarian Rule* (Boulder: Lynne Reinner, 2004), 141; C. Wickham, *The Muslim Brotherhood*, 30
(although it largely failed to achieve the economic goals that were set for it, as we will see). Through the *infitah*, Sadat managed to engineer a political transformation that has lasted to the present day. This transformation was not just the empowerment of a few individual businessmen at the expense of subaltern Egyptians, but signalled a changed relationship between the state and the capitalist class and its various fractions. Under Nasser, those who were in the upper echelons of the bureaucracy and military were politically powerful and comparatively wealthy. Sadat’s *infitah* allowed them to privatise state assets, control public contracts to the private sector, and thereby appropriate surplus-value and profit generation. The privatisation of state owned industries transformed the state from a powerful mediator in the process of capital accumulation, into an apparatus for the predatory extraction of wealth from the general population. Its full effects, however, would not be realised until the early 21st century.

This chapter examines two main developments. First, it considers in more detail the social, political, and economic changes wrought by Sadat, introduced above. Second, it evaluates these changes in terms of theories of neoliberalism, and the overarching Gramscian theory that underpins this thesis. The chapter begins with an historical overview of Sadat’s presidency, looking in particular at major legislative changes, and the effect that these had on class hierarchies. The chapter then takes a diversion into theories of neoliberalism. The *infitah* was Egypt’s first experimentation with the kinds of policies that constituted the

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207 Ministers and those in the upper echelons of the bureaucracy enriched themselves and their clients through the privatisation process. See: M. Pripstein-Posusney, *Labor and the State in Egypt*, p. 186
neoliberal program that was so forcefully rejected by Egyptians in January 2011. Finally, the chapter concludes with a discussion of the impact that this tumultuous period had on class politics in Egypt, focussing on the construction and deconstruction of political blocs led by different fractions of the bourgeoisie.

Sadat: Uncertain Beginnings

After Nasser died in late September 1970, Sadat assumed power and almost immediately began a struggle with the Arab Socialist Union (ASU) party elite for his political survival. The brief experiment with ‘Arab socialism’ under Nasser had empowered both the effendi bourgeoisie of the bureaucracy and the industrial working-class, upon which most of Nasser’s popular support rested. Not only did Sadat have to reform the ailing economy, but he also had to develop a popular base of support to ward off the threat of Nasserists. This more tangible political problem for Sadat was more immediate and pressing than the need to reform the economy. Consequently, he turned his attentions to dealing with the political elite before pursuing any significant economic reform.

Sadat’s main rival for control of the ASU was Ali Sabri, who was an ardent Nasserist, and who was attempting to position himself as the more faithful heir to Nasser’s social and economic legacy. Sabri was appointed Vice President after

\[\text{208}\] Though Nasser’s support started to wane towards the end of his rule, especially after the 1967 defeat, the workers still supported his Arab Socialist program. M. Pripstein Posusney, *Labor and the State in Egypt*, 73-92

Sadat assumed power, and had a small but dedicated coterie of supporters within the ASU. Sabri and Sadat were essentially contesting for leadership of the mostly bourgeois elites, for whom the leftist ideology of Sabri was unpalatable. The simmering tension came to a head over a proposed federation with Sudan, Syria and Libya, with Sadat in favour and Sabri opposed to the merger (distinct from the ill-fated union with Syria of 1958-61). Yet discontent was already brewing over Sadat’s unilateral ruling style.

After some heated jostling for position, particularly over control of the army, Sadat overcame his rivals in his ‘Corrective Revolution’ of 1971. Once appointed to the presidency, Sadat prepared to out-maneuuvre his rivals. One key move was the surprise sacking of his Vice-President Sabri. On 15 May, a number of ministers loyal to Sabri resigned, apparently in an attempt to prompt a popular uprising. Nothing of the sort occurred, leaving the recalcitrant ministers politically isolated. Sadat moved to install his supporters into positions of power, securing the coercive apparatus with the appointments of General Muhammad Sadiq as head of the military, and Mamduh Salim as Minister of the Interior. All of those officials who had supported Sabri by resigning were arrested and put on trial. Sadat thus secured his place at the top of the institutional hierarchy once he had eliminated his rivals. He was now well positioned to pursue a reform program to address economic problems while simultaneously consolidating his political gains.

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210 Ibid.
211 Ibid., 45
212 J. Waterbury, The Egypt of Nasser and Sadat, 350
213 Ibid., pp. 350-1; R. Hinnebusch, Egyptian Politics Under Sadat, 41-2
214 J. Waterbury, The Egypt of Nasser and Sadat, 351
power struggle had been limited to the elite, with no real involvement by subaltern classes. This played into Sadat’s hands and signalled the political and economic direction that he would attempt to take Egypt under his rule. But this direction was still an ambition rather than a realised fact.

**Political Consolidation**

The usurpation of his rivals in the party was not enough to give Sadat the authority to compel Egypt towards his political and economic goals, and his legislative steps in 1971 and 1972 were tentative. Landowners who lost property in the 1969 agrarian reform of Nasser were paid compensation, and plans for privatisation of industry began to be discussed. Sadat resolved this with his political ‘victory’ despite national military defeat in the October War of 1973. The fact that he gave Israel a bloody nose, restoring some sense of national pride, allowed Sadat to strike a critical blow to the already-diminished popularity of Nasserism. More significantly, it was crucial for Sadat’s project to re-align Egypt internationally towards the West (at the expense of the Soviet Union), which further undermined his left-wing opponents internally, as well as opening up the country to Western foreign investment. This redirection of the country’s foreign policy was to be a key aspect of the new private-sector-driven development program. Sadat saw Western support and investment as critical in making the

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216 M. Zaalouk, *Power, Class and Foreign Capital in Egypt*, 57
217 R. Bush, *Economic Crisis and the Politics of Reform*, 16
project a success.\textsuperscript{218} The effects of this realignment were felt beyond the relatively abstract realm of diplomacy. The turn away from the Soviet Union was part of a broader strategy to discredit ‘socialism’, to remove the international support for the remaining supporters of socialism in the ASU, and to shore up Sadat’s support among the commercial bourgeoisie.\textsuperscript{219}

Sadat was able to pursue policies of ‘de-Nasserisation’ without being confronted by popular anger. Over time, his criticisms became more pointed, especially after his victory in the October War. By June 1977, he was openly calling the socialist experiments of Nasser a failure.\textsuperscript{220} To distance himself from the previous regime, Sadat made some cautious progress towards a more liberalised political system, moving haltingly towards a multi-party system. While he was to later backtrack on this rudimentary democratisation, Sadat’s moves toward liberalisation of the political system were significant in that they represented a nominal departure from the police state of Nasser. They also empowered fractions of the bourgeoisie that had been swept aside by Nasser’s political reforms.

Sadat inherited Nasser’s Arab Socialist Union, and in 1975 divided it into three platforms, or manabir, representing the left, right and centre. Sadat himself chose to lead the centre manabir, which became known as the Egypt Party and

\textsuperscript{218} M. Weinbaum, “Egypt’s “Infitah” and the Politics of US Economic Assistance,” \textit{Middle Eastern Studies} 21, no. 2, 1985, 210
\textsuperscript{220} J. Waterbury, \textit{The Egypt of Nasser and Sadat}, 355-6
went on to win an overwhelming majority in the 1976 parliamentary elections.\textsuperscript{221} The brief attempt to use these platforms within the ruling party as outlets for potentially hostile political expression (while repressing his most committed opponents,), was a more sophisticated version of the corporatist policies of Nasser. Out of this, the National Democratic Party was created in 1978, essentially as an extension of the centre \textit{manabir} and a merger with the ASU.\textsuperscript{222} Under the Political Parties Law (May 1977), other new parties were permitted to form, the most significant of which was the New Wafd.\textsuperscript{223} Parties based on class or sectarian identities were not permitted under the new law and nor were Nasserists tolerated.

Sadat expanded his political opposition to socialism into the battleground of civil society, by tolerating the re-emergence of the Muslim Brotherhood that had been subdued by Nasser. Keen to adopt the mantle of the ‘believer President’, Islamist groups offered a potential political bloc that could be incorporated into the corporatist institutions of Sadat’s state. Between 1971 and 1975 Sadat released most of the Muslim Brothers imprisoned by Nasser, with the goal of galvanizing his own legitimacy through appeals to religious conservatism, in order to diminish the influence of the political left.\textsuperscript{224} Some of these former prisoners soon restarted the publication of the Brotherhood’s journal \textit{al-Da’wa} (The Call). Amongst anti-imperialist, anti-Semitic, anti-communist, and other such political writings, were articles offering clear support for the infitah (albeit with a few reservations about their potential moral implications).\textsuperscript{225} Any objections to the infitah were

\textsuperscript{221} J. Waterbury, The Egypt of Nasser and Sadat, 366
\textsuperscript{222} Ibid.
\textsuperscript{223} R. Hinnebusch, Egyptian Politics Under Sadat, 71-2
\textsuperscript{224} C. Rosefsky Wickham, \textit{The Muslim Brotherhood}, 30, 40
\textsuperscript{225} Ibid., 40-42
marginalized, and implicitly deemed less important than Sadat’s promise to introduce Shari’a as the basis of Egyptian law (fulfilled in only the most nominal sense). This all occurred alongside a demographic change in the Brotherhood. It began to incorporate the now-experienced former members of Islamist student groups, who had cut their political teeth fighting and largely defeating leftists in the student unions. The former student leaders formed a vanguard as the Brotherhood expanded their appeal in broader civil society. Later, under Mubarak, these Brothers who had achieved victory over the left in the leadership of the student movement, came to dominate the professional syndicates of doctors, lawyers, engineers and, most controversially, the judges.

While the corrupt, crony capitalism of the regime was a target of their criticism, the Brotherhood tended to favour capitalist development. Their criticism of the Sadat regime was limited, with their main objections being to corruption and the regime’s ties with Israel. Their embrace of economic liberalization, and the new demographic background of the members, constituted the foundations for a new ‘Islamic’ fraction of the bourgeoisie. This fraction would make more significant social and economic inroads under Mubarak.

Despite this brief revival in their fortunes, the Brotherhood soon found itself suffering at the hands of the state again. In early 1981, Sadat became increasingly concerned by the growing popularity and opposition of the Brotherhood,

227 C. Rosefsky Wickham, The Muslim Brotherhood, 40-42
228 Ibid., 58-70
associating them with the violent activities of other fringe Islamist groups. He subjected them to harsh repression, arresting 1536 political opposition leaders, including the Coptic Pope Shenouda III, liberal professionals, and the Brotherhood’s bourgeois-friendly Supreme Guide, 'Umar al-Tilmisani. This portended darker days ahead. The clampdown occurred in an economic context that had been gradually reshaped over the previous decade.

**Economic Reconfiguration**

In 1974, Sadat announced his *infitah* project with the publication of his ‘October Paper’. The central pillar of this new policy program was the implementation of Law no. 43/1974, which allowed for the partial privatisation of public companies. The law also meant that any resulting joint ventures were no longer considered part of the public sector and the laws governing it, but were to be considered part of the private sector. The reforms generated significant opposition from various sectors of society. These included the organised working class, as well as the effendi middle classes that found themselves squeezed between the infithi middle class and some elements of the working class that economically benefitted from the reforms. Most controversially, the project saw the attempted reduction of consumer subsidies on food and fuel, ultimately

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230 C. Wickham, *The Muslim Brotherhood*, 33; J. Merriam, “Egypt After Sadat,” *Current History* 81, no. 471, 6-7
231 N. Ayubi, *State and Public Policies in Egypt Since Sadat*, 19
232 M. Pripstein Posusney, *Labor and the State in Egypt*, 186
resulting in the January 1977 ‘Bread Riots’. This dampened Sadat’s enthusiasm for fast-paced reforms, effectively ending the infitah, although not completely eliminating the ideological, political and economic seeds that it had sown.234

If the institutional elimination of Nasserists was successful, the same cannot be said for Sadat’s ability to alter Nasserism’s ideological grip on the subaltern classes. After the 1977 revolt, in which 79 civilians were killed and up to 1500 arrested, Sadat was granted considerable latitude when it came to complying with the conditions for IMF loans.235 In what would become a familiar pattern for much of the next two decades, as long as nominal steps were made towards liberalisation the IMF would tolerate a degree of back-sliding. Besides, the infitah had had some successes, at least according to the measures established by Sadat and his international backers, including the US, the IMF, and the World Bank. It saw average economic growth of up to 8% recorded between 1970 and 1980, although the fruits of this growth were very unevenly distributed.236

The class forces empowered by infitah were primarily those of a parasitic, financial bourgeoisie, who contributed little to actual wealth creation. Its chief avenues for personal enrichment were primarily through rent seeking activities, currency exchange and speculation.237 In the years following the declaration of the infitah, the economic growth that Egypt experienced was mostly confined to the

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235 R. Hinnebusch, Egyptian Politics Under Sadat, 135
236 A. Richards, “Ten Years of Infitah: Class, Rent, and Policy Stasis in Egypt,” 325
237 S. Soliman, The Autumn of Dictatorship, 36
commercial and financial sectors, with industry and agriculture lagging behind.\textsuperscript{238} This class fraction was Sadat’s most ardent supporter, and the unfolding of the \textit{infitah} was certainly in their favour.

The liberalisation of the Egyptian economy also had an important ideological function: in the vacuum after the collapse of Nasserism’s appeal, the bourgeois perversion of Nasserist ideology could proceed apace. The legacy of the 1952 revolution, which was ideologically underpinned by nationalism and the moral economy, was appropriated by Sadat to serve the needs of a private-sector-led capitalist strategy for national development.\textsuperscript{239} Nevertheless, Sadat was nowhere near as successful as Nasser in winning the loyalty of the working class, who saw the gains made under Nasserism as being ‘under attack’ by the privatisation program.\textsuperscript{240}

While the \textit{infitah} conformed to the policy diktats of the IFIs, and while the IFIs clearly had some influence, it is a mistake to view these policies as having been \textit{forced} upon Egypt by these institutions.\textsuperscript{241} Rather, it was Sadat’s need to address the growing economic crisis, while countering the social base of the Nasserists, which initially led to these policies being adopted. Though the future implications of these policies were unknowable at the time, retrospectively we can recognize that they were the thin end of the neoliberal wedge that would be intensified under Mubarak.

\begin{footnotesize}
\begin{enumerate}
\item N. Ayubi, “Organization for Development,” 280
\item M. Pripstein Posusney, \textit{Labor and the State in Egypt}, 173-199
\item R. Hinnebusch, \textit{Egyptian Politics Under Sadat}, 297
\end{enumerate}
\end{footnotesize}
The Impact of Camp David

Sadat’s economic and political reforms of the 1970s culminated in the signing of the 1979 Camp David peace agreement, which allowed for greater stability for Israel, the US, and global capitalist interests in the region. This peace deal reinforced the economic, political, and ideological realignment of Egypt under Sadat, and in turn facilitated Sadat’s transformation of the Egyptian integral state. The Accords were significant for Sadat’s Egypt in three ways. Firstly, they secured for Egypt the significant financial and political backing of the United States. Secondly, they re-established Egypt’s place in the global capitalist economic order. Finally, they reinforced the new ideological orientation of Sadat’s ruling bloc and the concomitant changes in the integral state.

US policy in the Middle East region in the post-war period was mostly designed to counter the ideological and strategic influence of the Soviet Union (much like it was in the rest of the world). However, the Middle East region offered the added imperative of the world’s most lucrative oil supply, and the US was intent on maintaining access to it.\textsuperscript{242} US aid to Egypt had been increasing since the early 1970s, but in the Accords Egypt was granted a significant increase, to the point of support equal to that provided to Israel.\textsuperscript{243} Though it never reached parity with Israel, Egypt soon became the second-biggest recipient of US aid, a position that was maintained until well into the following century. The regional environment after the peace deal was one in which the US was able to pursue

\textsuperscript{242} A. Hanieh, \textit{Lineages of Revolt}, 32-33
\textsuperscript{243} R. Bush, \textit{Economic Crisis and the Politics of Reform in Egypt}, 22
increased opportunities for American capital, mostly through increased opportunities to sell goods at inflated prices to the Egyptian government. With the Iranian revolution breaking out soon after the peace between Egypt and Israel, Egypt effectively replaced Iran as “America’s foremost regional security partner” in the Middle East (along with Israel, of course).

As well as a realignment of Egypt’s international relations, the Camp David Accords allowed Egypt to be incorporated into circuits of global capital accumulation on a more concrete basis. While the *infitah* had theoretically ‘opened up’ Egypt to foreign investment, by signing a peace with Israel and the United States Sadat had also removed Egypt’s reliance on Gulf capital (from which up to $12 billion was sought by Sadat to compensate Egypt for the war against Israel, though less than a fifth of that was ever seriously considered by the Gulf states).

This was replaced with a new reliance on the International Financial Institutions and the United States. US assistance to Egypt had been steadily growing since the beginning of the decade as Sadat liberalised the economy, but it increased after the signing of the peace deal. To illustrate this, between 1979 and 1981 US military aid alone was worth $3 billion. Other forms of aid came in the form of various USAID projects and loans, which were little more than an effort to force open the Egyptian market for US capitalist interests. This economic support was as much

244 S. Morsy, “U.S. Aid to Egypt: an Illustration and Account of U.S. Foreign Assistance Policy.” *Arab Studies Quarterly* 8, no. 4, 1986, 370
245 H. Kandil, Soldiers, Spies, and Statesmen, 154
246 R. Hinnebusch, Egyptian Politics Under Sadat, 66
247 S. Morsy, “U.S. Aid to Egypt,” 368
248 Ibid., 370
about reinforcing bourgeois dominance in Egypt that Sadat had established, as it was about securing the interests of American capitalists.

As important as the peace agreement was for the renewed integration of Egypt into the circuits of global capital accumulation, it was critical for allowing Sadat to assert his authority in the internal political struggle that he faced with the military. Though the US and Israel required a number of concessions from Egypt, and Sadat gave in to their demands with no resistance, none of the concessions demanded of Egypt threatened Sadat. In fact, somewhat perversely, they strengthened his internal position while weakening Egypt’s position internationally.

The Camp David accords were crucial for the ideological re-alignment of Egypt away from the pan-Arabism that informed so much of Nasser’s rhetoric. The internal victories that Sadat had already won against the remnants of Nasser’s regime were consolidated with the Camp David agreement, and through the process of negotiations, Sadat had over-rulled many of his advisors who tried to pursue more pan-Arab goals. In the end, Sadat failed to secure any guarantees for the Palestinians, and no firm commitments from either the US or Israel towards any kind of resolution of the Palestinian question. However, the US replaced the USSR as Egypt’s patron, and the economic support for Sadat’s neoliberal program

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249 H. Kandil, Soldiers, Spies, and Statesmen, 156
250 Ibid., 156
was assured. More than this, the increased role of the USA in Egypt further facilitated the process of *infitahi* class formation.\(^{251}\)

Ultimately, the Camp David agreement only confirmed and cemented the political trends that had emerged earlier in the decade – most notably more pronounced US involvement in Egypt’s economy, and Sadat’s willingness to reconsider Egypt’s priorities to benefit the Americans. This proved to be catastrophic for the Palestinian cause, and the US was able to use the resulting split in Arab unity to its advantage. Sadat became something of a pariah among other Arab leaders, which only served to further reinforce the links between Egypt and the US.

**The Foundations of Neoliberalism**

That Sadat was the primary instigator of Egypt’s initial, tentative neoliberal turn is beyond dispute. Yet if we are to understand its longer-term consequences, including those that contributed to the social and political explosion of 2011, then we need to have a deeper understanding of neoliberalism. The concept itself needs to be unpacked, as do some key theoretical contributions that can help us better understand the phenomenon in Egypt. With this in mind, the rest of this chapter explores first the theoretical work of David Harvey\(^ {252}\), and Gerard Duménil and

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\(^ {251}\) A. Hanieh, *Lineages of Revolt*, 32-33

\(^ {252}\) D. Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005);

Dominique Lévy\textsuperscript{253} (with a particular focus on the idea that neoliberalism is a project for the reconstitution of class power), and then class formation and the state within neoliberalism, as applied to Egypt.

What is neoliberalism? According to Harvey, it is the theory and practice of the withdrawal of the state from society, with the state limiting its activities to facilitating the free operation of the marketplace. When markets do not exist, they must be created by the state.\textsuperscript{254} Harvey defines neoliberalism as “a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade.”\textsuperscript{255} Harvey presented the view that neoliberalism is fundamentally an idea, or set of ideas, from which the practical project sprung forth.\textsuperscript{256}

The works of both Harvey and Duménil and Lévy present neoliberalism as the most recent stage of capitalism, having in the 1970s displaced the Western Keynesian welfare state. In the case of Egypt, of course, it replaced the state-capitalism of the Nasser regime. In this view, the importance of the historical economic context in which it emerged is emphasised as being critical in its eventual practical manifestation. In order to trace the historical development of

\textsuperscript{254} D. Harvey, \textit{A Brief History of Neoliberalism}, 65
\textsuperscript{255} Ibid., 2
\textsuperscript{256} D. Cahill, “Ideas-Centred Explanations of Neoliberalism: A Critique,” \textit{Australian Journal of Political Science} 48, no. 1, 72
neoliberalism, these authors relied primarily on some combination of the experiences of the United States, the United Kingdom, France, and China. Whilst Harvey did give brief overviews of the process of neoliberalisation in some other countries (Chile, Mexico, South Korea, Sweden and Argentina), there are still only broad similarities with the experience of Egypt. Having said that, if the emergence of neoliberalism is to be understood as an historical process unfolding on a global scale, as per Jamie Peck,\textsuperscript{257} then the experiences of other countries, and the historical development of neoliberal discourse, are both relevant to understanding Egypt’s pursuit of neoliberal ends.\textsuperscript{258}

Harvey traces the development of neoliberalism from its beginnings as a relatively obscure theory to its global domination of political-economic discourse, and implementation by capitalist governments around the world. Duménil and Lévy, by contrast, focussed more on the empirical data from the implementation of neoliberal policies, the construction of a theoretical model, and its place as an historical stage of capitalism.\textsuperscript{259} Taken together, these accounts illustrate both the rhetorical and practical development of neoliberalism over time, and thus the political-economic context of the final decades of the Mubarak regime.

\textsuperscript{257} J. Peck, \textit{Constructions of Neoliberal Reason}, (Oxford: Oxford University Press, 2010), 15-16
\textsuperscript{258} R. Roccu, “Gramsci in Cairo,” 76-82
The rapid rise to prominence of neoliberal theory occurred within just a few decades, after its genesis in the Mont Pelerin Society.\textsuperscript{260} The latter was a group of scholars and idealists devoted to combating what they saw as threats to “the central values of [Western] civilisation”, while promoting their own model of freedom.\textsuperscript{261} Freedom, that is, as realised through the institutions of private property and a competitive market.\textsuperscript{262} Although this group remained on the academic and policy-making fringes for the next few decades, their influence grew.\textsuperscript{263} For example, economists trained at the University of Chicago under Milton Friedman (a founder of the Mont Pelerin Society), were responsible, Harvey argues, for the neoliberal restructuring of Chile under the Pinochet regime.\textsuperscript{264}

As global economic crisis hit in the late 1970s, with a decline in economic growth, wage stagnation, record rates of inflation in the west, and perhaps most pertinently, a decline in the profit rate and a rise in unemployment,\textsuperscript{265} the formerly marginal proponents of neoliberalism took centre stage. The chairman of the United States Federal Reserve at the time, Paul Volcker, announced in October 1979 his plans to fight inflation through the raising of interest rates. This signalled the abandonment of the Keynesian ‘compromise’ between capital and labour. The commitment to maintaining full employment and social protections was abandoned in favour of the desire to stop (and reverse) inflation through

\begin{footnotesize}
\begin{enumerate}
\item D. Harvey, \textit{A Brief History of Neoliberalism}, p. 20; Jamie Peck traces the lineage of neoliberalism back further than this- finding that there is no definite point of genesis for the idea, but suggesting that it evolved out of the inter-war German ‘ordoliberal’ movement. See J. Peck, \textit{Constructions of Neoliberal Reason}, 15-19
\item D. Harvey, \textit{A Brief History of Neoliberalism}, 20-22
\item Ibid., 21
\item Ibid., 8
\item G. Duménil and D. Lévy, \textit{Capital Resurgent}, 14
\end{enumerate}
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monetarism. While the adoption of neoliberal policies by the US Federal Reserve was important in a global sense, it had nothing to do with the initial liberalisation of Egypt’s economy. Raewyn Connell and Nour Dados have pointed out that the dominant narrative of the expansion of neoliberalism is one that assumes the imposition of these ideas by countries of the Global North on those of the South. Yet while Margaret Thatcher was pursuing neoliberal policies in the United Kingdom, neoliberal policy experiments had already been, and continued to be, conducted in lesser-developed nations. The catastrophic policies in Pinochet’s Chile, often cited as the first experiment with neoliberal policies, happened almost synchronously with those of Sadat’s Egypt. There was no determining role for any ‘Chicago Boys’ in Egypt, further calling into question any narrative of imposition. It is more accurate to see the adoption of neoliberalism in less developed countries, therefore, as the outcome of a complex process in which both exogenous and endogenous developments were important.

Class Divisions in A Neoliberal World

For Duménil and Lévy, this shift in the dominant economic ideology represented two developments: a direct grab for power by the financial fraction of the capitalist class, who were restrained in their capital accumulation by the Keynesian compromise; and a structural crisis that both shaped and reflected a

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266 D. Harvey, A Brief History of Neoliberalism, 23
268 Ibid.
269 De Smet, Gramsci on Tahrir, 163
transformation of capitalism itself.\textsuperscript{270} Prior to the economic crisis of 2007, they first proposed that neoliberalism was “the expression of the desire of a class of capitalist owners and the institutions in which their power is concentrated, which we collectively call “finance” to restore… the class’s revenues and power, which had diminished since the Great Depression and World War II.”\textsuperscript{271} More recently, however, they developed a more precise theoretical schema to illustrate the shift in power between classes. For Duménil and Lévy, the class system under modern capitalism (since the late nineteenth century) has involved a compromise between two of the following three classes: the Capitalist classes; the Managerial Classes; and the Popular Classes.\textsuperscript{272}

Duménil and Lévy differentiate between classes on the economistic basis of wages and access to the means of production, with little consideration for issues of class identity. But they maintain that these three class formations are by no means homogenous, and that there is often a need to treat the upper echelons of each class differently.\textsuperscript{273} Harvey, by contrast, spends little time actually defining the class structure of neoliberalism. Beyond the economic elites that form the upper classes (to whom neoliberalism is designed to grant power), he only makes references to ‘labour’, ‘workers’, and the ‘working-class’. Admittedly, the aim of \textit{A Brief History of Neoliberalism} was to tell “the political-economic story of where neoliberalism came from and how it proliferated so comprehensively on the world

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\item[\textsuperscript{270}] G. Duménil and D. Lévy, \textit{Capital Resurgent}, 14-15
\item[\textsuperscript{271}] Ibid., 2
\item[\textsuperscript{272}] G. Duménil and D. Lévy, \textit{The Crisis of Neoliberalism}, (Cambridge Mass.: Harvard University Press, 2011), 90-96
\item[\textsuperscript{273}] However, this is mostly because their economic interests are closer to those above them, rather than any difference in class-consciousness. See: Ibid., 14
\end{itemize}
stage,” rather than to provide an explicit theoretical framework for analysis of the phenomenon. Nevertheless, he seems to approach neoliberalism from the point of view of an undifferentiated capitalist-proletariat dichotomy.

Neither of these theoretical schemas perfectly fit the case of Egypt, particularly during the social and economic upheaval under Sadat. Harvey, especially, suggests that capitalist class power was restored as part of a deliberate project by that class. The infitah, by contrast, was more of an attempt to exploit the political power of the middle classes in Egypt than an ideologically-directed policy program by that class itself. Here, the work of Connell and Dados is again relevant. They propose that in the case of Pinochet’s Chile, he followed those offering a neoliberal solution to his issues, because they were offering a way to achieve the political objectives of the regime (rather than being motivated by a conviction about the efficacy of an abstract economic theory). In Pinochet’s case, these objectives were remarkably similar to those of Sadat. They were, “…legitimacy by growth, satisfy his backers in the[…]propertied class, and keep the diplomatic support of the United States, without giving an opening to his political opponents…” Of course, Sadat had to gain rather than retain the support of the United States, but the infitah was not ideologically driven by a bourgeoisie feeling the pinch of a falling rate of profit, like Duménil and Lévy claim in the West. The ideology of neoliberalism took some time to penetrate the Egyptian bourgeoisie, some of who would continue to question its key tenets long after it had become an

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274 D. Harvey, A Brief History of Neoliberalism, 4
276 Ibid.
influential doctrine. Simply put, Sadat’s concerns were far more concrete than any ideological abstraction. While it is certainly true that Sadat's *infitah* reforms allowed for the rise of a new fraction of the bourgeoisie, and expanded the power of finance-capital, the process of class creation and the reconstitution of class relations was much more complex than a simple economic displacement of the existing capitalists with a set of new ones. More than that, it was represented dismantling of the Nasserist historical bloc. The political bloc formed by Sadat never managed to secure hegemony, and arguably never formed an historical bloc in the sense of a national-popular alliance of otherwise antagonistic social class forces.

The Reconstitution, Or Restoration, Of Class Power

The redistribution of class power is an essential element of neoliberalism as understood through the lens of Duménil and Lévy’s theory. It is their contention that neoliberalism was the outward expression of the redistribution of power away from the popular classes and into the hands of capitalists – a contention that is also advanced by Harvey. Such a claim appears initially difficult to prove, as it apparently invokes images of deliberate, methodical conspiracy and collusion on a grand scale amongst economic elites. But this is misleading. It is not so much

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278 A. Morton, Unravelling Gramsci, 97
279 G. Duménil and D. Lévy, *Capital Resurgent*, pp. 1-2; D. Harvey, *A Brief History of Neoliberalism*, 16-18
that ruling classes consciously conspire on a grand scale, as that their common interests lead them to act and organise collectively in defence of those interests. In Harvey’s words:

“While this disparate group of individuals… do not necessarily conspire as a class, and while there may be frequent tensions between them, they nevertheless possess a certain accordance of interests that generally recognises the advantages (and now some of the dangers) to be derived from neoliberalisation.”

In other words, common class objectives can be realised in the absence of conspiracy, but are nevertheless still part of a broader political project that transcends the divisions within the ruling class.

A position shared by both authors is that this project was carried out by the upper fractions of the capitalist class – labelled by Duménil and Lévy as ‘finance’. The figure, or agent, or category, of ‘finance’ is somewhat difficult to define. It refers not only to the upper fraction of the capitalist class, but also to the institutions through which they exercise control over the economy. According to Duménil and Lévy, this fraction of the capitalist class has been the driving force behind class struggle and capitalism since the early Twentieth Century. This is consistent with Harvey’s view of the neoliberal class project: that it was conducted under the aegis of the upper-most fraction of the capitalist class, in order to maximise their hold on power. Finance, in this sense, is best considered to be the indirect owners and controllers of the means of production, who have consolidated

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280 D. Harvey, *A Brief History of Neoliberalism*, 36
281 G. Duménil and D. Lévy, *Capital Resurgent*, 208
and reinforced their power through the concentration of ownership in institutions such as banks, investment funds of various kinds, or executive boards. This distillation of the capitalist classes into the smallest and most influential fraction has influenced the development of capitalism since the late nineteenth century, and finance has been a central actor in any changes in the relations of production, especially in the change from Keynesian capitalism to neoliberalism. By concentrating the control of the accumulation of capital in their own hands, and by restructuring the system to facilitate greater accumulation by finance (whether that be through greater regulation or deregulation), this group effectively managed to dominate their societies. In Sadat’s Egypt, the increasing influence of the financial, speculative capital of the commercial bourgeoisie was one of the defining features of the infitah. In his attempts to build a social base, Sadat unleashed the finance dominated bourgeoisie with the intention of prompting economic growth with private-sector investment.

Much as the assertion that neoliberalism is the most recent stage of capitalism implies the existence of previous stages, so too does the idea that class relations have been transformed by neoliberalism imply the existence of alternative class relations. For this to be true, of course, there needs to have been different class relationships under earlier periods of capitalism. In their periodization of capitalism, Duménil and Lévy outlined three different compromises between classes, which corresponded to, and were a reflection of, different stages of capitalism. Using their tripartite class structure, they propose

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282 Ibid.
283 N. Ayubi, The State and Public Policies in Egypt Since Sadat, 29
that the different phases of modern capitalism can be characterised by the compromise reached between a combination of any two of these classes.284 In terms of the most recent compromises, under neoliberalism it is between the capitalists and the managers, whereas the post-war Keynesian compromise was between the managers and the popular classes. The period that Duménil and Lévy denoted ‘the first financial hegemony’ (ending with the Great Depression) was characterised by the same compromise as that under neoliberalism.

As noted above, the Egyptian road to neoliberalism is not simply a carbon-copy of the Western experience. Connell and Nour propose that in the Global South, political exigencies and the agricultural sector is fundamental to the transition to neoliberalism.285 In fact, they offer a correction to the thesis that neoliberalism is fundamentally driven by the impulses of finance, and propose that in the Global South it can simply be seen as a response to the perceived failure of existing capitalist development practice.286 In this context, economic-ideas-centred explanations of neoliberalism are secondary to the fact that neoliberalism does offer seemingly tangible ‘solutions’ to the political problems that many regimes in the Global South faced.

284 G. Duménil and D. Lévy, The Crisis of Neoliberalism, 95
286 Ibid., 122-4
Neoliberalism and the International Institutions

A final element of neoliberalism that requires explication is the role of imperialist states and the International Financial Institutions (IFIs) in instituting a global neoliberal order. In this regard, the degree to which any state coerces another into adopting neoliberal policies is difficult to reliably measure, and depends on the individual context. In Harvey’s view, there is an important role for external factors (powerful states such as the US, or international institutions such as the IMF or World Bank), but the examples of the UK and US both demonstrate that internal factors are perhaps more important. He also makes it clear that it is an oversimplification to assume that neoliberalism is simply imposed on the rest of the world by the UK and US. For Harvey, the internal factors that drive the adoption of neoliberal policies are essentially class forces, specifically the initiative of the capitalist classes. With regard to Egypt, this offers a partial explanation. Though Sadat’s reforms served the class interests of some Egyptian elites, it was not this class interest that drove the reforms in the first place. Instead, it was Sadat’s desire to destroy the power base of the ruling party’s left wing. Given the sporadic pace and direction of neoliberal change under Sadat, early Egyptian neoliberalism was not simply the political-economic project of finance capital. It did not become a coherent project until much later, when a group of

287 D. Harvey, A Brief History of Neoliberalism, 63
288 Ibid.
289 M. Cooper, The Transformation of Egypt (Baltimore: The Johns Hopkins University Press, 1982), 67-79
elites emerged under Mubarak’s presidency who were willing (and able) to manipulate the system to their advantage.

In theory, the neoliberal state exists to facilitate the functioning of a free and fair market, in which all individuals are equal and free, supported (or enforced) by the rule of law. For Harvey, there is a considerable disconnect between the theoretical role of the neoliberal state, and the way the neoliberal state functions in practice. He goes as far as to say that to attempt to make a usable definition of the neoliberal state is ‘a fool’s errand’. However, there are certain commonalities in the policies of neoliberal states. Capital is allowed freedom of movement, to encourage investment, higher productivity, and lower prices for consumers. This effectively acts as a natural barrier to inflation. A central institution of this type of state is the legal contract – negotiated between theoretically equal individuals and enforced by the state’s monopoly on legitimate violence. Contracts allow for the protection and reification of private property by the state and are one of the central institutional pillars theoretically supporting a society in which neoliberalism is dominant. Individual freedoms are supposedly sacrosanct and are theoretically enhanced by the institutions of contracts and free markets. The inverse of these guarantees of freedom is that every individual becomes responsible for their own success or failure, with competition between people, companies, states, and even regions within states held to be a positive force that encourages efficiency and a fairer distribution of resources. Harvey also identified a more sinister aspect of neoliberal theory – finding that democracy is a

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290 D. Harvey, *A Brief History of Neoliberalism*, 70
'luxury’, which is only possible under the stable social conditions guaranteed by middle-class hegemony.\textsuperscript{291}

As far as Egypt is concerned, it best fits into a loose category of Harvey’s analysis in which he ascribes a certain pattern of behaviour to the category of developmental states. These developmental states are (like all states) actively interventionist in creating a ‘good business climate’. To promote economic growth and the accumulation of capital they rely on the public sector, state planning and control, as well as various forms of domestic and international capital.\textsuperscript{292} However, he acknowledges that this is often imperfect thanks to the pre-existing state structures of any given country.\textsuperscript{293} Active intervention with the goal of creating a better environment for finance, by states that are theoretically supposed to be non-interventionist, is one glaringly consistent inconsistency between neoliberal theory and practice, identified by Harvey as well as Duménil and Lévy. For Duménil and Lévy, interventionism in the marketplace essentially defines the role of the neoliberal state. For them, the application of neoliberal principles has to be enforced by the coercive apparatus of the state, be it through the legal system or ‘straightforward violence’.\textsuperscript{294} Whilst they also note that this is no different to the actions of the state under previous stages of capitalism,\textsuperscript{295} this is hardly consistent with the rhetoric of enhanced individual liberty in a world of purportedly free markets. Taking a step back from the class-biases evident in the operations of a neoliberal state, Duménil and Lévy see the state as the institution

\textsuperscript{291} Ibid., 63-65
\textsuperscript{292} Ibid., 72-73
\textsuperscript{293} Ibid., 71
\textsuperscript{294} G. Duménil and D. Lévy, \textit{The Crisis of Neoliberalism}, 88-89
\textsuperscript{295} Ibid., 88-89
in which social hierarchies are defined in any given social order, and the institution
that ensures that such hierarchies are maintained.296

If we are looking at the state in its integral sense, the definitions above are
insufficient, or at least in need of modification. Instead, we need to look more
broadly at the social changes that infitah brought on – specifically the changes in
civil society that helped to disseminate the new ‘commitment’ to economic
liberalism and supposed democratisation. Though many civil society institutions
are not explicitly political in their goals, they were instrumental in cementing this
change and preventing any serious alternatives from emerging. Both Harvey and
Duménil and Lévy are primarily concerned with state institutions, and how
bureaucratic and corporate power was used to introduce neoliberalism. In Egypt,
this meant the first tentative legislative steps towards opening the economy
between 1970 and 1974. These steps included reversing Nasser’s land reforms,
opening up special economic zones to foreign investment, and the reduction of
restrictions on movements of capital, goods, and labour (both in and out of the
country).297

Neoliberalism, Class, and Ideology in Sadat’s Egypt

As an abstract model, neoliberalism does not have universal applicability
and needs to take into account local conditions. The changes wrought by the

296 Ibid., 88-89
297 M. Zaalouk, Power, Class and Foreign Capital in Egypt, 55-9
adoption of neoliberal policies by Sadat were lasting in two interrelated ways. Class relations are the first and clearest measure of the impact of these policies. Nasser’s relatively shallow base of support was swiftly overcome, and a revised configuration of class relations quickly usurped that of Nasser. The *infitah* brought with it a changing-of-the-guard in the bourgeoisie at the centre of Egyptian political and economic life, though it was not simply a restoration of the position that they had prior to Nasser’s ‘socialist’ experiments. Instead, a new fraction began to emerge, at odds with the mostly *effendi* bourgeoisie of the early Twentieth Century. The second dimension of change was the ideological level. Not only did *infitah* Egypt see the abrupt introduction of a more consumerist, competitive form of liberal ideology, but it also saw the emergence of an Islamist reaction.

The reordering of class relations saw a new fraction of the middle-classes come out of the social reorganisation facilitated by the reforms, who became known as the *infitahi*.\(^{298}\) The *infitahi* were something of a patchwork of various elements of the bourgeoisie. Schechter considered them to be an amalgamation of the upper and lower classes that bookended the *effendi* in Egypt’s social hierarchy, and in the view of the *effendi*, ‘combine[d] the worst [aspects] of each.’\(^{299}\) They were not entirely new, nor old. The new bourgeoisie was comprised of several elements. These included: those landlords who had managed to claw back some of the land that they lost under Nasser’s progressive reforms; the new commercial agents that acted as middlemen between the public and private sectors; and those

\(^{298}\) R. Schechter, “From *Effendi* to *Infitā‘*?” 23
\(^{299}\) Ibid.
bureaucrats who managed to manipulate their position so that they were able to appropriate the wealth of their public companies.300

As well as these nouveaux-riches and resuscitated ancien régime interlopers, the infitah also paved the way for the re-emergence of a pious bourgeoisie.301 This pious bourgeoisie found political expression in the Muslim Brotherhood under Supreme Guide al-Tilmisani, who led the organisation from 1973 until his death in 1986.302 Though the infitah program was positive for the landlords who managed to recover some of their estates, and the new fraction of commercial bourgeoisie, it was not uniformly welcomed. Those who had used Nasser’s expansion of the bureaucracy to reinforce their position in the social hierarchy were certainly opposed to the ‘opening’. McMahon identified this fraction of capital as ‘commercial capital’, given that the Brotherhood were most heavily involved in trade and commerce activities.303 In this period, the three fractions that came to contest the 2011 revolution began their struggle over the control of the institutions of the state. They can be divided along cultural lines, as well as by the economic sectors that they occupied, but also by ideology. This last point is critical for an understanding of how these groups formed alliances across classes. Although absolute ideological unity was unnecessary, inter-class alliances at least required a mutually sympathetic worldview.

300 A. Richards, “Ten Years of Infitah: Class, Rent, and Policy Stasis in Egypt,” 325; M. Zaalouk, Power, Class and Foreign Capital in Egypt, 133
302 B. O. Utvik, The Pious Road to Development, 62
303 S. McMahon, Crisis and Class War in Egypt, 85
The working classes were similarly divided by the introduction of the infitah. The Egyptian Trade Union Federation, that corporatist organisation of the Nasser era, was mostly opposed to economic liberalisation.\footnote{M. Pripstein Posusney, Labor and the State in Egypt, 173-199} Egyptian workers fought against the privatisation of their workplaces for a number of reasons. One was that the ‘socialist gains’ of the movement were seen to be under attack.\footnote{Ibid., 173} The ETUF came out publicly against any moves towards privatisation, with Salah Gharib, president of the Federation, stating that, “…socialism is the only solution for progress… the public sector must remain the leader of progress in all realms.”\footnote{S. Gharib, quoted in ibid., 174} This was not a purely ideological defence of the public sector – there was an element of pragmatism as well. Wages in the public sector were higher than those in the private sector, at a ratio of almost 1.3:1 in 1974, when the infitah was announced. By 1979, the gap had closed to 1.03:1.\footnote{Ibid., 175} Whilst the working class did suffer under the infitah overall, with inequality increasing and wages decreasing, there was one mitigating benefit for some workers. The opening of the economy also meant an opening for some Egyptian workers to earn wages elsewhere in the region. These workers began to send back growing remittances from the Gulf states, which benefitted both their families and the state.\footnote{R. Bush, Economic Crisis and the Politics of Reform, 16} Thus at least some sections of the working class were more predisposed to the Infitah than were others.
Sadat’s Demise

The political tensions and contradictions of Sadat’s presidency came to a crescendo on 6 October 1981. Islamist soldiers at a military parade spectacularly assassinated Sadat.\(^{309}\) Discontent was building as more Egyptians felt the impacts of the infitah. It became clear that life was not improving for many people. With the *infitah* exacerbating inequality, legislation granting increased rights for women (in November 1979), and moves to normalise political relations with Israel, Sadat earned the ire of Islamist groups, who responded with vociferous opposition to his government.\(^{310}\) Limited political liberalisation had allowed Islamist groups to build their strength, and Sadat became concerned with their growing influence in 1980.\(^{311}\) In spite of Sadat’s decision to amend the constitution to make *Shari’a* “…the chief source of legislation,” the damage was already done.\(^{312}\) Sadat’s crackdown on dissent in September 1981, in which over 1500 of his opponents were arrested, was an attempt to wrest back some measure of control over the political situation. But it was not enough. Among those arrested was Muhammad al-Islambuli, whose brother was one of Sadat’s assassins.\(^{313}\) Sadat’s assassination came at a military parade celebrating his achievements, in full view of foreign dignitaries and high-ranking military officers. The retribution was swift. Islamist militants were rounded up and arrested, with the assassins executed.

\(^{309}\) H. Kandil, *Soldiers, Spies, and Statesmen*, 172
\(^{310}\) R. Hinnebusch, *Egyptian Politics Under Sadat*, 76; C. Wickham, *The Muslim Brotherhood*, 32
\(^{311}\) R. Hinnebusch, *Egyptian Politics Under Sadat*, 75-7; C. Wickham, *The Muslim Brotherhood*, 33
\(^{312}\) Previously, it was considered “a source of legislation”. See: C. Wickham, *The Muslim Brotherhood*, 32
\(^{313}\) Ibid. 33
However, there is another side to the story. The role of the military has been mostly glossed over in accounts of Sadat’s assassination.\(^\text{314}\) Robert Springborg (1989) raised the possibility that the assassination had at least the tacit approval of high-ranking officers, and Kandil (2013) goes into substantially more detail.\(^\text{315}\) Though it is impossible to establish the exact role of different officers, Kandil identified

“…three incontrovertible facts: that military officers were involved in planning, executing, and covering up the assassination; that the assassins were confident that the military was at least indifferent towards Sadat’s regime; and that, in the cold light of the above two facts, it was clear yet again that the military could not be trusted. […] It was not a separate incident, but the climactic moment of a regime in crisis.”\(^\text{316}\)

**A Door Left Ajar**

By the end of his reign, Sadat’s ‘open door’ turned out to be little more than a door forced ajar. It was not until the early Twenty First Century that the door in question was kicked open once and for all, and the new economy envisioned by Sadat and his international backers finally took root. This does not mean that Sadat’s reforms could be considered to be complete failures, if considered as part

\(^{314}\) H. Kandil, Soldiers, Spies, and Statesmen, 172

\(^{315}\) R. Springborg, Mubarak’s Egypt, 97; H. Kandil, Soldiers, Spies, and Statesmen, 171-4

\(^{316}\) H. Kandil, Soldiers, Spies, and Statesmen, 173
of a project to destroy the possibility of any opposition to Sadat. Though Sadat managed to neutralise any substantial opposition to his rule within political institutions and the military, he was unable to construct an alternative hegemonic project. His \textit{infitah} policies and the consumerist, capitalist ideology that supported them, was only ever influential among his supporters. This lack of overarching ideological hegemony was a feature of Egyptian politics until 2011. Nevertheless, Sadat’s presidency was highly significant for two over-arching reasons. First, and most obviously, was the economic changes that he introduced. Secondly, Sadat’s fracturing of the Nasserist historical bloc created an ideological vacuum in Egyptian politics that has never since been filled, despite the attempts of successive presidents.

By fracturing Nasser’s historical bloc, Sadat set in motion various other changes in the Egyptian integral state. It is important to note here, that these changes were also vital for Sadat’s new-found international supporters (largely the US), to ensure Egypt’s continued integration into the circuits of global capital. While Sadat nominally ‘freed’ some elements of civil society that Nasser had repressed, this was only for those groups that posed no tangible threat to Sadat’s neoliberal reforms. Sadat’s transformation of the integral state can be understood mainly as a quantitative change in the \textit{character} of the state, rather than a change in the \textit{form} of the state (as unity of civil and political society). By this, I mean that while Sadat appeared to alter the balance between civil and political society, very little actually changed.
Sadat never fully achieved his desired economic liberalisation, nor did he manage to consign Nasserist ideology entirely to the past. His advances did generate a significant momentum towards the goals of political and economic liberalisation (at least among the politically influential), the implications of which were felt throughout the Mubarak period. Through his political reforms (and the subsequent back-tracking on much of this reform) of Sadat served to deliver the institutions of the state and its functions of surplus expropriation into the hands of a private bourgeoisie. Furthermore, he enabled the conversion of the state into a predatory instrument for the extraction of wealth from the population.

The social impact of Sadat’s reforms was felt in the adjustments to the political blocs between classes, and the creation of the infitahi bourgeoisie. The nationalist underpinnings of the rhetoric that legitimised the moral economy in the eyes of the workers allowed it to be manipulated into justifying the new policies being pursued by Sadat. The economic development of the nation had had a strong moral imperative under Nasser, and this national duty was invoked by Sadat in his turn to liberalisation. The infitah was certainly the harbinger of the more drastic neoliberal reforms to come. None of the blocs that arose, whether they were between Sadat’s regime, the agrarian bourgeoisie and the infitahi; or the working classes and the suddenly downwardly-mobile effendi middle classes of the Nasser period; or the pious bourgeoisie and their petty-bourgeoisie allies, was able to become a true historical bloc. They were all engaged in the struggle for political (and therefore, ideological) dominance of the Egyptian social formation, but none were successful. In this sense, the integral state in this period appeared weakened—though Sadat was able to dominate elements of both political and civil society, his
rule was always under threat. Having said that, this was squabbling among fractions of the capitalist class. Whilst the nationalist fraction would have organised production differently, for example, the integral state remained stubbornly capitalist, and the balance tilted in favour of domination.
Chapter Four

MUBARAK 1981-2004: THE NEOLIBERAL STATE TAKES SHAPE

Chosen as vice-president by Sadat for being “assiduous and dependable, and, above all, [posing] no political threat...”\(^{317}\) when Hosni Mubarak took power after Sadat’s assassination, he was something of a political unknown. Intensely private, he was variously considered dull-witted; cunning and calculating; and simply out of his depth.\(^{318}\) Under Mubarak, the proto-neoliberal economic policies introduced by Sadat eventually found the support that cemented their position in the structures of class and the state. Nevertheless, it still took many years for this support to manifest in an open fashion, and this delay is almost entirely attributable to the vestiges of Nasserist class politics in Egypt at the time. While Mubarak did

\(^{317}\) A. McDermott, *Egypt From Nasser to Mubarak*, 71
\(^{318}\) R. Springborg, *Mubarak’s Egypt*, 19-23
not have the same sorts of problems with strong factions within the ruling party as Sadat had once had, upon assuming the Presidency in 1981 he inherited the office with an assertive *infitah* bourgeoisie as the strongest political force in the country.\(^{319}\) Perhaps more importantly than that, the subaltern masses in Egypt had only recently demonstrated their willingness and ability to challenge the regime in the latter years of Sadat’s rule. The 1977 ‘Bread Riots’ and the increase in industrial unrest in the 1970s were still fresh in the government’s memory when Mubarak took office.

To understand the development of the capitalist state in the Mubarak period, the significance of the neoliberal changes initiated in the *infitah* needs to be understood in terms of changes to the outward expression of the ideology of the state, the changing structural configuration of Egyptian capitalism, and the resulting changes in the power relationships between classes and class fractions. These changes occurred during three distinct phases of capitalist development under Mubarak: the first was from 1981 to 1987, in which Mubarak repeatedly delayed the implementation of reform; the second from 1987 to 2004, when Mubarak (almost reluctantly) began to implement the policies that steadily eroded the remnants of Nasserism; and the third from 2004-2011, in which both government rhetoric and policy openly embraced rapid neoliberal change. It is the first two of these phases with which this chapter is concerned. The chronology is informed by two major considerations: on the one hand, the concrete steps taken towards economic liberalisation (in terms of not only passing laws but the actual


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enactment of policies); on the other, the ideological direction of the state, and its shift away from the étatist rhetoric of Nasserism and towards more recognisably ‘neoliberal’ pronouncements. As the institutional state formally began the process of ‘withdrawal’ from the economy (and hence its social obligations), the maintenance of dominance by the capitalist class, and particularly the new bourgeoisie that rose under Mubarak, had to depend on increasing levels of coercion.

This chapter explores these themes in more detail, examines a number of political and economic changes that occurred under Mubarak. These include the role of international financial institutions (IFIs) in the roll-out of neoliberal policies in Egypt; the political changes that the increased urgency of neoliberal policy-making made to power relations within the capitalist class; the changing ideological expression of the state as these changes occurred; and finally, the continuities between the Egyptian neoliberal state and its predecessors, and what this means for the autonomy of the Egyptian state. The ‘messy hybrid’ of economic liberalism and Nasserist étatism pioneered by Sadat was the foundation for the neoliberal (r)evolution in Mubarak’s Egypt, and was largely dependent on the international context of the latter two decades of the Twentieth Century.320 It was in this environment that developed under Mubarak, that the contest between fractions of the capitalist class that played out after the revolution of 2011 first became apparent. The Islamist, Nationalist, and Neoliberal fractions of capital

320 J. Peck, Constructions of Neoliberal Reason, 15-16
took shape during the Sadat era, but under Mubarak the divisions became more pronounced as they began to distinguish themselves from one another.

**Political Torpidity and Attempted Reform: 1981-1987**

From his initial appointment to the office of Vice-President under Sadat, it was quite clear that Mubarak was a powerful political actor.\(^{321}\) Although the first six years of Mubarak’s rule exhibited a degree of continuity with the Sadat years, there were a number of political and economic changes. After Sadat’s assassination, the new president was understandably cautious about inflaming popular antipathy and did as little as possible to exacerbate the social tensions that had emerged in the latter years of Sadat’s rule.\(^{322}\) To this end, the politically alienating economic policies of the *infitah* were (at least rhetorically) put to one side while Mubarak consolidated his political position with the population as a whole. His authority was never seriously questioned from within the party in the same way that Sadat experienced, and this is mostly due to the fact that Sadat had eliminated any serious leadership contenders, leaving behind a much more homogenous political elite. Whereas the factionalism that emerged in the wake of Nasser’s death preoccupied the first few years of Sadat’s presidency, Mubarak's opposition came almost exclusively from the subaltern classes – particularly organised labour. Sadat’s policies were, initially at least, explicitly rejected by

\(^{321}\) R. Hinnebusch, “Egypt under Sadat,” 446-7
\(^{322}\) J. Waterbury, *The Egypt of Nasser and Sadat*, 301; R. Springborg, *Mubarak's Egypt*, 96-100

notes that there was some restlessness in the military, despite the general lack of elite opposition.
Mubarak, who publicly declared a return to state-led economic development. Mubarak re-envisioned *infitah* as a project of national development, ostensibly aiming to find the middle-ground between the policies of his two predecessors. This awkward, often clumsy tango between the free-market reforms of the *infitah* and a state-led populist development program that harked back to the Nasser era defined most of Mubarak’s rule. But between 1981 and 1987 he managed to avoid any meaningful commitment one way or the other, instead allowing the economic problems that Sadat’s policies were responsible for to fester.

Although his first six years were beset by economic stagnation, there were a number of political changes that occurred as Mubarak sought to pacify a restless population. These early years saw the tentative re-emergence of an Islamic fraction of capital; the renewal of worker protest; and the liberalisation of electoral laws. Each of these developments would have far-reaching consequences, and helped to shape the political contest around the 2011 revolution. Mubarak’s attempts to forestall the development of any significant opposition started with reforms to the electoral system. While he had no intention of surrendering his control over the institutions of the state, elections served a number of political purposes for Mubarak. According to Lisa Blaydes’ study of electoral politics under Mubarak, elections were particularly important to the regime in the matter of the efficient distribution of rent, rather than being used to establish the political ‘legitimacy’ of the regime. Mubarak initially began to liberalise the electoral laws in order to distance himself from Sadat, though this was only done to the extent that he could  

323 S. Soliman, *The Autumn of Dictatorship*, 36  
324 L. Blaydes, *Elections and Distributive Politics in Mubarak’s Egypt*, 48-63
still reasonably expect to dominate his political opponents. Even though the
elections of 1984 and 1987 resulted in relatively significant gains for the
opposition (especially the Muslim Brothers), the NDP retained their enormous
numerical advantage in parliament.\textsuperscript{325}

In one of the more significant political developments of this first period of
Mubarak’s rule, the Muslim Brotherhood went from suffering heavy repression in
the final months of Sadat’s presidency, to being cautiously tolerated by Mubarak
(that said, their organisation remained unable to form a legal political party). They
were seen as a moderate counter-weight to the violent radicals responsible for the
assassination of Sadat. Therefore, as long as they did not criticise the regime they
could be relied upon to keep the peace.\textsuperscript{326} This allowed the Brotherhood to expand
their political operations, resuming the publication of their journal and conducting
various outreach activities. Through the 1980s, as the spectre of economic crisis
loomed over the state, the Brotherhood were able to consolidate their position
within society, especially after their relatively strong showing in the 1984
elections (in which Brotherhood members won eight seats running in the Wafd
party list).\textsuperscript{327} The Brotherhood was not the only Islamist movement to enjoy the
tolerance of the regime, and similarly ‘moderate’ groups were allowed a similar
degree of freedom. However, the Brotherhood were the only group to translate the
newly tolerant environment into significant electoral success. Following their
electoral success, they were able to publicly promote their political agenda, as well

\textsuperscript{325} R. Springborg, \textit{Mubarak’s Egypt}, 160-4; C. Wickham, \textit{The Muslim Brotherhood}, 46-57
\textsuperscript{326} J. Campagna, “From Accommodation to Confrontation: the Muslim Brotherhood in the
Mubarak Years,” \textit{The Journal of International Affairs} 50, no. 1, 1996, 281-2
\textsuperscript{327} C. Wickham, The Muslim Brotherhood, 47
as providing some social services to help build a mass-base (although, according to Masoud,\textsuperscript{328} the extent of this service-provision has been overstated). The Brotherhood again performed well in the following elections of 1987, in which they formed an electoral alliance with the Liberal and Labor parties, winning 32 seats in all. The regime had predicted that the exposure that the group received after the 1984 elections would blunt their popular appeal, but this was not the case.\textsuperscript{329} The regime’s tolerance for the Brotherhood lasted until the late 1980s, when it began to publicly criticise the movement once again.\textsuperscript{330} By 1995, conflict and repression of the movement again came to define the relationship between the Brotherhood and the state.\textsuperscript{331}

As well as their success in parliamentary elections, the Brotherhood was active in the professional syndicates. In the mid-1980s, the Brotherhood managed to achieve a majority on a number of the syndicates' executive boards, including the engineers', the doctors’ and the pharmacists’ and scientists’ syndicates.\textsuperscript{332} Later (1992), and in what Carrie Rosefsky-Wickham identifies as their “most stunning victory”, the Muslim Brotherhood achieved a majority on the board of the mostly secular-liberal lawyers’ syndicate.\textsuperscript{333} The Brotherhood was unable to openly campaign as Brotherhood members (as it was an illegal organisation), instead conducting their campaign in the syndicates under the guise of ‘The Islamic

\textsuperscript{328} T. Masoud, \textit{Counting Islam}, 98
\textsuperscript{329} J. Campagna, “From Accommodation to Confrontation,” 282
\textsuperscript{330} Ranko sees 1987 as the beginning of the confrontational relationship, while Campagna proposes that it did not break down until 1989. See: A. Ranko, \textit{The Muslim Brotherhood and its Quest for Hegemony in Egypt: State Discourse and Islamic Counter-Discourse} (Berlin: Springer VS, 2015), 109-140; J. Campagna, “From Accommodation to Confrontation,” 285
\textsuperscript{331} J. Campagna, “From Accommodation to Confrontation,” 285-9
\textsuperscript{332} C. Wickham, The Muslim Brotherhood, 59-70
\textsuperscript{333} Ibid., 60
This experience, which continued throughout the early 1990s, allowed the Brotherhood’s ‘middle generation’ to gain significant political experience, and reflected the growing number of professionals in this ‘middle generation’. This group of professionals had a profound impact on the group in later years, and were behind many of the initiatives within the organisation to turn it into a de facto modern political party. Eventually, a group of these members broke away to form the *Wasat* (‘centre’) party (further addressed later in this chapter).

Concurrent with the re-emergence of the Brotherhood as a political force, Islamic Investment Companies (IICs) were flourishing, and were forming a parallel financial system alongside the more conventional commercial banks. While their compliance with their stated religious avoidance of certain financial products was questionable in practice, they were able to take advantage of a certain level of popular trust, due to their association with Islam. On a more tangible level, they were also able to offer comparatively high investment returns, far outweighing those available elsewhere. While oil prices were still high, and Egyptians were still working in the Gulf states in relatively large numbers, the IICs found themselves as a popular destination for remittances from expatriate workers. After the government passed laws requiring compulsory disclosure of their investments in 1988, the IICs were revealed to be little more than Ponzi schemes, and they soon collapsed. There is little explicit connection between the

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334 Ibid.
337 B. O. Utvik, *The Pious Road to Development*, 203-221
Brotherhood and the founding or running of the IICs. However, many members of the Brotherhood certainly supported their activities.\textsuperscript{338} The Brotherhood envisaged the ‘Islamisation’ of Egyptian society, and thus the possible Islamisation of the economy via the banking system was consistent with Brotherhood beliefs.\textsuperscript{339} While the collapse of the IICs damaged the public image of Islamic Banking and Finance for years to come, there was no reputational damage to the Brotherhood, nor to their agenda of the Islamisation of society in general. The Brotherhood’s critique of the capitalist economy was always more comfortable with a critique of the morals encouraged by the system and the threat of Westernisation. Yet rather than changing the structure of the banking system itself, they seemed content that as long as the people engaged in the structures were acting sufficiently piously, the actual structures themselves mattered little.\textsuperscript{340} Between the increasing number of Brothers in business and the traditionally liberal professions, and the short-lived emergence of a nominally pious financial sector, this period saw the emergence of a somewhat diffuse Islamic fraction of the capitalist class (insofar as they cloaked their capitalism in pious rhetoric). In the short space of time between the beginning of the Mubarak presidency and the first agreement with the International Monetary Fund (IMF), this fraction was still developing. But without access to the institutions of the state, it had no protection from the economic crises that periodically befell the state.

\textsuperscript{338} See the close ties between management of the IFIs and the Brotherhood in C. Moore, “Islamic Banks and Competitive Politics,” 5, 19; S. Zubaida, “The Politics of the Islamic Investment Companies in Egypt,” 159

\textsuperscript{339} S. Zubaida, “The Politics of the Islamic Investment Companies in Egypt,” 159

\textsuperscript{340} S. Naguib, “The Muslim Brotherhood: Contradictions and Transformations,” 167
As the economic situation rapidly deteriorated, due to the regime’s inertia and global economic circumstances, Mubarak struggled to negotiate the tensions inherent in his ambivalent economic vision. The decline in oil prices from the mid-1980s had flow-on effects in a number of sources of rentier income. Worker remittances from the oil-producing Gulf States began to decline, the expatriate workers returned to an already stagnant job market, Suez Canal revenues declined as a result of less shipping traffic, and the revenues from the Sinai oilfields fell. State income from rent fell from 16.78 per cent of GDP to 11.8 per cent between 1981 and 1989. Mubarak was starting to feel the negative effects of Sadat’s infitah, with the rapid expansion of the economy mostly coming thanks to financial speculation, without contributing any significant growth in the productive capacity of the economy. Meanwhile, Mubarak maintained a rhetorical commitment to an increased role for the state in the economy, though this did not translate into any significant or immediate rollback of the policies of the infitah. The threat of labour opposition to his rule led Mubarak to warn workers that the state would be unable to pay for wage rises, while he also “announced budget-tightening measures in some parastatals.” Despite such pronouncements, real wages rose for public (and private) sector workers between 1980 and 1985, as Mubarak was reluctant to anger the subaltern classes.

341 Egypt was hit hard by the decline in oil prices in the mid-1980s, with oil revenues, Suez Canal revenues, and remittances from workers in the Gulf states all declining. See: S. Soliman, *The Autumn of Dictatorship*, 40-44
342 S. Soliman, *The Autumn of Dictatorship*, 40-41
344 N. Ayubi, *The State and Public Policies in Egypt Since Sadat*, 74-75
345 M. Pripstein Posusney, *Labor and the State in Egypt*, 138-139
346 Ibid. 137 (see table 3.3)
The economic issues faced by the regime prompted an upsurge of protest by workers during the first six years of Mubarak’s rule. This protest tended to be dominated by restorative concerns — workers seeking to prevent the erosion of their existing income or rights, wage parity with workers performing similar work, or workers making demands around unmet promises by government or management. These three developments constitute what Pripstein-Posusney calls ‘entitlement protest’.\textsuperscript{347} Though worker protest steadily increased from 1982, 1986 marked what Donald Quataert called a ‘wave year’. According to Pripstein-Posusney, there were at least 50 industrial incidents, with potentially more going unreported.\textsuperscript{348} These disputes and protests coincided with the return of workers from the Gulf, which put pressure on an already desperate employment situation. With state revenues in rapid decline through the 1980s, Mubarak found himself with no feasible options to alleviate the situation, other than to seek relief by turning to the IMF.

**IFI Agreements**

The preceding period of relative political quiescence, in which the regime was putting out spot-fires of localised discontent, gave way in 1987 to the resumption of the liberalising agenda set out under the *infitah*. The regime was


\textsuperscript{348} M. Pripstein Posusney, *Labor and the State in Egypt*, 139; M. Pripstein Posusney, “Collective Action and Workers’ Consciousness in Contemporary Egypt,” 223
dealing with the vexing problem of declining revenues, especially from rentier income, and the need to maintain its obligations under the moral economy through high levels of social spending. In 1987, the first Stand-by Agreement of the Mubarak era was reached with the IMF. Although there was little in the way of real progress towards meeting the conditions of this agreement, the program was a harbinger of economic restructuring to come, and was followed by three further agreements through the 1990s. Due to the government’s deliberately slow pace of change, the conditions nominally imposed upon Egypt changed little from agreement-to-agreement. Throughout the course of these agreements, the conditions imposed by the IMF and the World Bank were consistent in their aims. They essentially required the privatisation of state-owned companies (especially banks), the deregulation of the labour market, the removal of subsidies on goods, the floating of exchange rates, and the devaluation of the Egyptian pound. As well as the economic conditions that were required of Egypt, it is important to keep in mind that the series of agreements were just as much a political project. The aim of these reforms was to politically empower the capitalist class in Egypt, and to reduce the (already limited) power of labour in Egypt.

The first of these agreements, reached in 1987, came as the new regime’s efforts to dampen political opposition were beginning to show the first signs of fracturing. Worker protests were increasing from 1984, and the Muslim Brotherhood exploited the more liberal political environment to become more

349 S. Soliman, The Autumn of Dictatorship, 38-44
351 B. Momani, “IMF-Egyptian Debt Negotiations,” 77-80
politically assertive. While social peace was more-or-less preserved, the economic reforms that had previously been deemed to be too politically difficult due to their public rejection (such as the removal of subsidies on consumer goods) were forced back on the agenda as a result of the rapidly declining economic situation.\textsuperscript{352} Negotiations concerning the conditions that Egypt would have to fulfil were conducted from 1985 until 1987, but the IMF and Mubarak regime never saw eye-to-eye throughout this process.\textsuperscript{353} The IMF staff insisted upon the need for Egypt to fully implement their economic policies within an extremely short timeframe, with little concern for the political implications for the regime (let alone the material consequences for the average Egyptian).\textsuperscript{354} Given Sadat’s experience of the 'Bread Riots' following his attempted removal of consumer subsidies in 1977, the IMF executive granted Egypt some leniency in the actual implementation of the reforms.\textsuperscript{355} In effect, this leniency meant that the IMF assented to the conditions for the Stand-by Agreement with comparatively little leverage. The IMF executive recognised the unconventional nature of the negotiations with Egypt, and junior staff members made their discomfort with the arrangements known to their superiors prior to the agreement being finalised.\textsuperscript{356} Throughout the negotiations, Mubarak’s public pronouncements remained defiant, declaring that Egypt would not cede its sovereignty to the IMF, and that they would not have economic policies dictated to them.\textsuperscript{357} Mubarak followed up this fiery rhetoric by accepting an IMF Stand-by Agreement granting Egypt $327m USD, which was signed off

\textsuperscript{352} S. Soliman, The Autumn of Dictatorship, 40-45
\textsuperscript{353} B. Momani, “IMF-Egyptian Debt Negotiations,” 10-21
\textsuperscript{354} Ibid. 12-16
\textsuperscript{355} Ibid. 19
\textsuperscript{356} Ibid.
\textsuperscript{357} Ibid. 16
on 15 May 1987, and Egypt announced a number of economic reforms that were to take place over the course of the loan.\footnote{Ibid. 20}

Even taking into account the initially permissive attitude of the IMF executive, the agreement soon broke down after the Egyptian government failed to meet their reform targets. The agreement was formally terminated on 25 May 1988, with Egypt having drawn upon only half of the value of the loan. Although there was insufficient progress for the agreement to survive to its full term, the government did implement some reforms, including price rises on oil and gas (with the objective of bringing them to meet global prices by 1991/2), regulatory reform in the banking sector to target currency speculation, and taking limited steps towards unifying the complicated regime of exchange rates.\footnote{Ibid., 25; S. Soliman, The Autumn of Dictatorship, 44-5} Significantly, however, there was little actual disagreement between the IMF and the government about the nature of the reforms needed to be undertaken. The Government of Egypt was in almost full agreement (in all but the matter of devaluation of the pound) with the IMF on the need for privatisation and liberalisation. It was only the proposed pace of reform with which they disagreed.\footnote{B. Momani, “IMF-Egyptian Debt Negotiations,” 23} The scope of the reforms did little to wean the state off of its reliance on rentier revenue and predominantly speculative growth that developed under Sadat, and this would continue throughout the decade-and-a-half-long process of structural adjustment. The regime’s commitment to liberal economic values was of considerable importance for the IMF when coming to an agreement with the
regime, and explains their continued willingness to engage with Egypt over the next decade, even though Egypt’s progress towards the IMF’s goals continued to be hesitant.

The subsequent IMF-Egypt agreement, reached in 1991, coming as part of the Economic Reform and Structural Adjustment Program (ERSAP) in conjunction with the World Bank, was notable for the Mubarak regime’s comparatively significant progress on the domestic front, and shrewd manipulation of its geopolitical importance. Prior to the 1991 agreement, Egypt tried to assuage the IMF’s concerns about its commitment to reform by belatedly introducing some of the reforms demanded by the failed 1987 agreement. These amounted to the removal or reduction of certain consumer subsidies on some food items and cigarettes, as well as an increase in interest rates, which the IMF insisted be increased to dampen inflation. This foreign aid, extracted due to Egypt’s importance to Western political interests in the region, was characterised by Ray Bush as extracting ‘strategic rent’. By this, he meant a form of income derived from Egypt’s strategic value, rather than any productive capacity. Not only did the regime manage to negotiate more favourable conditions from the IMF, but they (along with the active support of the US) used the outbreak of the Gulf War to leverage substantial debt relief from creditor nations, reducing the debt from $53b to $28b. The 1991 agreement saw more pronounced progress towards the IMF’s

361 R. Bush, Economic Crisis and the Politics of Reform, 9
goals of economic liberalisation. Yet when the agreement reached its full maturity, the IMF was still unsatisfied with the final results.

In addition to the IMF Stand-by agreement, Egypt also received a $300m (USD) Structural Adjustment Loan (SAL) from the World Bank in 1991. As the second half of the ERSAP agreement, the conditions for this loan were effectively the same as those for the IMF agreement. They included the creation of holding companies to facilitate privatisation of state-run companies; the removal of price controls in industry, energy and agriculture; a reduction of the number of goods covered by import bans; and allowing the private sector to access public sector-produced cement and fertilisers. To offset the potential cost to the broader Egyptian population, the World Bank facilitated the creation of a 'Social Fund for Development’, to be funded by international governments – a $672.5m USD fund that the government was supposed to use to create new jobs for those displaced by the reforms (despite the intentions of donors, it had only negligible benefits). At the conclusion of the loan agreement, the government’s progress towards structural adjustment was deemed ‘satisfactory’, but the World Bank did make a note that the privatisation program proceeded (much) slower than they had anticipated. The 1991 agreements with the World Bank and the IMF consolidated the initial steps taken in the infitah for the integration of Egypt into the world economy in the neoliberal era, and created the structural conditions in

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364 N. Pratt, “Maintaining the Moral Economy”, 116
365 International Monetary Fund, “Implementation Completion Report: Arab Republic of Egypt (Loan 3353- EGT),” i-ii.
which a new fraction of the capitalist class could come to power. Nevertheless, it would be another decade before this was fully realised.

The negotiations concerning the 1991 agreement were more protracted than the government would have liked. The longer they went without a loan and the consequent debt relief, the more troubling their overall economic situation became. Fortunately for the government, help arrived in the form of what Soliman described as a ‘miracle’ – the US-led response to Iraq’s invasion of Kuwait, and Egypt’s ability to leverage its geopolitical importance once again.\footnote{S. Soliman, \textit{The Autumn of Dictatorship}, 45} Egypt was the first Arab country to join the coalition and contribute troops, and the US saw their participation as essential to legitimise the war in the region. The US applied significant pressure to the IMF in order to secure the passage of the agreement, and once the agreement was reached (which again occurred in spite of the reservations of IMF staff), debt forgiveness by the Paris Club soon followed.\footnote{B. Momani, “IMF-Egyptian Debt Negotiations,” 37} These economic ‘miracles’ allowed the staggered, or delayed implementation of some reforms, and hence the deferral of potential political conflict, but it did not solve the underlying economic problems of the regime.

As well as taking advantage of external factors with a certain deftness, the regime was this time more disposed toward making some meaningful steps towards the goals of the IMF. To this end, a law allowing for the privatisation of public assets (Law 203 of 1991) was passed, which allowed for the establishment of sixteen holding companies from which up to 49 per cent of 314 individual state-
owned companies could be privatised. \(^{368}\) Other substantial reforms followed, including Law 96 of 1992, which essentially reversed the redistribution of agricultural land that occurred under Nasser. \(^{369}\) The implementation of this law took a number of years, but it nonetheless had a profound effect on the political economy of rural Egypt. The peasants were once again at the mercy of the landlord class, who were able to re-establish their pre-1952 pre-eminence. In addition, a general sales tax was introduced so that the government could develop new sources of revenue, which quickly went from contributing 13.1 per cent of government revenue in 1991-1992, to 23 per cent by 2007-8. \(^{370}\) Egypt drew upon the final tranche of the IMF loan in March 1993, with the agreement formally lasting until November of that year.

Each of these reforms, taken alone, represented a significant shift away from the role of the state in the moral economy established under Nasser. Taken together, they were a more fundamental political assault on the subaltern classes of Egypt. It is significant that all of these major reforms had a staged implementation. The regime was still unwilling to risk provoking the ire of the subaltern classes in Egypt. It was, therefore, largely able to avoid the kind of violent resistance that could destabilise the country. In many cases of reform, so-called ‘protections’ were built into the legislation. For example, in the privatisation

\(^{368}\) M. Pripstein Posusney, Labor and the State in Egypt, 213; R. Bush, Economic Crisis and the Politics of Reform, 32


\(^{370}\) S. Soliman, The Autumn of Dictatorship, 110
legislation, jobs and conditions were supposed to be protected, while they were simultaneously being undermined by the new Labor Law (which was still before parliament). With this sleight of hand, the regime was able to minimise any working class opposition to the reforms, by deferring any ‘take-aways’ that the workers might experience until after the passage of the law itself. As a result of the reforms enacted under the 1991 ERSAP program, the state had swung the pendulum of class conflict firmly in favour of sections of the capitalist class, whilst trying to maintain the illusion of equilibrium. However, even within the capitalist class, the benefits were certainly not universally felt. The new policies disproportionately benefited those with close connections to the regime, and this would only be amplified by economic changes over the next decade.

Through the negotiations towards subsequent agreements that were reached in 1993 and 1996, the conditions set out by the IFIs remained fairly consistent, but the ‘progress’ towards achieving the conditions was stalled and uneven. Though the 1991 agreement laid a foundation in almost all areas of the economic restructuring required by the IMF, it was during the subsequent agreements that the neoliberal restructuring was deepened, and the policies began to have a more tangible impact (especially after 1996). Having said that, disappointment and concern continued to define the IMF reaction to the pace of reform. Even though the government achieved a number of the IMF goals through the 1993 agreement, including reducing their budget deficit and tax and tariff reform, the IMF was

371 M. Pripstein Posusney, “Egypt’s New Labor Law,” 52-3
372 M. Pripstein Posusney, Labor and the State in Egypt, 233
373 B. Momani, “IMF-Egyptian Debt Negotiations,” 61-2
unhappy with the overall pace of reform – especially in privatisation and currency devaluation.\textsuperscript{374}

The example of the deregulation of the labour market is particularly illustrative of the kind of tardiness that frustrated the IMF during the reform process. It took over a decade for this law to pass after having first been debated in 1991, introduced into parliament in 1994. It only finally passed into law as the Unified Labor Law (Law 12) in 2003.\textsuperscript{375} The 1993 agreement collapsed in September 1995. In contrast, the reticence of the government to enact reform was suddenly set aside for the 1996 agreement, in which the reforms were so significant that the government soon won IMF praise for their “remarkable success story.”\textsuperscript{376} Egypt was facing a mounting public debt crisis, and the regime was desperate to secure some relief.\textsuperscript{377} The privatisation program started even before a formal agreement was signed with the IMF, exceeding even the Fund’s preconditions in this regard. In a few short months, the state’s majority share in thirteen companies was sold off and a further ten were brought to the point of privatisation, with promises to privatise 91 companies by June 1998. The government also reduced top tariffs on imports to the IMF’s desired level of 55 per cent from 70 per cent. These reductions included industrial inputs favouring the local industrial capitalist class.\textsuperscript{378} Thanks to the rapid introduction of these early

\textsuperscript{374} Ibid.
\textsuperscript{375} M. Pripstein Posusney, “Egypt’s New Labor Law Removes Worker Provisions”, 52
\textsuperscript{377} For an in-depth examination of public debt under the ERSAP program, see: G. Abdel-Khalik, “Domestic Public Debt in Egypt: Magnitude, Structure and Consequences,” Cairo Papers in Social Sciences 23, no. 1, 2000, 7-18
\textsuperscript{378} B. Momani, “IMF-Egyptian Debt Negotiations,” 75
reforms, the government's Letter of Intent to the IMF was approved on October 11, 1996. The agreement itself followed a more undulating trajectory than the implementation of the preconditions, and the government was forced to slow down on their proposed privatisation the following year after encountering popular resistance. Nonetheless, 82 of 108 enterprises were sold in 1997 (though some were sold to public banks in so-called ‘phony privatisations’).\textsuperscript{379} In addition to these reforms that allowed the private sector to gain a more secure hold in the Egyptian economy, the government also passed Law No. 8 of 1997. This allowed for a five-year tax holiday in certain specific sectors, and reduced government oversight.\textsuperscript{380} Companies re-registering as new entities after five years exploited this reform, as they were thereby entitled to enjoy another five-year tax holiday.

The reforms conducted across these agreements in the late 1980s and through the early 1990s prompted resistance from specific quarters of Egyptian society. In the following section these responses will be examined in more detail. For now, however, it is important to consider the long-term structural impact of the early reforms, and what this meant for the capitalist class, especially between 1991 and 2004. The long-term economic impact of the reforms was not always immediately apparent, though it was always quite clear that the passage of these agreements with the IMF would fundamentally reshape the relationship between Egyptian society and the state. This occurred in three ways in particular: the re-imagining of the role of the state; contestation in the new privatised spaces where


\textsuperscript{380} B. Momani, “IMF-Egyptian Debt Negotiations,” 71
different fractions of the capitalist class could compete for dominance; and finally, the ideological changes wrought by the regime to justify the new policies.

While the state changed its relationship with society in a broad sense, it retained the function of gate-keeper to the means of production. Soliman characterises the transformation of the state in this period as moving from a ‘rentier’ to a ‘predatory’ state.381 As this occurred, the state became far more focussed on its coercive functions, with the security budget increasing by a little over one per cent of GDP between 1988 and 1997, reaching almost five per cent in total.382 For Soliman, the difference between the rentier and the predatory state is relatively straightforward. The rentier state depends predominantly on economic rents for revenue and expenditure, whereas the predatory state is one that maximises revenue at all costs, turning inward to society to feed itself, regardless of social or even economic consequences.383 To this end, the predatory state requires a fairly sophisticated coercive apparatus. While this change from relying on rentier revenue was in large part forced on the state by external factors, the subsequent policy turn taken by the state was a calculated decision.

Admittedly, there does seem to be a contradiction between the proposition that the state functioned in the interests of the capitalist class, and the reluctance of the regime to pursue the reforms recommended by the IMF (which were certainly in the interest of most of that class). However, given that the capitalist

381 S. Soliman, *The Autumn of Dictatorship*, 97
382 Ibid.
383 Ibid.
class had carved out their dominance in Egypt contingent on continued (at least tacit) support from the subaltern classes, and were dependent on an actively interventionist state, the need to preserve this compact through the continued appeal to a moral economy constrained the options available to the regime. While the liberalisation conducted according to the wants of the IMF would (and eventually did) result in an enormous financial windfall for certain fractions of the capitalist class, the relationship between the capitalist class and the subaltern classes was too fragile to endure such a radical program of action. When it came time to choose between maintaining the moral economy or the further neoliberatisation of Egypt’s economy, the regime chose to increase spending on the security forces, and to eventually abandon all pretence of the state’s social role.

That the reforms were conducted with the complicity of the ruling elites is without question, and in recent years Roccu has explored the impact of ideology on the neoliberalisation of Egypt. However, his account is focussed on the regime, and the ideological production of intellectuals with a close relationship to the regime. Roccu’s account is particularly useful for the thesis in that he uses a Gramscian theoretical framework to identify the ‘organic intellectuals’ of the neoliberal project, at least within the regime and those close to it. But most of their influence was felt post-2004. The new neoliberal ideology did not simply replace pre-existing ideologies, even (or perhaps especially) at the level of the regime and within the corporate institutions of the state. Nor was the neoliberal economic common sense only promulgated by a handful of well-connected elites.

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385 Ibid., 77-83
Mona Atia’s study of ‘pious neoliberalism’ makes it clear that numerous Islamic clerics performed a similar function, though their neoliberalism was cloaked in Islamism. The development of an actually-existing neoliberalism in Egypt is characterised as much by its ideological articulation with the remnants of Nasserism as it is by Roccu’s proposed articulation between the national and international. The moral economy, or at least the working-class’ obligation to contribute to national development, was frequently invoked to justify the liberalisation of the economy. More than just a drive for efficiency or better services, it was cast as a national project to uplift the wealth of every Egyptian, and the loyalty of the subaltern classes was expected to follow accordingly. This awkward attempted reconciliation of the neoliberal policy prescriptions with the ideology associated with a very different sort of economic program (i.e. state-driven developmentalism) was doomed to failure. Yet it managed to persist for much longer than it could reasonably have been expected to. The gradual abandonment of the rhetorical and ideological framework by the regime on one side, and the working classes on the other, finally ushered in a more conventional neoliberal political-economic structure after 2004.

Mubarak and Subaltern Struggles

Between coming to power in 1981, and the appointment of the Ahmed Nazif as prime minister in 2004, Mubarak’s rule oversaw significant shifts in class

386 M. Atia, Building a House in Heaven, 77-103 passim
387 N. Pratt, “Maintaining the Moral Economy”, 116-7
relationships in Egypt. It is important to note that this was not just the simple fact
of an ever-decreasing number of capitalists obtaining an ever-larger share of
wealth, as per most understandings of neoliberalism. Rather, it was a complicated
process of class formation and reformation. More specifically, it depended on the
formation of competing political blocs – alliances of different class groups, drawn
together on ideological grounds. This period saw greater numbers of businessmen
in parliament, with fewer representatives of labour and the peasantry. A wave of
repression hit both radical and moderate Islamist groups, and there was a new
surge of worker protest after an initial period of quiet. This accompanied the
successful roll-back of Nasser’s land reforms in the countryside.

Class in Rural Egypt

In 1992, concurrent with other reforms conducted at the behest of the IFIs,
Mubarak introduced laws that essentially reversed Nasser’s land redistribution.
The landlord class that Nasser had starved of political power had been in a kind of
political hibernation in the intervening years, investing their capital elsewhere.
Being able to re-assert their power after Mubarak’s reforms, they soon regained
their privileged position in rural Egypt – a political reanimation assisted by USAID
in the name of increasing efficiency and agricultural exports.388 In turn, the law in
question (Law 96 of 1992) prompted protest and dissent among the peasantry,
many of whom were dispossessed of their land, or forced to pay rent that increased

388 R. Bush, “Land Reform and Counter-Revolution,” in Counter-Revolution in Egypt’s
from seven to twenty two times the land tax.\textsuperscript{389} There were flow-on effects from this change in policy, including increased rural poverty, and significant migration from the countryside to the cities. As well as appealing to the pro-market advocates in the IFIs, land de-sequestration allowed for an important redistribution of political power in rural Egypt. Mubarak embraced the new landlord class, while insisting that the ‘reforms’ were good for everybody concerned, and that they represented the best outcome for agricultural production in Egypt.\textsuperscript{390} Upon being passed in 1992, there was an initial five-year period in which the law was gradually phased in. During this time rents were steadily increased. In October 1997, the law was fully implemented, but this did not stop the further exploitation by the traditional landowners and some wealthy peasants. Rents increased by up to 400 per cent in some cases between 1997 and the mid-2000s.\textsuperscript{391}

Similar to the lack of worker protests against the Unified Labor Law of 2003, the passing of the new tenancy law in 1992 did not immediately engender any particularly notable peasant protests. That is not to say that opposition to the new law was non-existent, and villagers were threatened with imprisonment if they did resist.\textsuperscript{392} The Land Centre for Human Rights notes that peasant resistance in the 1992-1997 transition period was “aggressive and voluble,” but it did not manifest in mass action until the end of 1997, whereupon violent protests erupted in villages

\textsuperscript{390} Ibid., p. 1606
\textsuperscript{391} Ibid.
\textsuperscript{392} R. Bush, “More Losers than Winners in Egypt’s Countryside,” 197
in upper Egypt and the Delta. A landlord was killed, property damaged, and the state reacted ferociously. Throughout the process of drafting the law and even as the law passed, there was little attention granted to the tenant farmers themselves, and their thoughts on the new law to which they were being subjected. Their opposition was only made public thanks to a few sympathetic politicians and journalists. Nevertheless, there were some peasants who simply refused to accept that the law would take effect. Ray Bush quotes one man who thought that “Mubarak would never allow such a law.” This was after the law was passed by parliament, but before it came into effect in 1997. Such an attitude speaks to the significant influence of Nasserist ideology. Even in the face of the state actively reneging on their obligations under the moral economy, there was a common refusal to accept that the state (and in particular, the President) would follow-through. This is exactly the kind of response that Mubarak was aiming for in his drawn-out implementation of neoliberal reforms. Maintaining his rhetorical commitment to the state’s redistributive duties under the moral economy was a key tactic in the reform strategy. The delayed reaction from the peasantry with regard to Law 96 vindicates Mubarak’s approach and the IFIs’ toleration of it. While the state’s retribution against the protests that eventually did arise was often extremely violent, the peasantry did not bear the brunt of the state’s considerable (and ever-expanding) coercive powers until after the period currently being

394 R. Hinnebusch, “Class, State and the Reversal of Egypt's Agrarian Reform,” 21-2
395 Ibid.
396 R. Bush, “Land Reform and Counter-Revolution,” 18
examined. In the 1990s, the state turned its coercive focus onto Islamist groups, waging a brutal campaign in response to a wave of terrorist attacks.

Although it is often overlooked in literature concerning the 2011 revolution, the realignment of class forces under Mubarak in the 1990s was critical in establishing the post-liberalisation support base for the regime. In addition to owing their newly-recovered influence to Mubarak, the landlord class was dependent on the world market for revenue due to the emphasis on cash-crops, which had become even more important as a result of economic liberalisation. This dual dependency manifested itself in a complete dependence on the state. They were dependent on the regime to violently enforce their land rights, and they were dependent on the economic decision-making of the state in terms of their access to the global market. Their dependence on the market came from the newfound profitability of export-oriented farming – a central goal of the USAID liberalisation program.

Islamism and the Growth of the Pious Bourgeoisie

There are few who would disagree that Egypt had a serious issue with Islamist terrorism during the 1990s. The regime exploited this fact, however, as an opportunity to quash opposition from the more moderate Muslim Brotherhood at the same time. The Brotherhood had made themselves into something of a

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398 Ibid., 13
gadfly for the regime, tip-toeing around the restrictions on political parties based on religion, and making public gestures that occasionally embarrassed the regime. An often-cited example of this is their response to the 1992 Cairo earthquake, during which they distributed aid to victims under banners reading “Islam is the Solution”. Prior to (once again) being the target of the repressive organs of the state in 1995, the Brotherhood spent their time under Mubarak building their credibility as a political force. This went beyond their electoral successes in 1984 and 1987, and into their activities in civil society. The general academic consensus has been that it was their activities in civil society (providing health care, education, food, etc., to the poor) that garnered them the support of large number of Egyptians. This assumption has recently been challenged by Tarek Masoud. Regardless, what is clear, from both Masoud’s account and those of other scholars, is that the Brotherhood had managed to build up support among a segment of the Egyptian middle classes. This was a logical development resulting from the changes in Brotherhood organising and political activity that they had adopted after Mubarak eased restrictions on the organisation. The group’s take-over of the professional syndicates, and the outward moderation of the group thanks to the ‘new generation’, made them seem to be a moderate, responsible, and acceptable as a political opposition. US officials even made tentative overtures to the group.

400 See n281
in the early 1990s.\textsuperscript{402} Yet by the mid-1990s the rise of Islamist terrorist organisations allowed the government to once again crack down on the Brotherhood.

The ties between militant terrorist groups (such as Islamic Jihad and Gamaa’ Islamiyya,) and the Brotherhood were and are extremely tenuous, being more of a case of being ‘guilty by association.’\textsuperscript{403} When violence did erupt in the 1990s, the regime was quick to use the violence as a premise on which to crack down on the perceived threat of the Brotherhood. Eighty-one members of the Brotherhood (predominantly from the reformist wing that had been so successful in syndicate elections) were tried in military courts in 1995, and ‘fifty-four received sentences of up to five years with hard labour.’\textsuperscript{404} Within the Brotherhood itself, the tensions between the new wave of leaders that emerged from the political struggles in the student unions and professional syndicates was beginning to cause rifts. In 1996, a group from the reformist faction of the Brotherhood announced their intention to form a political party. This resulted in a split in the organisation. The fruit of this endeavour, the Wasat party, demonstrates the reformist Brothers' attempt to renegotiate the terms of neoliberal capitalism in Egypt.\textsuperscript{405} Like the awkward co-optation of western political ideologies by Egyptian political parties in early twentieth-century Egypt, the Wasat platform sought to find a kind of middle ground between the modern, globalised world and their vision of a ‘traditional’ Islamic society.

\textsuperscript{402} M. El-Ghobashy, “The Metamorphosis of the Egyptian Muslim Brothers,” 384
\textsuperscript{403} C. Wickham, \textit{The Muslim Brotherhood}, 79
\textsuperscript{404} C. Wickham, “The Path to Moderation,” 212
\textsuperscript{405} B. O. Utvik, \textit{The Pious Road to Development}, 63; C. Wickham, \textit{The Muslim Brotherhood}, 83
The Wasat, much like the Brotherhood, tended to provide a moral critique of economic policies, and to advocate essentially moral solutions. Although their platform did include criticism of the uneven nature of the global economy, the proposed solution was to somehow resolve this through reforming the global institutional framework at an international level, alongside the entrenchment of Islamist praxis at home. When the group first applied for party status, Muslim Brotherhood parliamentarians spoke out against the application, which only served to publicly highlight the split in the organisation.\textsuperscript{406} The government denied the Wasat party's application to form a political party, a decision that the movement appealed. It took until 1998 for the appeal to be resolved, with the decision to deny the group party status being upheld. Though the Wasat initiative failed to legally form a new political party, it was an early example of a range of bourgeoisie and petty-bourgeoisie Islamic civil society groups that formed in the 2000s. Most of these organisations were upper- or middle-class and were most concerned with making modern capitalist consumption and accumulation compatible with Islamic morals.\textsuperscript{407} Whilst these groups were opposed to the regime, they were amenable to market-based solutions to the economic problems faced by Egypt, as long as such reforms were conducted (or could be justified) according to an Islamic moral framework. As such, they represented little more than a political platform for an alternative fraction of the bourgeoisie to that tied to the regime.

\textsuperscript{406} C. Wickham, \textit{The Muslim Brotherhood}, 89-95
\textsuperscript{407} See the examples of various groups that formed throughout the period of neoliberalisation, generally with a focus on charity: M. Atia “\textit{Building a House in Heaven}, passim.
The repression finally eased, and by 2000 those arrested in 1995 were released. Between 1995 and 2000 the Brotherhood had left their organising behind the scenes, as factional disputes gripped the organisation.\textsuperscript{408} In the context of the 2000 Palestinian intifada, and the 2003 US invasion of Iraq, the political rehabilitation of the Brotherhood was cautiously tolerated by the regime, as long as their protests refrained from criticising the government itself.\textsuperscript{409} From 2000 to 2004, the Brotherhood rebuilt their political strength and prepared to once again contest electoral politics, with the reformist faction of the movement now dominant. It is important to note that while the Brotherhood presented themselves as an alternative to the regime, they were at best ambivalent about the economic reform process that was underway.\textsuperscript{410}

\textbf{The Working Class and an ‘Immoral’ Economy}

While land reform and the growth of a pious bourgeoisie were each important for building support for the regime and undermining their opponents, the 1990s saw the degradation of the most important alliance of Nasser’s political project – that between the regime and the organised working class. While the relationship suffered, however, up until 2004 the restorative patterns of mobilisation typical of a moral economy still framed much of the working-class

\textsuperscript{408} M. El-Ghobashy, “The Metamorphosis of the Egyptian Muslim Brothers,” 388-90; A. Ranko, \textit{The Muslim Brotherhood and its Quest for Hegemony in Egypt}, 151
\textsuperscript{409} M. El-Ghobashy, “The Metamorphosis of the Egyptian Muslim Brothers,”; C. Wickham, \textit{The Muslim Brotherhood}, 99-103
\textsuperscript{410} S. Naguib, “The Muslim Brotherhood: Contradictions and Transformations,” 168-9
Even though the regime was retreating from their responsibilities to such a relationship, the workers consistently held them to these standards. Given Mubarak’s reluctance to provoke any widespread dissent, and the regime’s desire to limit the impact of protests, the workers were frequently able to extract concessions.\footnote{M. Pripstein Posusney, \textit{Labor and the State in Egypt}, 230-237; J. Beinin, “A Workers’ Social Movement”, 192-195} This was mostly confined to the level of individual workplaces, but occasionally these gains applied to all workers. Violent repression of worker protests through the 1980s and 1990s was all too common, with concessions sometimes offered afterwards.\footnote{M. Pripstein Posusney, \textit{Labor and the State in Egypt}, pp. 160-1; N. Pratt, “Maintaining the Moral Economy,” 161} This pattern of interaction between the state and workers slowly changed. Joel Beinin proposes that it demonstrably changed in 2004, with the state only rarely using violence against workers from 2004 onwards.\footnote{J. Beinin, “A Workers’ Social Movement”, 191}

The reforms conducted throughout the 1990s, and up until the 2004 appointment of the Nazif cabinet, steadily degraded the moral economy. As the paradigm theoretically binds both the state and workers as (albeit unequal) partners, the decisions of the state throughout the process of neoliberalisation represented the moral economy’s further deterioration. Begun in earnest by Sadat’s \textit{infitah}, the process of hollowing-out the rights and protections afforded to workers in Egypt continued under Mubarak. Like all of his economic policies, the pace of change was deliberately slow, but the impact no less severe. Almost all of

the policies introduced under the structural adjustment programs had a deleterious effect on the living standards of Egyptian workers, either directly or indirectly. Nevertheless, the changes did not attract a uniform response.

Protests occurred more often when the effects of the laws themselves were felt. While there was some opposition to the new labour law prior to it passing, the actual passage of the law was mostly without incident.\textsuperscript{415} Along with reductions in consumer subsidies, these were the law changes that would most directly impact upon the package of benefits offered to the workers as ‘payment’ for their co-optation into the post-colonial state-building project. The introduction of neoliberal policies, first under Sadat and then under Mubarak, fundamentally reshaped the vision of the state that workers were supposed to build, and the role of workers within that state. Gone was the rhetoric of industrialisation, replaced by new visions of Egypt as the breadbasket (or perhaps fruit-bowl) of Europe.\textsuperscript{416}

The attempts to silence worker protest, whether using the carrot of concessions or the stick of coercion, coincided with a reduction of the number of workers (and peasants) represented in the Egyptian parliament. Under Nasser, a number of seats had been set aside to guarantee the representation of these two groups. Yet by Mubarak’s rule such seats had been occupied and exploited by those with only nominal links with the groups that they purportedly represented.\textsuperscript{417} Alongside this development, the number of businessmen in parliament soared. In just two


\textsuperscript{416} T. Mitchell, \textit{Rule of Experts}, 273

\textsuperscript{417} B. Rutherford, \textit{Egypt After Mubarak}, 159
parliamentary elections in 1995 and 2000, the number of businessmen in parliament increased from 37 to 77.\textsuperscript{418} Further increasing this power was the creation of the NDP's Policies Secretariat in 2002, of which Gamal Mubarak was appointed the head. The Policies Secretariat was specifically designed to incorporate pro-market, typically neoliberal ideology into the ruling party's policy platform.\textsuperscript{419} An outspoken advocate of such a direction for Egypt, the younger Mubarak would soon emerge as one of the party's most important political figures.

Despite this enormous growth of the bourgeoisie in parliament, and the increasing share of wealth that was accruing to them, it cannot be said that that the bourgeoisie, tout-court, 'took over' the state. Through the rule of both Nasser and Sadat, and into the reign of Mubarak, the state had always served as the guardian of the interests of a particular fraction of that class. The state's role was more one of mediator between these bickering fractions. While it is necessary to avoid the reduction of the state to a set of institutions that could be 'wielded' by a class or class fraction as state institutions often behaved according to their own logic, in order to ensure the reproduction of their power) it is nonetheless the case that the coercive institutions of the state were deployed to maintain the rule of the dominant class. This was not their only role, of course, and given their economic interests, the military sometimes acted according to entirely different imperatives. This ability to crush dissent was only half of the importance of the state to the capitalist class. The second, and just as important, function of the state was its role as arbiter of the ownership of the means of production. Though Sadat tried to

\textsuperscript{418} S. Soliman, \textit{The Autumn of Dictatorship}, 145
\textsuperscript{419} B. Rutherford, \textit{Egypt After Mubarak}, 219
expand the role of the private sector, Mubarak inherited an economy that was still dominated by the state. However, under Mubarak the control of the institutions of the state became even more for the accumulation of large volumes of capital.

**Conclusion**

Between 1981 and 2004, the Mubarak regime steadily introduced neoliberal reform, in such a way that minimised potential opposition and maximised government control over the transition to a new economic model. While Sadat’s infitah was undoubtedly the beginning of the neoliberal program in Egypt, it was under Mubarak that it took root in a more permanent fashion. Mubarak was initially hesitant to implement further reform, having seen how socially divisive it was, and not having a loyal constituency. However, soon the economic circumstances forced his hand (though he was helped by ‘miracles’ that prevented complete collapse)\(^{420}\) and neoliberalisation could proceed apace. The regime’s contradictory mix of hesitance and enthusiasm to introduce the policies at the heart of the neoliberal project in Egypt was not a reflection of the Mubarak regime’s ideological conviction, but rather a reflection of its determination to maintain power.

Mubarak found himself depending on an ever-shrinking fraction of the Egyptian population, cobbling together a coalition of landlords, the new bourgeoisie (a latter-day *effendiyya*), and, of course, a handful of oligarchs who

\(^{420}\) S. Soliman, *The Autumn of Dictatorship*, 45
owed loyalty to the regime. However, it also saw a changed relationship between the state (as political society) and the subaltern classes, and the transformation from a relationship dependent on co-optation to one of outright coercion, especially in the case of the peasantry. The use of the coercive capacities of the state limited official political opposition to those groups that did not challenge the capitalist relations of production. In turn, this means that much like Sadat before him, Mubarak only really affected what Gramsci referred to as quantitative changes to the integral state.\footnote{A. Gramsci, \textit{Selections from the Prison Notebooks},} Mubarak continued a trend of increasingly violent behaviour from the coercive institutions of political society towards civil society, though these changes were not significant enough to result in any kind of change in the \textit{form} of the integral state itself. The policy changes that occurred between 1981 and 2004 allowed for the subsequent acceleration of the neoliberal project under the Nazif cabinet (with the eventual consequence of revolution in 2011), these class changes shaped the forces that were able to contest the revolution of 2011. After this period of introductory reforms ended in 2004, the neoliberalisation of Egypt was reignited with the appointment of Ahmed Nazif to the role of Prime Minister.
Chapter Five

MUBARAK II, 2004-2011

“THE KEY IS TO REDEFINE THE ROLE OF WHAT THE GOVERNMENT SHOULD DO AND WHAT IT SHOULD LEAVE TO THE PRIVATE SECTOR.” - Egyptian Prime Minister, Ahmed Nazif.422

On 14 July 2004, Hosni Mubarak swore-in the new Prime Minister (and former Communications Minister) Ahmed Nazif and his hand-picked cabinet. The policies enacted by this cabinet (and its successor in 2006, again under the leadership of Nazif), and their political and economic consequences, were some of the more significant motivations for the protestors that overthrew the Mubarak regime. This represented a radical shift in the state’s self-professed role in the Egyptian economy. With it came the accelerated erosion of Egypt’s post-colonial social pact, including the final abandonment of the moral economy established

under Nasser. Many scholars identify the December 2006 protests at Mahalla al-Kubra as a seminal development in the state-labour relationship, with El Mahdi suggesting that it was the point at which the moral economy could no longer explain worker protest.423 Whatever the theoretical significance ascribed to the protests, the common thread of various scholarly accounts was that they represented the first time that workers had moved beyond workplace-level protest.424 The Mahalla incident (and other major incidents of protest) needs to be considered in the context of the totality of capitalist relations of production in Egypt, and what this meant for the integral state. This chapter examines the political changes wrought by the hastened neoliberal policy ‘achievements’ of the Nazif cabinet, including (but not limited to) the collapse of the moral economy. The chapter is divided into four distinct sections. The first deals with the rise to power of Gamal Mubarak. The second section details the establishment of the Nazif cabinet and the clientelist policies that it pursued. The third section explores the rising wave of popular anger and discontent, manifested in record numbers of strike actions and the emergence of mass-movements for change. Finally, the focus turns to the consequences that all of this had for the uneasy alliance of class forces established by Mubarak prior to 2004. Together, these threads constitute a broader examination of the continuities and discontinuities in Egypt’s political-economic development, which is crucial for understanding the political conditions that eventually found expression in the revolutionary events in Tahrir Square in 2011.

424 Ibid.
Gamal's Cabal: The Neoliberal Takeover of the NDP

As has been detailed in preceding chapters, the history of modern Egypt has been punctuated by shifts in the control of the state apparatus from one fraction of the capitalist class to another. The final years of Mubarak’s rule were no exception. While the first two decades of Mubarak’s presidency had resulted in a failure of any particular fraction to exert overall dominance, this changed after 2004. A takeover of political ministries by a cabal of businessmen connected to Gamal Mubarak was accompanied by the enthusiastic diffusion of neoliberal ideology.425 The chief promulgators of this ideology were those bourgeois elements, and supportive public officials, who benefitted most from its practical implementation. Amongst other developments, this was manifested in the emergence of new Islamic movements that embraced a neoliberal economic logic, which endorsed the increasingly conspicuous consumption of luxury goods by this small, privileged fraction of the bourgeoisie.

Many of the political changes in Egypt after 2004 can be at least partially attributed to the elevation in status of Gamal Mubarak within the ruling NDP (predating the appointment of the first Nazif cabinet by some 4 years). Gamal Mubarak, the youngest son of Hosni Mubarak, was widely tipped to succeed his father.426 The younger Mubarak was responsible for much of the ideological restructuring of the ruling NDP, and was an outspoken advocate of a neoliberal

425 R. Roccu, The Political Economy of the Egyptian Revolution, 76-92
policy program. Gamal’s educational and vocational background goes some way to explain his (neo)liberal convictions. He began his studies at the American University in Cairo, before moving to London to work as an investment banker for Bank of America. He then established his own investment firm (Med Invest Partners, which facilitated foreign investment in Egypt), working there until he eventually returned to Egypt and to a position in the NDP. Gamal pre-empted his appointments within the NDP by founding the Future Generation Foundation in 1998, to “promote [his] image among the youth”.

His rise to power within the NDP began in 2000, when he was appointed to the party’s General Secretariat. Two years later under the initiative of Gamal, and with the blessing of Hosni Mubarak, the NDP established the Policies Secretariat – a body that was to formulate the policies that would ‘modernise’ both the party and Egypt’s economy. Modernisation, in this case, was effectively synonymous with neoliberalisation. The Policies Secretariat rather predictably proposed the deepening of economic reforms. It became the vehicle for launching the political careers of a number of powerful businessmen – many of whom were connected to pro-market think-tanks – including steel tycoon Ahmed Ezz. These men had a relatively uniform view of Egypt’s problems. Essentially, their diagnosis boiled down to a crude formula that asserted that there was too much government inefficiency in the economy, and too few opportunities for the private sector.

427 B. Rutherford, *Egypt After Mubarak*, 219
429 M. Zahid, *The Muslim Brotherhood and Egypt’s Succession Crisis*, 131
430 B. Rutherford, *Egypt After Mubarak*, 221
The ideological shift that was expressed in such formulas was as important as the changes in practice that they licensed.

A number of think-tanks had been established in Egypt in the 1990s and 2000s, supported by local businessmen as well as the American Chamber of Commerce in Egypt (AMCHAM). Particularly prominent among these organisations were the Egyptian Centre for Economic Studies (ECES) and the Economic Research Forum, though organisations like AMCHAM and the various IFIs also contributed to the policy ‘debate’ in Egypt. These organisations were by no means equally influential. Gamal introduced policies derived from the output of the ECES, which was established by Egyptian businessmen (with Gamal sitting on the board from its inception) and partly sponsored by USAID. To help cement the adoption of the ECES policies by the party, he brought researchers and businessmen from the ECES into the party, and had them appointed to prominent positions with the party’s policy-making apparatus. Roberto Roccu has further explored the role of the ECES in Egyptian politics, using it as an example of a think-tank functioning as an ‘organic intellectual’ (alongside the ERF). Founded with the mission to influence public policy, the ECES was dedicated to influencing policy to strengthen private property, the rule of law, and the more effective separation of powers. While much of this sounds commendable, these policies would have resulted in the entrenchment of capitalist political power in Egypt, and made it even more difficult for their opponents to make any changes.

431 Ibid.
432 Ibid., 220-2
433 B. Rutherford, *Egypt After Mubarak*, 221-223
435 B. Rutherford, *Egypt After Mubarak*, 222
The ECES managed to extend its influence only rather slowly after its initial founding in 1992. It wasn’t until the late 1990s that the organisation started to publish significant research papers, and by the mid-2000s had even commissioned a paper by Hernando de Soto on the need for the better formalisation and protection of private property rights in Egypt. Although the ECES consistently posed the economic problems facing Egypt in terms of a contest between state involvement in the economy and a prosperous future for the country, a number of other avenues to achieve a greater prominence for the private sector were discussed, with varying degrees of state involvement suggested. For example, in 2005 the ECES published two separate research papers, each offering different views on the need to adopt the ‘East Asian Model’ of development. In the final instance, however, such pluralism was entirely illusory. The more deep-rooted structural causes of Egypt’s economic problems were never really considered for debate. By offering a few different prescriptions to achieve some measure of reform (framed only in terms of further liberalisation), the ECES was closing off any ideological positions that might have entertained alternative programs, presenting the question of strategies for reform exclusively as issues for the consideration of scientific, technocratic experts. This narrowing of the intellectual imaginary occurred in a much wider context throughout Egyptian society, and was certainly not limited to the researchers at regime-affiliated think-tanks.

436 H. De Soto, “Dead Capital and the Poor in Egypt,” ECES Distinguished Lecture Series, no. 11
characterises this process of intellectual restriction as part of a process of “redefining the boundaries of ‘respectable’ economics”- one element of the ECES’ function as an ‘organic intellectual’ for the capitalist class.438 Although the party had been implementing policies for two decades or so that conformed to the neoliberal ideology of the IFIs (and international supporters), there was relatively little ideological commitment to neoliberalism within the party itself. This then became Gamal Mubarak’s first major challenge. It required him to challenge the existing power structures within the party. He did so by appointing those who were ideologically aligned with him to as many positions of influence as he could manage.

The changes in the ruling party that occurred because of the emergence of this new, and relatively powerful faction of the party did not occur without significant resistance. Those members of the ‘old guard’ that relied upon the economic and political status quo to maintain their power and privileged position fought back against these changes, accusing the ‘new guard’ of being disconnected from the concerns of citizens (which, considering the upcoming 2005 parliamentary election results, turned out to be a pointed criticism).439 The first major clash within the party occurred at the NDP’s 8th Congress in 2002, at which Gamal Mubarak made his first real moves to appoint businessmen from his political retinue to positions of influence in the party.440 The 2002 Congress also saw the establishment of the Policies Secretariat as a new policy-guidance

438 R. Roccu, The Political Economy of the Egyptian Revolution, 80
440 B. Rutherford, Egypt After Mubarak, 220-1; R. Roccu, The Political Economy of the Egyptian Revolution, 83-6
committee for the party. The following year, the party formally adopted the so-called “New Thinking” (al-fikr al-jadid) at the annual conference in September 2003, which focussed on political reform, but it also extended to economic reform.\textsuperscript{441} The introduction of this ‘New Thinking’ over limited resistance was possible at least in part because of the party’s poor election results in the 2000 parliamentary elections, at which only 32 per cent of NDP candidates won their seats, the party retaining a majority only through the defection of independents (who were mostly former NDP members anyway).\textsuperscript{442}

The intra-party ideological clashes were brought to a head in the lead-up to the parliamentary elections of 2005. The old guard had managed to dominate the nominations for the party’s candidates, and as a result there were fewer first-time candidates than there were in 2000 – dropping from 42 to 35 per cent of selected candidates.\textsuperscript{443} In something of a shock for the members of the party, the election saw a significant reversal in fortunes for the NDP. The party’s new candidates were often defeated by former party members who were running as independents, To guarantee its two-thirds majority in parliament the party was forced to bring 118 of these independents back into the fold.\textsuperscript{444} In the wake of what was the closest the NDP had come to electoral defeat, the reformists were able to leverage the failure of their opponents to further consolidate their political influence. The electoral defeat was used as the catalyst for a power shift within the ruling party, and resulted in the appointment of eight new members to Ahmed Nazif’s second

\textsuperscript{441} V. Collombier, “The Internal Stakes of the 2005 Elections,” p. 98; R. Roccu, \textit{The Political Economy of the Egyptian Revolution}, 83
\textsuperscript{442} B. Rutherford, \textit{Egypt After Mubarak}, 218
\textsuperscript{443} V. Collombier, “The Internal Stakes of the 2005 Elections,” 103
\textsuperscript{444} Ibid., 104
cabinet – a group dominated by those who subscribed to the neoliberal policy direction of the new wing of the party. This new cabinet was, in effect, the first time that the state’s practical commitment to neoliberalism was pushed by some of its most committed ideological adherents, in contrast to the somewhat ambivalent attitude of the elites up to that point.

Ahmed Nazif and the Government of Businessmen

The importance of the takeover of the NDP by Gamal Mubarak, Nazif, and the coterie of businessmen that surrounded them, was not simply in the ideological changes in the party that were outlined in the previous section. The material changes to the Egyptian economy that this faction managed to execute were also hugely significant. The government of Nazif delivered the levers of political power to the crony-capitalists associated with Gamal Mubarak, and cemented the dominance of what was to remain the most powerful fraction of the capitalist class in Egypt in 2011.

Under Nazif, Egypt’s neoliberal project was deepened and accelerated, resulting in a considerable concentration of wealth in a shrinking fraction of the capitalist class, and a veritable explosion of protest activity. The prominent businessmen that formed Nazif's cabinet were already prominent in various major sectors of the economy, and further exploited their access to the institutions of the

445 B. Rutherford, *Egypt After Mubarak*, 223
state to enrich themselves and those in their clientelistic networks. Nazif’s cabinet soon set to work on their reform program, and quickly set about redefining the role of the state in the economy. The economic reforms of the Nazif cabinet were all explicitly designed to increase private investment in the Egyptian economy. In the few short years since the take-over of the NDP by those committed to a neoliberal reform agenda, the actions of the Nazif cabinet made it clear that neoliberal policy prescriptions had attained the status of a new ‘common sense’. The reforms were highly successful, at least according to the metrics deployed by the IFIs, and loudly proclaimed by the government. Annual GDP growth rose impressively from 3.2 per cent in 2003 to a high point of 7.2 per cent in 2008. The global financial crisis of 2008 took a toll on growth, reducing it to 4.7 per cent in 2009, before it rose again to 5.1 per cent in 2010, prior to Mubarak’s fall. The government also recorded impressive results in its privatisation programs, with 80 firms privatised between 2004 and 2006, and the government receiving $5.34 billion USD in the 2006-7 financial year alone. Foreign investment tripled in the first three years of Nazif’s Prime Ministership. These figures were made possible by various policies enacted by the government that were to encourage the growth of the private sector. Taxation policy was particularly illustrative of the regime’s commitment to the growth of the private sector (from which many of them would personally benefit), with Law 91 of 2005

446 Ibid.
449 Ibid.
450 J. Beinin, “A Workers’ Social Movement,” 186
451 H. Kandil, *Soldiers, Spies, and Statesmen*, 212
setting a 20 per cent flat tax on both personal income tax and corporate tax, except for state-owned firms, which were subject to tax rates of 40 per cent.\textsuperscript{452}

Despite the rosy reports of successful reform by the government and its international backers, economic improvements in Egypt were certainly not universally beneficial. While the government was engineering the financial destruction of Egypt’s state-owned firms, conditions worsened for ordinary Egyptians. Government spending on essential services declined, especially in education and health. This facilitated the rise of private providers (both for-profit and charitable Islamic associations), who claimed to fill the gaps left by the state’s withdrawal from these sectors. Spending on health and education reduced by 0.32 and 1.2 per cent of GDP respectively, between 2003 and 2008.\textsuperscript{453} The consequences of the state withdrawing from service-provision was one of the major reasons behind the rise of groups like the Muslim Brotherhood towards the end of Mubarak’s rule.

In addition to the accelerating decline in public services, middle- and working-class Egyptians saw their incomes suffer. Real wages saw a decline from the 1980s, and the number of Egyptians in poverty increased. This was glossed over by the prevaricating international financial institutions. Real wages declined between 1988 and 2006, although they were recovered to approach 1988 levels.

\textsuperscript{452} A. Joya, “The Egyptian Revolution: Crisis of Neoliberalism”, 371
once again in 2006. Furthermore, more Egyptians fell into poverty under the Nazif Prime Ministership, with the number of Egyptians living below the national poverty line increasing by 50 per cent between 2004 and 2010, from approximately 14.7 million to 21.2 million people. Between 2005 and 2008, 1.1 million more Egyptians fell into ‘extreme’ poverty, most of whom were rural Egyptians, and all of whom were unable to meet their basic subsistence requirements.

During this period, the government maintained its coercive approach to warding-off dissent, especially towards those that publicly criticised the members of the regime closest to the president. This included the abduction and beating of writers and journalists who were critical of the regime, as well as the use of the courts to silence criticism. In 2006, the editor of an opposition periodical was sentenced to a year in prison for criticising the prospect of hereditary succession, and the Mubarak family’s misuse of public resources. Ahmed Ezz, the steel tycoon and prominent NDP parliamentarian, attempted to have prison terms enforced for journalists who enquired into the financial affairs of public figures (after his own corrupt dealings were subject to such examination). Meanwhile, the domestic security organisations, empowered by the regime’s gradual exclusion

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457 L. Blaydes, Elections and Distributive Politics in Mubarak’s Egypt, 143
458 Ibid, 144
459 Ibid
of the military from the upper-reaches of the civilian elements of the state, created an environment of intimidation and fear on Egypt’s streets.\textsuperscript{460} The state security organisations had a long history of violence against the Egyptian people, but towards the end of the Mubarak presidency this extended to the regular police forces who began to arbitrarily arrest and torture people for no reason. Police violence became “endemic”.\textsuperscript{461} Between the continuing assault on their living standards, and the physical assaults that many Egyptians experienced at the hands of the security forces, it is little wonder that this period saw a rise in resistance to the regime.

\section*{Egypt and Global Capital}

From 2008, the aforementioned developments in Egypt’s economy occurred against a background of global economic crisis, and the desperation of the capitalist class across the globe to maintain (or increase) their share of economic surplus vis-à-vis the working class. Egypt, of course, was no exception to this, nor were its economic elites in any way insulated from the crisis that was to last for years to come. Nor, for that matter, were the Egyptian working class.

Sean McMahon and Adam Hanieh both identified the rapid rise in wheat commodity prices in 2007 and 2008 as one of the leading contributors to the crisis faced by the working classes in Egypt. Rather than the economic issues faced by the

\textsuperscript{460} H. Kandil, \textit{Soldiers, Spies, and Statesmen}, 195
\textsuperscript{461} Ibid., 195-6
working class that had steadily built up over the preceding decades, the sudden spike in food prices caused an instant impact upon the lives of many Egyptians. World prices for rice and cereals rose by 126 percent, and these rises were driven by capitalist speculation in commodity markets, in the wake of the collapse of the US housing market.462 This rise in food prices was, in turn, a major cause for the increase in inflation rates in the Middle East region to be more than double that of the rest of the world.463 This crisis was followed by a second severe increase in food prices in 2010/2011, immediately before the fall of Mubarak. In this instance, McMahon goes into some detail about the financial mechanisms through which companies like Glencore were able to take advantage of natural disasters in Russia to maximise their profits.464 Essentially, this involved Glencore using its influence to ‘suggest’ that Russia halted wheat sales, then profiting from the invalidation of their futures contracts and the subsequent rise in wheat prices. This had a catastrophic impact on those who relied on that wheat to survive. The subaltern classes of Egypt were one such group.

The penetration of global capital into Egypt was felt not only through Egypt’s vulnerability to commodity price shocks, but in the very structures of Egyptian capitalism itself. Adam Hanieh argues that Egypt’s neoliberalisation was (at least partly) a result of the westward orientation of Gulf capital.465 Through the close ties between Gulf investors and the dominant historical bloc in Egypt at this time, Gulf capitalists were able to extract yet more wealth from Egypt.

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462 S. McMahon, Crisis and Class War in Egypt, 52-53
463 A Hanieh, Lineages of Revolt, 146
464 S. McMahon, Crisis and Class War in Egypt, 57-58
465 A Hanieh, Lineages of Revolt, 143
such as the Toshka scheme were mechanisms through which Gulf capital became internalised in Egypt’s domestic class politics. Much like the United States and European capitalists through their ‘aid’ programs, capitalists from the Gulf states were now reliant on the ongoing reproduction of capitalism in Egypt. More to the point, Hanieh argues, this interpenetration helped to drive the neoliberalisation of Egypt. In analysing the neoliberalisation of Egypt, and the popular resistance to it, it is important to bear in mind these interconnections: the global capitalist system is more than just a backdrop for such struggles; it was a constituent element in these struggles and Egyptian politics more generally.

Rising Discontent: Resistance to Nazif’s Neoliberalism

While the Nazif era saw the discursive triumph of neoliberalism among a significant fraction of the ruling elite, it never took root beyond the most privileged members of society. The subaltern classes challenged the neoliberal economic direction of the regime, and the middle classes directly challenged the (lack of) democratic legitimacy of the regime. The two most prominent protest groups were organised labour and the urban middle-class pro-democracy group Kifaya (Enough!), though other forms of resistance to the regime manifested among other groups. The emergence of widespread opposition in the early Twenty First

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466 Ibid.
467 Ibid., 144
century was symptomatic of the collapse of the political structures (corporatist and otherwise) that allowed the NDP and Mubarak to maintain control. The protests by the working class, in particular, signified the final collapse of both the moral economy and the ubiquity of Nasser-esque economic nationalism as a government ideology in Egypt.

The regime also faced resistance from the judicial arm of the state, as well as opposition from more marginalised factions of the capitalist class and political groups (especially the Muslim Brotherhood). If the protests by ordinary Egyptians opened the political space that made the protests of 2011 possible, then it was the contestation among different fractions of the capitalist class that ultimately determined the political conditions of the post-revolutionary power-struggle (if not necessarily the outcome). The limitations of each of these forms of resistance contributed to the ultimate failure of the coming revolution in 2011. The competing fractions of capitalists outside the regime (the pious faction and the nationalist faction) formed uneasy alliances with similarly dissatisfied members of the subaltern classes, albeit classes that were not monolithic political entities all committed to the same goals. There were those who benefitted from the status quo, whether directly or indirectly, and like any political movement, the resistance to Mubarak was rife with internal contradictions. For the Muslim Brotherhood, this process of incorporating subaltern Egyptians into their political project was relatively easy to achieve through their established strategies for mobilisation of their supporters. Yet this connection with the sub-altern groups was less organic
than they initially realised. The nationalists, however, relied more on a confluence of economic interests than any kind of formal organisational structure. In any case, the resulting formation of what could broadly be termed historical blocs, was not necessarily the formation of organised political parties, but the identification of groups acting in the pursuit of common perceived interests. The resistance to Nazif’s accelerated neoliberalism was most effective on the streets, where workers were starting to exhibit class-consciousness. But even this was ultimately co-opted by capitalist interests in the 2013 coup.

**Working-Class Resistance**

Beginning with the working-class, there was a series of major industrial actions through this period. There were major actions at the ESCO Spinning Company in 2004, the Mahalla al-Kubra Spinning and Weaving Company in 2006 and 2008, and the Real Estate Tax Collectors in 2007 (who formed Egypt’s first independent union as a result of their protest, in December 2008). Each of these major actions involved thousands of workers, and were punctuated by thousands of smaller actions by workers around Egypt. Strike action in Egypt increased dramatically after 2004, after already experiencing considerable growth from 1998. According to data collected from a range of sources by Joel Beinin, strike actions from 1998 averaged 118 per year. 2004 saw a rapid jump in workers’

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469 T. Masoud, *Counting Islam*, 98-101
470 J. Beinin, “Workers’ Struggles Under ‘Socialism’ and Neoliberalism” 85
actions, with 79 protests in the first six months, and a further 214 following the appointment of Nazif – an almost three-fold increase. According to Dina Bishara, from 2006-2009, “…more than two million workers engaged in more than 2100 strikes and other forms of protest actions… [then] there were 530 labour-related incidents in 2010 alone.”

The broad political significance of these protest events was two-fold. Firstly, they created the 'space' for large protest movements, and any such movements challenged the authority of the regime. Secondly, the ideology of the post-colonial regimes in Egypt was built upon the state's dominance over labour, and the corporatist structures of the moral economy, and the wave of protest movement signalled that the workers were rejecting this corporatism. The specific significance of the 2007 action at Mahalla al-Kubra is that the workers there first articulated demands that went beyond the immediate concerns of the protestors themselves. In other words, their demands transcended the local and pointed towards the workers’ self-identification as part of a broader working class. Furthermore, it prompted further actions around Egypt, with many workers elsewhere in the country citing the example of the Mahalla workers when undertaking their own industrial action. The following year, on 6 April 2008, the workers struck again, but this time the regime pre-empted their action and deployed security forces to prevent any protest. This second protest was the

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474 J. Beinin, “Workers and Egypt’s January 25 Revolution”, 193
475 J. Beinin, “Workers’ Struggles under ‘Socialism’ and Neoliberalism,” 84-5
476 J. Beinin, “A Workers’ Social Movement,” 186-192
inspiration for the April 6 youth movement, which formed to support the workers, and helped to organise the protests of 2011.\textsuperscript{477} Prior to 2007, worker protest rarely spread beyond individual plant-based concerns. Given the repercussions of the Mahalla protest for the broader workers’ movement, some scholars suggest that this event signalled the demise of the moral economy in Egypt, at least as the ideological mediation between state and workers.\textsuperscript{478}

The passing of the Unified Labor Law in 2003 (Law 12 of 2003), was the culmination of a decade-long process of negotiation by NDP parliamentarians. In 1995, soon after the introduction of these laws to parliament, Marsha Pripstein-Posusney predicted the end of the moral economy in Egypt.\textsuperscript{479} An important aspect of the moral economy was the right to a stable job, and Law 12 revoked this right and replaced it with precarious employment and the threat of coercion. The passing of the Unified Labor Law prompted only a few very small protests by workers in immediate response, which was to be expected given the patterns of protest that defined the moral economy. Nicola Pratt proposed that under the moral economy, workers adopted a ‘wait-and-see’ approach to protest.\textsuperscript{480} The lack of protests in the immediate aftermath of the law change, as well as the steadily growing number of protests from the time in which the structural adjustment programs began to take effect, is consistent with this view.


\textsuperscript{479} M. Pripstein Posusney, “Egypt’s New Labor Law Removes Worker Provisions”, 52

\textsuperscript{480} N. Pratt, “Maintaining the Moral Economy,” 120
As well as explaining the lack of worker action in the immediate aftermath of the introduction of the Unified Labor Law, the wait-and-see nature of worker protest under the moral economy also explains the uptick of protests from 2004. The government’s policy decisions of the previous three decades were starting to build to a crescendo of deleterious effects on the population, and this wave of anger was the start of a long and sustained backlash against the regime. But the fact that the workers were (at this point) still behaving according to the circumscription of a moral economy is only half of the story. The regime’s elimination of worker protections under the new law signaled (at the least) its disinterest in maintaining the social equilibrium. This is reflective of the often drawn-out nature of reform in Egypt rather than any residual longing for prosperity built on Nasser’s ideas. The messy hybrid of Egyptian neoliberalism and Nasserist nationalism meant that while the structural remnants of the moral economy (such as the ETUF) persisted – and even though the workers still conformed to some degree to its behavioural expectations – the state had withdrawn and the relationship was one-way. Unfortunately for the workers of Egypt, the dominant paradigm was not immediately replaced. The years between 2004 and the fall of Mubarak was an interregnum in which the state was unable to draw the working class into a new ruling pact, and the workers were too disorganised or myopic in their goals to offer a coherent alternative.

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481 J. Beinin, “A Workers’ Social Movement,” 187
The important element to consider in the above is the idea of the moral economy as an ideology that helped to structure state-worker relations, and how the actions of the state unilaterally impacted upon this relationship. This is significant not only because of the critical importance that keeping the workers placated had to the regime, but for the broader context of class politics in Egypt. The moral economy was the regime’s way of drawing the working class into the integral state of the nationalist capitalist under Nasser. Its demise left them out in the cold. Given the continued corporatist structure of the ETUF in this relationship, the workers were unable to build any alternative structure. This was in large part due to the delay in the first signs of worker abandonment of the moral economy coming at least three years after the state had declared its indifference to the ideas that previously underpinned the relationship. The possibility of the working class articulating an alternative vision, aside from a romantic return to the so-called golden era of Nasser, was rendered basically impossible.

Much like the organic intellectuals of the capitalist class (embodied in organisations such as the ECES), the working class in Egypt had individuals and organisations fulfilling a similar function within the broader workers’ movement.\footnote{B. De Smet, “Egyptian Workers and ‘Their’ Intellectuals: The Dialectical Pedagogy of the Mahalla Strike Movement,” \textit{Mind, Culture, and Activity} 19, no. 2, 2012} Towards the end of the Mubarak period, an ideological alternative was beginning to emerge, but it remained peripheral to the neoliberal discourse that dominated Egyptian politics. To the extent that individuals and groups were able to articulate an alternative project to that of the ruling classes, it is possible to speak of a nascent working-class hegemonic project. The failings of any
alternative project in Egypt were ultimately due to similar problems encountered by the assorted fractions of the ruling class. Firstly, and most significantly, the working class was unable to recruit other classes into any coherent political project. This failure can be at least partially attributed to the dissemination of liberal-capitalist sensibilities through the middle classes.

The Rural Struggle Continues

This period also saw peasants offering significant resistance to the liberalising project of the regime. Protesting primarily against the reversal of Nasser’s land redistribution, any protests conducted by peasants after the passage of the new tenancy law were suppressed by state (or state-sanctioned) violence at the behest of the landlords. This was in contrast to the relative restraint of the regime in its response to workers’ protests. Ray Bush connects this to a renewed process of primitive capital accumulation in rural Egypt.483 This served a two-fold purpose for the regime. Firstly, it restored power to those who were closely associated with the NDP (sometimes even parliamentarians). Secondly, it was conducted under the guise of better integrating Egypt into the global economy, and the policy requirements of the ‘post-Washington Consensus’. Whereas the urban working classes experienced a dramatic worsening of their conditions under Nazif, for rural Egyptians it was a more of a continuation of already-occurring struggles. Rural acts of resistance were generally on a smaller scale than the protests in the urban centres, though this has more to do with organisation of the

483 R. Bush, “Coalitions for Dispossession and Networks of Resistance?” p. 394
rural workforce and lower population density than any inherent lack of motivation by the peasantry. The smaller scale of actions of rural resistance, and the fact that so many of these protests were out of sight (and out of mind) of the media, meant that the response of the landlords was arguably more brutal than most of the repression in the cities.\textsuperscript{484} Though protests were occasionally met with concessions, more often the violence that was meted out by the police and the thugs of the ruling classes kept the peasantry in a state of perpetual repression. The upsurge of violence in the countryside pre-dated the appointment of Ahmed Nazif's government, but the ‘incremental consequences’ of reform conducted in the 1990s saw increasing levels of resistance by peasants throughout Egypt.\textsuperscript{485} Arrests began to increase, and many Egyptians lost their lives in the violence.\textsuperscript{486} The political struggles in the countryside were inextricably linked to the politics of land ownership in Egypt, and much of the contestation arose because of earlier changes to land ownership laws. The effects of the reforms enacted by the Mubarak regime in the 1990s continued to be felt much later. The consequences of these reforms for the regime were felt alongside increasing opposition to the government’s increasingly neoliberal agenda from other parts of Egyptian society.

The land reforms, and the violent tactics used to ensure their passage, were the outcome of a clear attempt to restructure the class basis of political power in the Egyptian countryside. The class struggles in rural Egypt were both a microcosm of the struggles elsewhere in Egypt, and a harbinger of future political

\textsuperscript{485} R. Bush, “The Land and the People,” p. 63
\textsuperscript{486} Ibid.
adjustments. The disputes over land ownership and land usage were not just a contest between the peasantry and the institutions of the state, but were also fought directly between the peasants and the agrarian bourgeoisie. Although the police often worked closely with the landlords, the peasants also had to face up to armed groups of thugs in the direct employment of the landlords, who operated outside the formal purview of the state. 487 The significance of the struggle over the control of the rural means of production is brought into sharp relief by the various plans concocted by the regime to open-up more land for commercial agricultural exploitation. The most infamous instance of this was the so-called Toshka Scheme. A plan to ‘duplicate’ the Nile Valley and irrigate thousands of square kilometres of previously unusable desert, the Scheme had the support of Saudi Princes and American fruit companies, and was indicative of the turn towards a more industrialised form of agriculture. 488 Meanwhile, in the much older (and existing) farmlands, the political shift towards those who supported the regime, and away from the peasantry, served the dual purposes of reinforcing the regime’s dominance, and of better-implementing capitalist relations of production.

**Liberal Opposition**

Outside of the subaltern classes, some academics and observers of Egypt pinned their hopes for democracy in Egypt on the resistance of the judiciary to

487 Ibid., 62
488 T. Mitchell, *Rule of Experts*, 373-4
Mubarak. The mostly liberal judges proved to be a thorn in the side of the regime, particularly during the later years of Mubarak’s rule. Yet while the judges made important interventions to protect the right to protest, they never threatened the class make-up of the regime. Even had the judiciary somehow led a campaign that deposed Mubarak, it’s unlikely that whatever system emerged in its place would have had any emancipatory effect on ordinary Egyptians, given the historical commitment to liberal capitalism by the judiciary. The Judges were active outside of the courtroom in 2006, when they marched in response to two judges being charged with ‘defaming the state’ for insisting upon judicial independence in their capacity as election observers. The hope invested by foreign observers in the judiciary as the potential catalyst for a liberal, middle-class resistance to Mubarak was part of a wider desire for middle-class change. The mostly cosmetic addition of requirements for further democratisation that were imposed upon the Mubarak regime by foreign powers, particularly the United States and the European Union, all tended to encourage the emergence of western-style democracy. In other words, a democracy that serves to reinforce and legitimise capitalist relations of production.

One of the few opposition movements to draw significant press coverage outside of Egypt was the kifaya (enough!) movement of 2005. Made up of young, urban, liberal Egyptians (mostly Cairenes, it must be said), the movement was everything that Western observers hoped for in a reformist organisation. The

489 B. Rutherford, *Egypt After Mubarak*, 140-163; See also the contributions to: N. Bernard-Maugiron, ed. *Judges and Political Reform in Egypt* (Cairo: American University in Cairo Press, 2008)
491 R. El-Mahdi, “Enough! Egypt’s Quest for Democracy,” 1026-7
success of *kifaya* was quite muted at best. It failed to attract the crowds that organisers hoped for, numbering in the hundreds rather than thousands, and was violently repressed, including the sexual harassment of female protestors. Criticising the succession plans of the regime, the Emergency Laws, and the general lack of civil rights for Egyptians, the movement avoided socioeconomic issues that might have attracted support from outside the middle class. However, *kifaya* did represent a qualitative shift in the nature of protest under Mubarak. It was an alliance between liberals, Islamists, and Nasserists, and it was the first time that such protests had directly targeted Mubarak himself (and especially the anticipated succession of Gamal to the presidency). Previously, protest movements had carefully skirted around criticising the president directly. *Kifaya* soon fizzled out, though it had crucially opened up space and organising strategies for future movements.

**Rising Tide of Disaffection**

These various forms of resistance to the regime never really came together until January 2011. To that end, the Mubarak regime was relatively successful in maintaining the separation of the various protest movements. Offering concessions to some and brutal repression to others, the regime was able to play

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494 A. Alexander and M. Bassiouny, *Bread, Freedom, Social Justice*, 105-6; Though there are a few reports of striking workers making calls for the president to step down, these were not the focus of these movements. See: J. Beinin, “Workers’ Struggles Under ‘Socialism’ and Neoliberalism”, 85
the protestors off against each other to some extent. Yet in doing so, the Mubarak regime never really managed to draw any of these groups into its hegemonic project. They always remained on the periphery, at best placated rather than included, as the Mubarak regime continued to rely on an ever-shrinking fraction of the population – the affluent upper class. There is little doubt that the resistance of the subaltern classes in the years between the appointment of Nazif and the revolt of 2011 was resistance to the neoliberal policies of the regime, as much as it was resistance to the individuals of the regime itself. Perhaps one of the biggest challenges for resistance during this period (which has become clearer in hindsight) is the fact that so many of these hated policies were associated with the regime, and by extension the individuals who made up the regime. The degradation of economic conditions for many Egyptians during this time, and the accompanying decline in the social order led many to look for political solutions.

The consequences for the state in the increased resistance of the Nazif era are hardly peculiar to Egypt. The turn towards coercion had profound effects on the already-threadbare (in fact, arguably non-existent) hegemony of the regime, as the ruling elite turned to ever-increasing coercion. Nevertheless, while the explosion of resistance was widespread, it was diffuse. There were few opportunities to build alliances (and those that did present themselves, for example the kifaya movement, were not taken), and little evidence of solidarity between different class groups. In fact, outside of the urban working-class, there is little evidence of class-conscious protest activity. However, what the broad range of protest movements indicated, was the depth of ill-will towards the regime and the determination to resist it. The problem for the protestors, in retrospect, was that
their actions never really challenged the state itself. Although the workers began
to articulate demands that moved beyond the concerns of individual workplaces
and towards class-wide demands, they never really challenged the capitalist state,
nor articulated a comprehensive, alternative vision for Egyptian society. What
they all seemed to have in common was that they identified the individual
members of the regime itself as the problem, even when challenging the economic
direction of the country. By this I mean that the economic reforms were associated
more with individuals (or sometimes the influence of foreign powers). By holding
up the Egypt of Nasser as a counter-example, the obvious implication was that all
that was required was a change in personnel. This amounted to little more than a
perversion of the capitalist state, rather than the subversion that would be required
to realise the demands of many protestors (the subaltern ones at least).

In fact, this narrative of moral rather than systemic failure only empowered
the liberal critics of the regime, and made figures such as Mohammed el-Baradei
a palatable alternative to Western leaders. He barely addressed the question of
redistribution of the country’s wealth, which was effectively the elephant in the
room in discussions of the economic future of Egypt, yet he enjoyed the qualified
support of Western leaders as long as Egypt’s ‘path to democracy’ was
maintained.495 The fact that democracy receded further out from reach despite the
regime’s gestures towards ‘pro-democratic’ reform apparently mattered little..
Overall, the resistance to the regime during Ahmed Nazif’s rule was weakened by

495 D. Kirkpatrick, “Prominent Egyptian Liberal Says He Sought West’s Support for Uprising,”
seeks-to-justify-ouster-of-egypts-president.html; H. Kandil, The Power Triangle, 335
a consistent problem: the failure to address the state as well as the regime. The reasons for this failure are found in the history of the modern Egyptian state, and the persistent tendency to associate the success or failure of any social or economic project with the personalities that oversee it. Thus, the rule of Nasser is remembered quite fondly by some elements of society, whereas others have attempted to eliminate any residual policies from that era, and to influence the popular memory of his rule.496

**Alternative Capitalisms**

One of the better organised articulations of resistance to the regime was the development of alternative capitalist projects. This is best represented by the Muslim Brotherhood's 'reformist' turn, though the Ikhwan’s project was not the only one of this type. The potential reconciliation between the Muslim Brotherhood and the world of international finance capital was a common thread in much of the journalistic coverage of the group immediately after the revolt of 2011. There were similar articles published in the decade or so leading up to the removal of Mubarak.497 Much of the academic scholarship dealt with what is known as the ‘inclusion-moderation hypothesis’. It hypothesises that the inclusion of the Muslim Brotherhood into the political process would lead to their moderation, and in the right circumstances, the group would transform into a

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‘normal’ participant in parliamentary democracy. Such bullish predictions ultimately proved wrong. Yet when looking at the favourable commentary from various observers, it is clear that much of what was superficially appealing about the group had at least as much to do with their rhetorical commitment to maintaining a capitalist program of economic development, as it did with their (unofficial) participation in Egypt’s electoral processes.

Recalling that the integral state is the unity of political and civil society, the function of the Brotherhood in terms of upholding bourgeoisie class rule needs to be considered. In other words, just how much of an alternative were they proposing? Several scholars have argued that it was the Brotherhood’s provision of charity to compensate for the retreat of the state under neoliberalism that explained their popularity (this narrative has been questioned by Tarek Masoud). Masoud investigated the extent to which these much-vaunted charitable projects were actually delivered, and found that they often promised far more than they delivered, with the Brotherhood even claiming credit for the work of smaller organisations. What he found, was that rather than the Brotherhood drawing most of its support from marginalised, poor Egyptians, much of their membership was drawn from the Egyptian middle classes. By analysing empirical data acquired from surveys of the Egyptian population, Masoud’s work provides a profile of the average supporter that is far more consistent with the bourgeoisie rhetoric of the group than with the disaffected poor. Although he does

499 T. Masoud, Counting Islam, 98-101
500 Ibid., 76
501 Ibid., 77-79
not attempt to offer a theoretical explanation of why these more affluent Egyptians supported the Ikhwan, his empirical material provides plenty of scope for other researchers to do so. To that end, the class basis of the Brotherhood’s support is incredibly important, and highlights the importance of the notion of the integral state to understanding Egyptian politics.

The Brotherhood straddled the divide between civil and political society better than any other opposition group. They appeared to offer a radically different societal vision from that of the ruling NDP, albeit one that was moderate enough to participate in conventional politics (in as much as electoral politics under Mubarak could be considered ‘conventional’). However, they never promoted or represented a genuine alternative class structure for the Egyptian state. When the electoral program of the Freedom and Justice Party (for the 2011 elections) is considered along with the increasingly confident public policy advocacy of the group in the Nazif years, it is quite clear that the group never threatened the structural distribution of class power in Egypt. The abortive presidency of Mohammed Morsi confirmed this, as we will see in the next chapter. Essentially, the Muslim Brotherhood presented what amounted to a reform of Egypt’s capitalist hierarchy as a far more radical subversion. Much like Nazif and his crony cabinet, the Muslim Brotherhood sought merely to redefine the role of the state, rather than make any drastic changes to bourgeoisie class rule.

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The emergence of a kind of pious capitalism both within and without the Brotherhood was accompanied by a similar approach becoming more broadly popular throughout Egypt. The 2000s saw the emergence of what Mona Atia calls ‘pious neoliberalism’, which articulated similar themes to Western ‘prosperity-gospel’-type televangelism in an Islamic context. This amounted to the translation of neoliberalism into an Islamic idiom. This was similar to the Brotherhood’s use of an Islamic idiom in early capitalist Egypt (which we saw in chapter two). While Mubarak never really achieved hegemony (even in the relative social peace of his first few years, it was more of a carefully balanced), it seems that neoliberal views of the economy did pass into bourgeoisie ‘common sense’.

**Crisis Comes to a Head**

By the end of 2010, three bourgeoisie-led political blocs had emerged in Egypt, the most powerful of which could be considered ‘historical blocs’. By this, I mean that the Islamic bourgeoisie had not only formed a pragmatic social alliance between parts of the capitalist class, the middle class, and even some subaltern Egyptians, but they had managed to articulate a distinct ideology that bound those groups together in a more organic sense. The resistance of various subaltern classes to the regime also contributed to the reconstruction and reimagining of Egypt’s class relations. The place of the state in all of this was a central concern for the political elites. It was the renegotiation of class relations in the period from

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503 M. Atia, *Building a House in Heaven*, 77-103
the appointment of Nazif onwards that fundamentally shaped (if not entirely determined) the contours of future political struggles. This renegotiation resulted in yet another significant change in the integral state, as the balance began to tilt more heavily towards coercion. The character of the relationship between civil society and political society was The problem for those seeking a fairer system, or any alternative to neoliberalism, was that the subaltern classes never really bound together. Instead, different segments of different class groups tended to bind around politics that were not necessarily related to class concerns.

All of this meant that Egypt was approaching a moment of crisis. How such a moment of crisis should be conceived was an important concern for Gramsci, who distinguished between what he called moments of ‘conjunctural’ and ‘organic’ crisis.\(^{504}\) An organic crisis is one in which both state power and that of historical blocs is threatened by “…systemic contradictions inherent to the historical bloc [coming] to the surface and that the bloc as a whole… suffers a crisis”.\(^{505}\) In contrast, a conjunctural crisis is one that appears as “…occasional, immediate, almost accidental.”\(^{506}\) Such conjunctural crises “… do not have any far-reaching historical significance; they give rise to political criticism of a minor, day-to-day character, which has as its subject top political leaders and personalities with direct government responsibilities.”\(^{507}\) The question then, is whether or not the crisis that Egypt faced in late 2010 was of an organic or a conjunctural character.

\(^{504}\) A. Gramsci, Selections from the Prison Notebooks, 210-218
\(^{505}\) B. de Smet, Gramsci on Tahrir, 23
\(^{506}\) A. Gramsci, Selections from the Prison Notebooks, 177
\(^{507}\) Ibid.
De Smet argues, following Rosa Luxemburg’s theory of the ‘mass strike’, that the confrontation between protestors and the organs of the state “…[revealed] the class nature of the state,” meaning that the coming protests amounted to a direct confrontation with Egyptian capitalism.\(^{508}\) Therefore, though he does not say it directly, it can be assumed that De Smet sees eruption of protest as a moment of organic crisis. As we will see in the following chapter, the nature of the crisis was quite ambiguous, and the benefit of hindsight suggests that despite the promise shown, that the crisis maintained a stubbornly conjunctural character. Given that the problems outlined earlier in this chapter all tended to be personally identified with Mubarak, this meant that the calls to protest that resonated most strongly were those that were of a conjunctural, “…day-to-day character…” as Gramsci pointed out.\(^{509}\)

Immediately prior to the revolution, the continual process of restructuring Egypt's class relations under Mubarak had reached a head. The outcome was essentially a bitter political contest between different fractions of the capitalist class, each of whom could draw upon different segments of the subaltern classes for more widespread support. Certainly, the section of the capitalist class with the narrowest base was those who were most closely connected to the regime itself, having continually pursued policies that benefitted a decreasing number of Egyptians. What they lacked in support, they made up for with an increasingly heavy-handed use of the coercive apparatus at their disposal. Yet, however

\(^{508}\) B. de Smet, *Gramsci on Tahrir*, 202-203
\(^{509}\) A. Gramsci, *Selections from the Prison Notebooks*, 177
untenable Mubarak’s position was, the likelihood of a substantial challenge was remote. That changed in late 2010 in the most unlikely fashion, when a Tunisian fruit-seller self-immolated in protest against the unfair economic policies of his government.
Chapter Six

REVOLUTION AND COUNTER-REVOLUTION

The literature on the Egyptian revolution and counter-revolution has been constantly expanding since the 2011 uprising. Scholars and pundits have advanced several explanations, of varying degrees of sophistication and plausibility. The remaining chapters in this thesis draw on this work, while seeking to provide a distinctive vantage point from which to understand the events of 2011 and their aftermath. The focus here is on the Egyptian state, its relationship to the capitalist class and class fractions, and the continuities and discontinuities in the state prior

to and after the revolution itself. Expressed differently, the reappraisal of the Egyptian state aims to better understand its role in transmitting and preserving class power. Rather than seeing the state exclusively as an ensemble of self-promoting political actors (the security service, the military, the bureaucracy, etc.), the definition of the state is broadened, as per Gramsci’s definition of the integral state, or Poulantzas’ conception of the state (which borrows heavily from Gramsci). Positioning the state as central to the reproduction of capitalist relations of production, rather than seeing the institutions of the state (particularly those with a coercive function) as independent of broader society, will help to situate the state in the context of the political changes that led to popular revolt.

Beginning with the 18 days of revolution, the chapter then covers the twelve months of Morsi’s presidency. The revolution spawned innumerable blogs, post-facto accounts by participants, and of course, academic and journalistic coverage of the events as they unfolded, and these will be relied upon to piece together a picture of what happened in the form of a linear narrative. Similar accounts of Egypt in the post-revolution era are equally numerous, and again, will be utilised to provide as full a picture as is possible of events in Egypt.

18 Days of Revolt

Scholarly discussion of the context for the revolution often acknowledges the development of a culture of protest against neoliberal reforms, particularly in the final decade of the Mubarak era. Over the preceding two chapters, this culture of protest was outlined, and the movement that was beginning to take shape was a
consequence of this.\textsuperscript{511} The choice of the day for the protests was deeply symbolic, with the 25 of January being the Police Day national holiday. The day commemorates the sacrifice of Egyptian police officers in 1952, who refused to submit to British demands to disarm, instead fighting back against the imperialist interlopers. Since that time, however, the police force became part of the hated state security apparatus, more known to the public for their indiscriminate violence and corruption than for their heroism and bravery.

The first day of the revolution was planned as a protest against the more outrageous excesses of the police force, in particular the savage murder of Khaled Said. Footage of their attack on Said spread quickly through the Egyptian population, and a Facebook group was established to organise protest activity – the now-famous ‘We Are All Khaled Said’ group. The Tunisian experience in ousting the long-reigning dictator Zine El-Abidine Ben Ali was also at the forefront of the organisers’ thoughts. The desire to emulate the Tunisian outcome was shared by many Egyptians.\textsuperscript{512} Quite what was different about this day of protest, as opposed to the numerous other protests against Mubarak over the previous decade, is a question that has concerned academics since. In the previous two chapters, the steady degradation of the moral economy, (and the broader social contract in Egypt) was shown. The discursive shift represented by the rise to power


\textsuperscript{512} See the comments by various protestors in any number of journalistic articles from the first few days of the revolution, for example: “The Egyptian people are great! I see resolve in the march. The Tunisian model is inspiring to all Arab states.”: Reuters, “Factbox- Protesters Call for Change in Egypt,” January 26, 2011, http://uk.reuters.com/article/2011/01/26/uk-egypt-protest-quotes-idUKTRE7002U420110126; K. Khalil, ed., \textit{Messages from Tahrir: Signs from Egypt’s Revolution} (Cairo: American University in Cairo Press, 2011), 144
of Gamal and his assorted hangers-on is just as significant for the shift in the relations of production as the later change in behaviour of Egyptian organised labour and protest groups post-2006. This is not to downplay or in any way deny the significance and efficacy of the resistance of the workers in Egypt. The changes in the relations of production in Egypt were gradual for the most part, with a handful of major events that provided added impetus to either the regime or the resistance at particular moments. The origin of neoliberal change in Egypt is not in the creation of the NDP’s Policies Secretariat, and has its roots further back in the Sadat era.

The protests continued in the same vein for the next two days, without any major changes in their message or the tactics of either side. The Google executive and administrator of the ‘We Are All Khaled Said’ Facebook page, Wael Ghonim, was arrested on 27 January (alongside many others), but this did nothing to quell the revolutionary fervour of the assembled masses. The following day, Friday 28 January, came to be known as the ‘Day of Rage’, or the ‘Friday of Anger’. Whilst they had stayed in the background for the first three days of the protest, the Muslim Brotherhood took to the streets as a movement (rather than as individuals) after the noon prayers.\textsuperscript{513} This time, the regime was ready for the protests, and it changed its response quite markedly. The government reacted punitively, disabling the country’s mobile phone and Internet networks in an attempt to stymie the organisational efforts of the protesters. This failed to bring the Egyptian people to heel, and the headquarters of the ruling NDP was razed. In an attempt to force

\textsuperscript{513} C. Wickham, \textit{The Muslim Brotherhood}, 162
the protestors to abandon their now well-established positions in Tahrir Square, the police released a number of prisoners and encouraged them to, as Hazem Kandil puts it, “…make the most of the situation”.514 In response to the ensuing wave of criminality, the protestors burned down police stations. If anything, the severity of the government response served only to heighten the sense of urgency by the protesters, who continued to expand their activities across an increasing number of cities, and into the rural areas. In a desperate ploy to placate the Egyptian people, Mubarak relieved his cabinet of their positions and appointed his (widely despised) former head of intelligence, Omar Suleiman, as Vice President on 29 January. This was apparently an attempt to demonstrate his willingness to delegate responsibility and to shy away from the limelight himself. But it turned out to be something more akin to a final nail in his coffin. Only three days later came the ‘Million Man March’, the biggest push by the protestors yet. By this time, the somewhat vague early demands for social justice had firmed into a concerted push for the removal of Mubarak and his son from politics (along with their cronies).

Mubarak responded to this by withdrawing police from Tahrir Square in Cairo, and deploying thugs mounted on horseback and camels in the service of the regime, to ruthlessly attack the revolutionaries. For two days over the 2\textsuperscript{nd} and 3\textsuperscript{rd} of February the protestors waged a running battle with thugs that was dubbed ‘The Battle of the Camel’. Concurrently, the army made public pronouncements advising the protestors to disperse and refused to intervene in the skirmishes.

514 H. Kandil, *Soldiers, Spies, and Statesmen*, 225
According to a military spokesman, “[Protesters’] message has arrived, your demands became known”. In other words, they had made their point, and it was about time that they stopped causing such a fuss. Unsurprisingly, the protestors had no intention of going home and returning to their ‘normal’ lives. The tension of revolution hung heavy in the air, and the demands to oust Mubarak only grew more insistent after the violence and indignity that they suffered at the hands of the regime and its agents. Furthermore, the role of the Muslim Brotherhood in repelling the regime’s goons was crucial to the survival of the revolution, and this went some way to change the popular perception of the Brotherhood and their involvement in the revolution. The ‘Battle of the Camel’ also saw changes in the response of international actors to the development of the revolution. The United States began to explicitly state that they sought an end to Mubarak’s reign, rather than the vague and rather non-committal pronouncements that they had made prior. The groundswell of popular revolutionary fervour that was generated over these two days culminated in the ‘Day of Departure’ on 4 February. Protestors poured into the streets with newfound vigour to demand that Mubarak resign, hoping that a show of enough force by the protestors would force him out.

Unfortunately for the protestors, it was not enough, and Mubarak stayed ensconced in the office of President (however untenable the situation might have


been for him). In hindsight, it was at the Battle of the Camel that the ‘revolution’ really became possible. The attempt by Mubarak to smash the protests by force and halt the momentum of the revolution, having only made superficial changes (and even mere promises to make superficial changes), was met by a grim determination to see that that the demands of the protestors would be met. The next day there was some relief for the revolutionaries. On 5 February, the leadership of the ruling NDP stepped down, including Gamal Mubarak, the widely-despised son of the now-precariously positioned president. Pressure continued to build, but there was little immediate sign that Mubarak would step down. He thought that delegating authority to Suleiman, his pledge to not seek re-election, and the resignation of the party leadership would placate the protestors. Unfortunately for Mubarak, he was the embodiment of a system that impoverished an increasing number of Egyptians, while he and his cronies had become ever-more conspicuously wealthy. Ultimately, he was seen as personally responsible for Egypt’s economic predicament, and the knowledge that even if he did step down that his son Gamal would likely assume the presidency, only heightened the resolve of the revolutionaries. They wanted to destroy the system of patronage that had corrupted Egypt, and not just make a cosmetic change of the guard. And yet even at this point (5 February), the removal of Mubarak still seemed to be an intractable problem.

A quantitative and qualitative shift in the nature of the protests occurred the following day. Up until this point, the workers of Egypt had participated in the protests as private individuals, not as organised labour (or at least, this was not expressed explicitly as the predominant identity). With a general strike called on
6 February, the pressure increased even further on Mubarak. Until now, the economy had continued to function, albeit in a constrained fashion. With the general strike called for by the labour movement, organised labour made Mubarak’s position untenable. With the weight of numbers behind the calls for his resignation, even his allies could no longer tolerate the circumstances that had arisen. On the same day that the strike wave began, Tahrir Square was the site of an interfaith service, in which the Muslim and Christian groups of modern Egypt professed solidarity with one another. Together with the days of protest in the lead-up, these events saw the solidification of the coalition of Egyptian opposition groups, which was ultimately responsible for bringing down one of the longest reigning autocrats in recent history. Mubarak stood down only a few days later, on 11 February.

The Failure of the ‘Republic of Tahrir’

With the apparent success of the ‘revolution’, something must be said about the deeper implications of the social organising that occurred in Tahrir Square (and in other cities). De Smet suggests that the social structures that emerged in Tahrir square over the course of the 18 days even represented some kind of prefiguration of a potential post-revolutionary society.517 The basis of these claims lies in the fact that Tahrir did see alternative forms of basic social organisation emerge, though in hindsight these were only temporary (and could only ever be such). The main weaknesses of the commune in the square were both organisational and ideological.

517 B. de Smet, Gramsci on Tahrir, 196-200
Ultimately, from a Gramscian perspective, the failings of the so-called ‘Republic of Tahrir’ can essentially be put down to the fact that the revolutionary multitude did not share a unifying ideology, and that the assembled protestors therefore never represented an alternative historical bloc.

The ‘Republic of Tahrir’ has been described as a ‘utopian ministate’, as a symbolic ‘social drama’, and as an ‘anticity’, all of which hinted at the optimism of protestors and observers alike about the potential that the revolutionary gathering had for the future of Egypt.518 This view of the commune tends to be taken by those who see the outcome of the eighteen days of protest as a failed revolution, rather than more critical observers (such as McMahon), who deny that a revolution took place at all.519 While it is certainly true that the protestors experienced a brief moment in which, for example, the long-standing social conventions around gender and class divisions were forgotten, such changes later proved to be only at the most superficial level, with little lasting impact. Tahrir’s communards could never go further without capturing the state itself, but there was no revolutionary ideological preparation for such a moment.520 There was certainly the appearance of spontaneous order out of chaos, but analysts and observers of revolutionary phenomena should be cautious about its significance. The organisation of the Square, with democratic committees organising

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519 S. McMahon, Crisis and Class War in Egypt, 1
520 Gramsci refers to the need for “[in moments of insurrection] long ideological and political preparation, organically devised in advance to reawaken popular passions and enable them to be concentrated and brought simultaneously to detonation point.”, in A. Gramsci, Selections from the Prison Notebooks, 110
everything from rubbish collection to entertainment for the assembled protestors, never extended to any kind of political organisation. Rival political groups simply tolerated each other until the fall of Mubarak. These new ‘revolutionary’ norms of behaviour and informal organisation to look after the day-to-day needs of the protestors help to disguise the fact that Tahrir never had a consistent, coherent meaning for protestors, and it was always a pastiche of various groups with their own grievances about the regime, and different ideological understandings of Egypt’s problems.

The lack of coherent ideological direction and leadership among the protestors was a reflection of the fact that the protestors had failed to produce anything like an historical bloc. McMahon proposes that this failure could be attributed to the fact that most protest movements in Egypt had internalised neoliberal ways of thinking, and that they were therefore incapable of realising any alternative (he goes so far as to say that the protestors’ demands were neoliberal fetishism).\(^{521}\) In addition, the idea that Tahrir represented a genuine alternative to the oppressive structures of the capitalist state becomes an absurdity when one considers the fact that protestors willingly allied themselves with the military, the protectors-in-the-last-instance and beneficiaries of capitalist exploitation in the country.\(^{522}\) It is difficult to reconcile the idea that Tahrir could be on one hand a ‘prefiguration’ of a liberated world, and on the other, this liberation embraced the most powerful coercive arm of the state.\(^{523}\) De Smet also acknowledges that Tahrir did not go far enough, comparing the occupation of the

\(^{521}\) S. McMahon, *Crisis and Class War in Egypt*, 73, 123
\(^{522}\) Ibid., 122-123
\(^{523}\) Ibid.
square to the much greater successes of the revolutionaries of the Paris Commune.\textsuperscript{524} Though he accepts that the Paris Communards went much further, in that they managed to seize the state institutions for themselves, he then downplays the significance of the difference by insisting that Tahrir represented a similar prefiguration of a post-revolutionary Egypt. However, when pointing out that by removing state power from the square, Tahrir moved “…from an instrument of political emancipation to a prefiguration of a free society…”, De Smet does not provide any evidence that it was considered an alternative form of permanent social (re)organisation by the protestors themselves.\textsuperscript{525} The unifying objective was never greater than the expulsion of Mubarak.

**SCAF and the Restoration of the Neoliberal State**

Victory for the people revealed itself to be a false dawn, and before long journalists and academics were publishing articles warning of an impending ‘winter of Arab discontent’.\textsuperscript{526} As it happens, Egypt was neither doomed to the extremes of civil war nor a fundamentalist Islamist dictatorship. But the road ahead was by no means smooth. Once the Supreme Council of the Armed Forces (SCAF) had assumed power, and the immediate questions of the country’s political structures were apparently resolved, the attention of the revolutionaries turned to the vexing question of a new constitution. This saw no let-up in the

\textsuperscript{524} B. de Smet, *Gramsci on Tahrir*, 198-199
\textsuperscript{525} Ibid. 198
political contest, but it did see a fracturing of the solidarity between the various revolutionary groups.

The period under the SCAF was only marginally less tumultuous than the 18 days of revolution, with the collective catharsis resulting from the end of the Mubarak era serving to only slightly blunt the intent of the protestors. Operating as the executive authority in the lead-up to the promised elections, the SCAF used this period of political ambiguity to attempt to shape the political structures according to their own objectives, and to manipulate the behaviour of the various civilian contenders themselves. The first major challenge presented in the period under SCAF was the referendum on 19 March, to decide whether the constitutional amendments proposed by the military were to be approved. Eight amendments were put forward: limiting the presidential terms to four years (from six), and limiting presidents to two terms; changes to the eligibility requirements for presidential candidates; restricting the declaration of a state of emergency; the resolution of electoral fraud cases in the Supreme Constitutional Court rather than the Shura Council (the upper house of parliament); judicial supervision of all elections; restricting the ability of presidents to try civilians before military tribunals; and finally, the provisions for a new 100-member council, not to be drawn from the Shura Council, to write a new constitution. Voters overwhelmingly approved these changes, with 77 per cent voting ‘yes’. However, it should also be acknowledged that only 41.2 per cent of eligible voters cast a

Whilst it may have seemed as if Egypt was finally moving down the road towards democracy, the SCAF’s counter-revolution was, as we will see, by now well underway.

From the adoption of the Constitutional Declaration, the already complicated political situation of post-revolutionary Egypt became even murkier. The first elections under the March 2011 Constitutional Declaration were the elections for the lower house, the People’s Assembly, held over a period of roughly three months from 28 November 2011 to 11 January 2012. These elections saw the predictable rise of the Muslim Brotherhood’s Freedom and Justice Party (FJP) to the dominant position in parliament. But this partial electoral victory, in which they won 235 seats (short of the 255 required for an outright majority), was not without some mostly self-inflicted controversies. The Brotherhood’s hand was forced early in the piece, having to abandon their initial promises to contest fewer than 50 per cent of the available seats in order to ward off the incipient threat of the Salafists, with whom they ended up forming government.\textsuperscript{529} Previously more-or-less apolitical, the Salafists emerged as a surprise force in post-Mubarak Egypt, abandoning their previous stance of disengagement with the worldly affairs of politics.\textsuperscript{530} The SCAF was also concerned by the rise of this new force, but adopted a relatively conciliatory approach to them, in a similar vein to their relationship with the Brotherhood. It was fairly clear that the SCAF was attempting to co-opt

\textsuperscript{529} C. Wickham, \textit{The Muslim Brotherhood}, 249-50
\textsuperscript{530} S. Lacroix, “Sheikhs and Politicians: Inside the New Egyptian Salafism,” Brookings Doha Center Policy Briefing (Doha: Brookings Center, 2012)
any remotely conservative force in order to shore up their position. Specifically, they could not afford to entertain the possibility that they would lose control of the military to a civilian president. This was still far from certain, but the presidential elections were only a matter of months away, and political Islam was on the rise.

The Muslim Brotherhood had plenty of good reasons to feel a degree of distrust towards the military, given the long history of antagonism between the two, and the Muslim Brotherhood having felt the full extent of the regime’s coercive power. In spite of this, the two tolerated each other, with the Muslim Brotherhood determined to work within the democratic structures that were under development. Nevertheless, the months between the parliamentary elections and the presidential elections gave the SCAF the time to get their political ducks in a row.

**Morsi’s Fleeting Success**

The SCAF abruptly announced a ‘supplement’ to the March 2011 Constitutional Declaration on Sunday, 17 June 2012. They sought to preserve their power by removing Presidential control over the armed forces, thereby, removing the uncertainty that democracy might bring. These changes did not go to a popular vote, and occurred on the final day of the second round of the Presidential elections, by which time it had become obvious that the presidential candidate of the counter-revolution (Ahmed Shafiq) had lost. But the military’s effort to

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quarantine their power from civilian, presidential control was not just about political prerogatives. The Egyptian military also had and has considerable economic interests. McMahon also considers the military to be the leaders of a faction of Egyptian capital, but his analysis differs from this thesis in an important respect. McMahon uses Marx’s labour theory of value to analyse Egyptian politics, arguing that it is each faction of capital’s ability to extract surplus value from Egypt that defines its power in Egyptian society. However, this ignores the ideological power that these factions were able to exert. For the military, this includes power over those that were not in a direct relationship with in terms of production (i.e. labourers outside of the military’s army of conscript labour). This is mostly because McMahon’s conception of historical bloc is a puzzling one. He fleetingly invokes the idea of historical bloc, but pays little attention to the ideological elements of any such bloc, nor does he differentiate between elements of the working class within such blocs. The military’s economic interests were fundamentally tied to its political interest in presenting itself as the protector of Egypt. The SCAF was keen to protect these interests as a means to ensure its independence from a civilian government (there is scepticism in some quarters over the size and significance of the military’s assets, but this is certainly a minority opinion amongst scholars).

533 S. McMahon, Crisis and Class War in Egypt, 24
534 Ibid., 111
535 Kandil has drawn on mostly official Mubarak-era government documents, and even a speech by Mubarak himself, to support his claims that other scholars exaggerate the military’s importance in the economy. Such sources need to be treated with a healthy scepticism. Hazem Kandil, Soldiers, Spies, and Statesmen, 181-5. For an alternate view, see: Z. Abul-Magd, “Militarism, Neoliberalism, and Revolution in Egypt,” Cairo Papers in Social Science 33, no. 4, 159-170
On the back of this upheaval, Mohammed Morsi was elected President. He was the second-choice candidate for the Brotherhood, behind multi-millionaire businessman Khairat al-Shater (who was ruled ineligible as a result of his ‘criminal’ history, having been imprisoned by the Mubarak regime), and was widely mocked as a ‘spare tire’ candidate. Nevertheless, he became the first democratically elected president of Egypt, and made a number of promises to uphold the relative social peace that had been maintained by the dictators that preceded him.

If his promises were to be believed, Morsi (and the Muslim Brotherhood’s Freedom and Justice Party) would guide Egypt into a new era of prosperity. He would restore the social wage (and implicitly, the corporatist labour relations of the moral economy,) to the workers, while simultaneously increasing private sector investment and deregulating the economy. Alas, like so many things that seem too good to be true, it was. The precise reasons for the failure of Morsi will be scrutinised in the next chapter. For now, it is sufficient to note that he was unable to deliver on any of his promises to the Egyptian people, and did not represent any clear break either in economic policy or practice from the previous regimes. It seems likely that his appeals to economic justice and fairness resonated so forcefully because of the historical memory of the ‘moral economy’ established under Nasser. And yet in practice his policies represented a continuation of

536 C. Wickham, The Muslim Brotherhood, 256
537 A. Alexander and M. Bassiouny, Bread, Freedom, and Social Justice, 267-8
economic liberalisation while appropriating some of the language of ‘Arab Socialism’. Morsi’s brief reign, from 24 June 2012 to 3 July 2013, was defined and constrained by dual tensions. On the one hand, he had to contend with internal tensions within the Brotherhood between its authoritarian strands and more democratic tendencies. One the other hand, he was caught between his party’s policies and the political-economic circumstances in which he found himself. The institutions of the Egyptian state itself had changed very little, especially in terms of the coercive institutions and the people who staffed them. Furthermore, the economic situation remained in an unchanged state of continual decline, and the Muslim Brotherhood was unable to offer any meaningful alternative to the status quo. Indeed, their ‘alternative’ economic policies were defined mostly by wishful thinking about the power and influence of a sense of solidarity amongst the Muslim ‘Ummah, and the consequential social and industrial discipline (and prosperity) that would follow.\(^{539}\)

Meanwhile, the problem of the constitution had yet to be solved. The process of drawing up a new constitution became defined by the tension between the Islamists and the secularists – in particular the place of Shari’a law in the new Egypt. To confuse matters further, the parliamentary elections had been conducted without a constitution having been approved, and thus the first parliament was left in an awkward limbo. The parliament was supposedly representative of the new, revolutionary Egypt, but it was stuck with and beholden to the institutional apparatus of the former regime. This played into the hands of the reactionary

forces, including the Brotherhood, by granting them access to the levers of power, as well as the constitutional committee. There were claims and counter-claims of disproportionate influence by each side (divided mostly along Islamist vs. secular lines) from their opposites, culminating in a boycott of the constitutional committee by many of the secularists. The new constitution finally became law on the 26 December, following a referendum in which only 33 per cent of the eligible population voted.

The Fall of Morsi

Although things initially appeared to be going relatively well for Morsi, he soon came up against the formidable influence of the state bureaucracy and the remnants (fulul) of the old regime. Morsi’s vague plans for economic reform in Egypt soon came up against the harsh reality of an economy that had nowhere to turn but back to the widely-despised international financial institutions and their neoliberal prescriptions. Morsi was forced to backtrack on earlier pledges he had made promising to make no further deals with the IMF and the World Bank, and soon formally requested a new $4.8b USD loan.540 Having said that, his economic policies won the approval of the ECES, the think-tank from which Gamal Mubarak drew some of his allies.541 The economy continued to flat-line in the wake of the instability and uncertainty caused by the 2011 protests, however, and the living

540 Borzou Daraghi “Egypt Formally Requests $4.8bn IMF Loan,” The Financial Times, August 22, 2012, https://www.ft.com/content/1565fbb8-ec47-11e1-81f4-00144feab49a
541 A. Joya, “Neoliberalism, the State and Economic Policy Outcomes in the Post-Arab Uprisings,” 348
standards of ordinary Egyptians suffered.\textsuperscript{542} The political pressure began to build on Morsi. Despite the fact that he enjoyed the political and financial support of the USA and Qatar, he failed to make any real economic progress. This was partly a case of the presidency’s capacity to affect change butting up against unrealistic expectations of the citizens. Morsi’s complete inability to make the progress that he promised sealed his fate.

Morsi’s brief presidency was another that made quantitative changes to the integral state. In fact, this is one of the most striking features of this period of political turmoil; the fact that after the events of the revolution, the SCAF counter-revolution, and even Egypt’s first democratically-elected president, the form of the integral state remained largely unchanged. Even the form of the state was barely altered, partly because of the Islamist historical bloc’s inability to overcome their rivals within the Egyptian state apparatus (political society). If nothing else, Morsi’s rule is illustrative of the tenacity of the capitalist integral state in Egypt.

In addition to preserving the neoliberalism that led to the economic decline of the country, which Gilbert Achcar observed was “…leading Egypt down the road to economic and social catastrophe…”,\textsuperscript{543} Morsi was also rather hubristic when it came to the contests for control of the state. He was initially quite close to the security apparatus, but the relationship between the two quickly began to break down. His failure to exert control over the recalcitrant institutions of the state, whether military or civilian, resulted in Morsi concentrating more and more power

\textsuperscript{542} A. Hanieh, \textit{Lineages of Revolt}, 170
\textsuperscript{543} G. Achcar, \textit{The People Want}, 233
into the presidency.\textsuperscript{544} This concentration of power, along with stacking his cabinet with increasing numbers of Brotherhood members at successive reshuffles, projected the image of yet another president with dictatorial tendencies. The continuing economic malaise of the country was undoubtedly a significant driver of opposition to Morsi, but he certainly was not helped by the Brotherhood’s outwardly close relationship with the hated domestic security apparatus.\textsuperscript{545} Rather than making meaningful structural changes, Morsi’s reforms simply made cosmetic changes to the personnel, and did nothing to disrupt, let alone overturn the internal logic and power relations of Egypt’s security organisations.

Social discontent, which had continued to fester since the fall of Mubarak, manifested in continued protest despite the apparent turn towards democracy. The military responded, in the first instance, by entreating people to return to their normal lives. Sectarian violence was on the increase, and the economic situation was only worsening. Large-scale protests continued throughout Morsi’s reign, echoing many of the as-yet unrealised economic demands of the revolution. In July 2013, in the febrile atmosphere on continued popular protest, Morsi was deposed by a coup d’état led by (the then-) General Abdel Fattah el-Sisi, and the 2012 constitution was suspended. Despite the celebrations of some Egyptians, the revolution was effectively back to square one, and the counter-revolution had incontrovertibly triumphed, for reasons that are canvassed in the next chapter.


Conclusion

The years leading up to and immediately following the revolution saw massive political changes in Egypt, which have only been cursorily summarised in this chapter. Deeper analysis of these events will follow in the next chapter. A handful of key themes emerged. The oft-Machiavellian manoeuvrings of the various actors in Egypt’s political drama over the period from Sadat to al-Sisi take on greater significance when looked at as part of the broader problems of revolution, the state and the exercise of political power itself. State power itself, and how it was centralised into the institution of the ruling NDP, is key to understanding these issues. In particular, the transfer of power away from the military and into civilian hands (beginning under Sadat) underlies one of the central tensions between different fractions of the Egyptian elite. More importantly, understanding the civilian-military tension helps us to understand the alliances that different fractions of the elites were able to make with sections of the popular classes. All of this occurred against the backdrop of the neoliberalisation of Egypt. Much more significant than personal rivalries, this process shaped the behaviour of various actors, and resulted in a clash of rival hegemonic ideologies. The counter-revolution of al-Sisi cannot be explained without first examining the forces arrayed against each other in Egypt, and the economic and political manoeuvring that they conducted before and after the Tahrir revolution.
Chapter Seven

SISI TRIUMPHANT

The rapid ascent of Abdel Fattah al-Sisi to the presidency, riding what seemed to be a fresh wave of popular unrest, represented a two-fold development for Egypt’s class politics. Firstly, the Islamic-capitalist class fraction was dispossessed of the state’s bureaucratic apparatus; and secondly, the rise of Sisi represented an uneasy unification of nationalist and neoliberal fractions. Overall though, Sisi’s triumph was the triumph of the counter-revolutionary moment in Egypt, and Sisi himself personifies this regression. Sisi’s reshuffled class hierarchy met little initial resistance along definitively class lines, with opposition from the Muslim Brotherhood being mostly on political grounds. Nevertheless, Sisi and his regime soon turned to violence to eliminate any perceived threats. The resulting, and on-going, brutality inflicted on civilians by the security forces is one of the most prominent features of Sisi’s rule, and it is a tactic to which he has
consistently turned. After a series of violent protest dispersals between the fall of Morsi and the massacre of Muslim Brotherhood supporters on the 14 August 2013, the regime expanded its use of coercion. Torture, continued violent and sometimes deadly responses to protests, and the disappearance of political opponents, were coupled with less physically aggressive forms of suppression, and Sisi has tightened his grip on power through restrictive legislation.\textsuperscript{546} Whilst his predecessors often subjected their opponents to violence, they did not approach the scale or the intensity of the violence under Sisi.\textsuperscript{547} Sisi’s violence against the Egyptian people is the ultimate proof of the triumph of his counter-revolution.

As he tightened his grip on power, Sisi further entrenched the neoliberal economic program that has underpinned Egypt’s political-economic tensions for the past four decades. In order to fund his increasingly ambitious (often fanciful) economic policies, Sisi facilitated a re-alignment of Egypt’s political and economic interests in the Middle East region. Most notable here was his pursuit of closer ties to Saudi Arabia, Kuwait, and the United Arab Emirates (UAE), while he intensified hostility towards Qatar.\textsuperscript{548} Apart from some inconsequential objections to his human rights record, the US has largely stood by Sisi. Under president Donald Trump, the political ties between the two countries look to be further improving.


\textsuperscript{547} At least not since Nasser’s repression of the Muslim Brotherhood, and even that resulted in fewer deaths and incarcerations. Human rights groups estimate that between 2013 and 2016 alone, sixty thousand people were arrested by Sisi’s regime. See: Ibid., 20

\textsuperscript{548} S. McMahon, Crisis and Class War in Egypt, 152
This chapter addresses each of the above themes in more depth. The unapologetically bloody nature of Sisi’s rule up to the time of writing has attracted the attention and often condemnation of the rest of the world, and the coercive policies that uphold his rule will occupy most of the attention of this chapter. The chapter begins with a brief overview of the political manoeuvring in Egypt as Sisi moved to seize power, and the impact that this had on various political groups in Egypt (both those that supported and those that challenged his rule). Moving from Sisi’s rise to power, the chapter turns to the massacre of Muslim Brotherhood supporters in Rabaa square on 14 August 2013. The chapter uses the Rabaa massacre as a starting-point for understanding the coercion of the regime, what the violent turn of the state says about the integral state, then coming to an explanation of what this means for the continued rule of the capitalist class in Egypt. Continuing from here, the chapter examines the make-up of the capitalist class under Sisi. The changes in the configuration of the capitalist hierarchy has had significant effects on the politics of Egypt, including the partial dissolution of both old and new political blocs, and a change in the logic of political activity by the capitalist class. Sisi has not only changed the surface appearance of political power in Egypt, but he has changed the calculations of those with ambitions for economic and political power—it is no longer about direct access to the state for the oligarchs. Moving from the capitalist class to the regional circulation of capital, examination of Egyptian capitalism continues with a focus on the shifting regional alignment of Egypt, and in the world more broadly. Rather than being concerned with how Egypt’s changing leadership has affected the region as a whole, the focus of this chapter is the very direct impact that this process of regional political re-calibration had on politics in Egypt, particularly the empowerment of some capitalists at the
expense of others. Finally, this chapter attempts to stake out quite clearly where the three fractions of the capitalist class sit now that Sisi’s rule has seemingly stabilised, and the potential outcomes that this points to for Egypt, and the state in particular.

**The Military Moves**

Sisi’s rise to power was inextricably linked to the concomitant failings of the Morsi regime. Against a background of political and economic turmoil, the security forces slowly stirred into action. It is now well-documented that many members of the armed forces, across a broad range of ranks, would not accept Muslim Brotherhood power over the military. While this did not result in immediate public resistance from the military, there was nevertheless early manoeuvring by the military and security bodies to shore-up their own positions within the state. From early on, Sisi made sure to quarantine the financial affairs of the military from any prying civilian oversight. In the last few months of his rule, as Morsi’s grip on power grew more tenuous, the security forces began to intentionally leave Brotherhood infrastructure unguarded and refused to quell protests against Morsi. The pressure was beginning to build, and Sisi was doing little to prevent it.

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549 G. Achcar, *Morbid Symptoms*, 82-83  
551 N. Ketchley, *Egypt in a Time of Revolution*, 113-117
Sisi began ascending through the ranks of the military under Mubarak. Beginning his career in the infantry, he moved to spend most of his career in military intelligence, where he rose to eventually become leader of that branch of the military, until Morsi’s 2012 reshuffle of military leadership. At the time, it was reported as a hostile attempt to stamp the authority of a new civilian government on the formidable apparatus of the military. But hindsight tells a markedly different story. All of those who were moved in this reshuffle ended up benefitting from the changes. This was especially so for Sisi, who was appointed as the defence minister. Moreover, the changes did absolutely nothing to limit the considerable political influence of the military.

From the outset, a highly active security apparatus and an ever-tightening coercive apparatus characterized Sisi’s rule. Although his predecessors Sadat and Mubarak both relied heavily on the coercive capacities of the state, under Sisi the situation is different in a number of crucial ways. Firstly, he has no loyal constituency, and thus his rule is entirely maintained by the security apparatus, which couldn’t be said of his predecessors (even his middle-class support, from those mostly concerned about security, quickly began to fade). Secondly, Sisi has no mass political organization behind him, which means the absence of an institution that has consistently underpinned successive presidencies (with more or less effectiveness) since Nasser’s Liberation Rally. This puts Sisi in a unique

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position vis-à-vis other social groups, and means that he cannot be considered the head of an historical bloc in a similar way to previous presidents - as he simply does not represent any significant base from which he might draw support.555

Having said that, in the aftermath of his coup and before his election to the presidency, he was able to convince enough Egyptians that he represented their interests that he appeared to be able to unify Egyptians from a range of different socio-economic backgrounds, from the middle-class to those that sought a rehabilitation of Nasserist ideas.556

**Building a Mass Base**

Ultimately, Sisi’s ascent to the highest office of the military was not enough to take power alone. He was only able to do so with the help of a concerted campaign by a broad-based social movement. Precisely such a movement appeared in late April 2013: Tamarod (“rebellion”), which became the popular means Sisi and his allies in the military used to delegitimise Morsi and justify their intervention into nominally civilian politics. The link between the military and Tamarod was only ever a conjunctural alliance, to use the Gramscian parlance, without any ideological unity between the military and the diverse range of people who supported the movement. Activists with experience from both 2005’s *kifāya* movement and the 2011 uprising founded Tamarod. The founding five members were all (ideologically) Nasserists.557 Tamarod’s political campaign was

555 Ibid.
556 Ibid. 23-25
underway soon after its founding, when the group petitioned Egyptians to support their call to express no-confidence in Morsi, and for an early presidential election. An outpouring of support from opposition parties gave the movement a veneer of widespread legitimacy, and the rapid success of their campaign served to dampen any criticisms. The petition campaign was launched on 1 May, to coincide with Labour Day. The content of the petition reflected the ideology of the group’s Nasserist founders.\textsuperscript{558} The campaign highlighted Morsi’s failure to make any progress on 2011’s revolutionary demands of ‘bread, freedom, and social justice’, though many of the complaints were quite vague. The petition raised issues that echoed many of the issues that mobilised the protestors that brought down Mubarak: complaints about the government once again going ‘begging’ to the IMF; the lack of ‘dignity’ for average Egyptians; and the poor state of the economy, amongst others.\textsuperscript{559}

Within ten days, the group claimed that two million Egyptians had signed the petition. By the close of the campaign this increased to an incredible twenty-two million.\textsuperscript{560} This was more people than had voted Morsi into office, although the Muslim Brotherhood provided their own estimates that suggested that the campaign was misreporting its success and only 170 000 people had signed. A split in the Tamarod movement the following year led to former members claiming

\textsuperscript{558} Ibid.
that the true figure was 8.5 million signatures.\textsuperscript{561} Activists from across the anti-Morsi political spectrum joined the campaign, and the military made public pronouncements that they would not impede any protest activity. Much like the revolutionary coalition that drove Mubarak from office, this one was similarly composed of ideologically diverse groups, ranging from the (Islamist) National Salvation Front to the Revolutionary Socialists. Morsi and his supporters continued to insist that he was the rightful president of Egypt. They claimed that any call for an early election was anti-democratic (while remaining silent about the sweeping powers that Morsi had recently granted himself), and that he should be able to serve his full term.\textsuperscript{562} The situation gradually deteriorated from mid-June 2013, with Tamarod proposing a national day of action in response to Morsi’s refusal to step down.

The military and the state security apparatus lent considerable public support to the campaign. It has since emerged that the relationship between the Tamarod campaign and the Ministry of Defence was more than just a coincidental convergence of political interests. Julia Elyachar proposes that Tamarod took advantage of existing social and communications ‘infrastructure’ of resistance (as well as adding to it themselves), and that it was this infrastructure, developed by activists over the past few years, that enabled the considerable success of the


Elyachar’s claim that Tamarod effectively built on the work of movements that came beforehand is consistent with Abdelrahman’s historical analysis of Egypt’s earlier protest movements. That Tamarod deployed tactics developed in earlier movements, and that previous protests enabled the considerable success of the group, is undoubtedly true. But the group also took advantage of financial support from wherever it could be acquired. Audio recordings of a phone call between two generals in the lead-up to the ousting of Morsi came to light in 2015, allegedly exposing deals by the generals to deposit substantial sums of money (obtained from the UAE) into bank accounts that Tamarod organisers had access to. This recording formed part of a series of leaked audio and video recordings collectively known as Sisileaks. The regime formally denies that they are genuine. However, the Egyptian media treated them as real, and at least in the case of the Tamarod campaign the content of the recording reflected what the activists have themselves subsequently admitted.

It has since emerged that the protestors were working closely with the leadership of the military and the security forces, in a stunning display of the revolutionaries’ naivety. The formation of an alliance between self-described revolutionaries and the armed wing of the capitalist state is consistent with the place of the military in the history of modern Egypt. given the role of the army in

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the overthrow of Mubarak, and the historical role of the military in the republican project. As with earlier cycles of protest, in which various groups formed temporary alliances with each other to pressure the Mubarak regime, the civilian organisers of Tamarod seemed to think that they could trust the military as equal partners. While the cooperation between Tamarod and the security apparatus seems at face value to represent a new historical bloc, the relationship between Tamarod and the military was anything but organic. If an historical bloc is predicated on the ideologically mediated unity of two ‘naturally’ opposed class forces, then Sisi’s cynical manipulation of the nationalist sentiment of the Tamarod organisers and their supporters (particularly the neo-Nasserite Hamdeen Sabahy) cannot be said to fall into quite the same category. There was no ‘leading element’ of the anti-Morsi bloc, or at least, the generals were not a sincere leading element, which became apparent soon after Morsi was finally removed from office.

The resulting protests, from 28-30 June, were the prompting that Sisi needed to swing into action. He delivered an ultimatum to Morsi demanding that he call new elections, which was predictably ignored. On the 1 July, Sisi issued a 48-hour ultimatum to Morsi, demanding that he respond to the demands presented by Tamarod. With Morsi unwilling to implement the changes proposed by Tamarod, Sisi stepped in and on 3 July 2013 deposed the president in a military coup. In the aftermath of the coup, the military’s political intervention was either cautiously welcomed or condemned outright by international governments and observers of
Egyptian politics.\textsuperscript{567} After a brief period of caretaker government, any misapprehensions that Sisi would stay out of politics were dispelled. He announced his decision to run for elected office on 26 March 2014. Once again, here was a potential president who promised the change that the Egyptian people desired, and once again, he would eventually disappoint.

Sisi quickly moved to consolidate the military counter-revolution, and to repress the members of the Brotherhood that sought the re-instatement of Morsi, placing the now-former president and many Brotherhood members under arrest. Numerous street protests occurred over the following weeks, and at each of these the security forces used harsh, violent counter-measures. Some of those who were arrested for supporting the Muslim Brotherhood were subject to physical abuse and even torture, and the practices of the torturers have since been reported to NGOs in excruciating detail.\textsuperscript{568} Throughout this period, senior members of the Brotherhood were arrested, had their property confiscated, and in some cases fled into exile, driving the organisation back underground.\textsuperscript{569} Not since Nasser turned on the Muslim Brotherhood had the state so vehemently attempted to wipe out the group. This cycle reached its nadir on 14 August, when the security apparatus was


\textsuperscript{568} Human Rights Watch, “‘We Do Unreasonable Things Here’ Torture and National Security in al-Sisi’s Egypt,” September 2017, 21-42; Human Rights Watch, “‘We are in Tombs’ Abuses in Egypt’s Scorpion Prison,” September 2016, 23-65

\textsuperscript{569} G. Achcar, \textit{Morbid Symptoms}, 121-124
deployed against protestors with apparently murderous intent. In Rabaa Square in Cairo, the security forces opened fire upon the assembled crowds, killing at least 817, with some reports claiming that they killed more than 1000 people.\textsuperscript{570} This violence was, according to Human Rights Watch, the biggest massacre of civilians by their own government in recent history, perhaps only being surpassed by the China’s Tiananmen Square massacre. The state security agencies, and Sisi himself, downplayed the casualty figures from these protests, declaring the protestors ‘terrorists’ – a condemnation that has since become a common refrain. The massacre of the Brotherhood’s supporters was significant not only because of its terrible scale, but because it inaugurated a new, much more violent variety of authoritarian neoliberalism under Sisi.

\textbf{Sisi’s Rule}

Since the initial violent confrontations with the supporters of the Brotherhood, Sisi has not experienced the same intensity of opposition to his rule that both Mubarak and Morsi experienced. There are two main reasons: the coercive capabilities of the state have driven opposition from the streets; his manipulation of the same ideological currents that have defined post-colonial Egyptian politics. Intensified nationalist rhetoric has featured prominently in Sisi’s discourse, and he has frequently alluded to his capacity to revive Egypt’s former glory. He uses nationalism to mediate his relationship with the Egyptian people,

\textsuperscript{570} Human Rights Watch, “‘We Do Unreasonable Things Here:’ Torture and National Security in al-Sisi’s Egypt,” 13; Human Rights Watch, “All According to Plan: The Raba’ Massacre and Mass Killings of Protesters in Egypt,” August 2014
making appeals to the public that emphasise Egypt’s position in the Arab world, and his desire to return it to the pre-eminence in the Arab world that it had enjoyed under Nasser. Sisi has also sought to use Islam to legitimise his rule, and has been aggressive in trying to establish an official state religious line. In a more practical sense, Sisi has repeatedly invoked nationalism to justify his economically questionable large-scale nation-building projects. So far, the actual delivery of these has not lived up to Sisi’s fanciful rhetoric.

Sisi deploys nationalist rhetoric in a way that is not dis-similar to his predecessors, but the form and content of his nationalism differs in important respects. Most significantly, through political sleight of hand Sisi routinely reduces the nation to the state. When commemorating Sinai Liberation Day, he commented: “Together we will protect the State from attempts to undermine it. They will not succeed, and we will not allow anyone to take Egypt, our safety and our institutions from us…” Sisi has made similar comments at a number of events. The same themes of security and institutional stability recur, and his nationalism can be usefully described as state idolatry. For Sisi, the state is Egypt, and vice-versa. Sisi has actively tried to recruit middle-class capital into national infrastructure funds in the name of strengthening the state, and he makes blatant threats concerning the potential collapse of the state to justify this, alluding to

573 G. Achcar, Morbid Symptoms, 133-140
similar outcomes in neighbouring states (such as Syria and Yemen).\textsuperscript{575} It is not only in this ideological sense that Sisi’s state differs from that of earlier republican regimes. While the military plays a prominent role in Sisi’s Egypt, it has not completely displaced the businessmen that came to power under Mubarak, who once depended on having political control of the state. These scions of the neoliberal capitalist class no longer need to worry about direct political involvement in the institutions of the state. Under the new regime, they can pursue their economic objectives without any meaningful interference, with Sisi’s need for their capital leverage enough.\textsuperscript{576}

The result of all this in terms of Gramscian theory is a state that appears to lack of any kind of genuine historical bloc in charge of the country, with an ideological vacuum at the highest levels, and the raw coercive domination of the military in its place. Sisi has actively shunned the formation of a political party. His rule is maintained through brute force and the security apparatus, with little evidence of any desire to achieve any kind of equilibrium between the coercive and consensual institutions of the state. Sisi’s rule could be usefully approached through the Marxist notion of Bonapartism, where a strong man emerges out of political crisis, seemingly transcends competing classes, but in reality preserves the property rights and ultimately the power of the ruling class.\textsuperscript{577} De Smet takes up the Gramscian abstraction of this formulation, Caesarism, which is “… a crisis that cannot be overcome by either the dominant or the subaltern class force, which

\textsuperscript{575} M. Abdelrahman, “Policing Neoliberalism in Egypt,” 193
\textsuperscript{576} H. Kandil, \textit{The Power Triangle}, 346
\textsuperscript{577} K. Marx, \textit{The Eighteenth Brumaire of Louis Bonaparte} (Moscow: Progress Publishers, 1972 [1852]), 101-107
leads to the mediation of a third party.”  

De Smet makes a very compelling argument, but it seems to me that such an interpretation of Sisi’s counter-revolution is not entirely accurate. The military were never quite removed from either politics or the broader class struggle (and in this specific case, especially given their involvement in the Tamarod movement), and the struggle between classes was more fractured than simply subaltern classes against the capitalists.

Though De Smet’s analysis may overstate the extent to which the military were removed from the ongoing political contest in post-revolutionary Egypt, the concepts of Caesarian/Bonapartism do have utility. On the face of it, Sisi was certainly able to impose his force of personality on the chaotic situation that was Morsi’s Egypt. De Smet offers a sophisticated theoretical breakdown of the two concepts and uses this to explain much of Egypt’s republican history. This attempt to use caesarism, even when further refined with reference to ‘progressive’ and ‘reactionary’, or ‘qualitative’ and ‘quantitative’ variants, was strongly criticised by Joel Beinin, who argued that De Smet “[applied the theory] to everything that has happened in Egypt since 1952.”  

Indeed, De Smet does claim that each successive president was a Caesarist figure, and that the SCAF take-over in 2011 was another iteration of Caesarianism.  

According to De Smet (if passive revolution is a ‘criterion of interpretation’), “…Caesarism is the methodology to consolidate (quantitative) or reconstitute (qualitative) historical blocs in specific situation of conjunctural or organic crisis where neither dominant nor subaltern classes are

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578 B. De Smet, *Gramsci on Tahrir*, 96
580 B. De Smet, *Gramsci on Tahrir*, 139-171
able to assert their hegemony.” The problem here, then, is that any instance in Egypt where there is a struggle between dominant and subaltern groups without a decisive victory for either side, Caesarism is offered as a catch-all explanation.

Taking into account the above criticisms, it is still apparent that Sisi seems to resemble Gramsci’s observation that Caesarism “…always expresses the particular solution in which a great personality is entrusted with the ‘arbitration’ over a historico-political situation characterised by an equilibrium of forces heading towards catastrophe…” At the very least, this seems to be how Sisi presented himself. The resulting issue most relevant to this thesis is the implications that this had for Egypt’s integral state. It seems clear that this was an instance of ‘qualitative’ Caesarism, reconstituting the leading historical bloc without altering the actual structures of the state. For the integral state, this meant that the dialectical unity of civil society and political society maintained existing trends in terms of the balance between the two, with the major changes being felt in terms of the ideology that mediated the inter-class relations within the integral state itself.

Coercion, Civil Society, and Sisi’s Hegemony

The Rabaa massacre is the worst example of the state’s rampant violence towards its own citizens under Sisi, which has reached levels unthinkable even

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581 Ibid., 101
582 A. Gramsci, Selections from the Prison Notebooks, 219
under the worst depredations of the latter years of the Mubarak regime. Torture has remained a routinized part of policing. Practically all political dissent is punished with imprisonment (or worse). Furthermore, ‘crimes’ against a particularly conservative morality are punished with increasing severity. Against a backdrop of ever-expanding surveillance capabilities, the intensified brutality of the coercive institutions of the state is particularly alarming.

The behaviour of Egypt’s security forces has been the cause of feeble rebuke from other countries, and more strident criticism from Human Rights organisations, but the government does almost nothing to address these concerns. Human Rights Watch have pointed out that when formally asked about the practice of torture by his security forces, Sisi gave the very specific response that it does not occur in prisons (almost all victims’ reports cite police stations or the National Security offices as the places of torture). For Sisi, concerns about human rights are much less important than preventing the collapse of the state. The regime’s response to torture allegations has been consistent denial, though the security forces did decide to spend at least $1.8m USD on American public relations firms, to help the regime deal with its inability to “communicate its narrative”.

The regime’s refusal to admit to using extra-judicial violence outside of anti-terror operations is entirely unsurprising. It represents clear continuity with the state’s approach to coercion under Mubarak, albeit in a more intensified form. It

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583 Human Rights Watch, “We Do Unreasonable Things Here,” 19
is certainly true that Mubarak consistently used violence against his opponents, and that his regime became less discerning about the targets of violence as his rule drew to a close, but Sisi’s use of violence is somewhat different. Whereas Mubarak tolerated some political dissent and allowed for the operation of some NGOs in Egypt, Sisi is much less tolerant of political activity. Mubarak had allowed for limited political expression, and even some opposition participation in political contests. Sisi is not quite so accommodating.

One area where they differ markedly is their approach to NGOs. Mubarak was cautiously tolerant of their activities, keen as he was to maintain the thin veneer of democracy that his regime insisted upon. Under Sisi, the parliament introduced laws in 2016 that restrict the activities of NGOs. The latter have been subject to accusations of acting as foreign agents. The law was initially shelved in response to public and international outcry, but Sisi ratified substantially identical legislation, which took effect on 30 May 2017. Human Rights Watch, and seven other prominent NGOs active in Egypt immediately registered their protest, warning that it would “…crush civil society.” The law gives the state sweeping powers over NGOs, through the establishment of a new bureaucratic authority – the National Authority for the Regulation of Non-Governmental Foreign Organisations. This new body essentially restricts their activities to non-political functions, requires all NGOs to register with the government (they have until 30 March 2018,) and has the power to deny registration with no justification

required. Organisations will have to apply to the National Authority before receiving funding, with violations punishable by up to five years in prison and fines of up to LE1 million. Most relevant to the issue of coercion, even prior to the enactment of this law, the al-Nadeem Centre for the Rehabilitation of Victims of Violence and Torture in Cairo was forcibly closed down by Sisi in February 2017 (despite a pending 2016 legal appeal to keep it open). The closure came after the Centre had reported on 600 victims of torture and 500 deaths at the hands of the regime over the previous year. Although Mubarak’s state never approached the depth of late-capitalist western states in terms of the depth and resilience of civil society, he was able to rely on the ‘loyal opposition’ in civil society to restrain and erode threats to his (albeit tenuous) grip on power. It is clear that Sisi needs to use increased coercion to maintain power. But more than just dealing with his political opponents, he is using it to maintain the neoliberal direction of Egyptian capitalism.

The ‘Securocratic State’ and the Spectre of Terrorism

Maha Abdelrahman has claimed that Egypt’s increasing dependence on coercion under Sisi suggests that Egypt has taken the form of a ‘securocratic regime’. By this, she means that the security apparatus of the state not only dominates the formal structures of the state, but also that Egypt has seen the

588 A. Hamzawy, “Legislating Authoritarianism,” 16
emergence of new forms of surveillance and governance.\textsuperscript{589} Abdelrahman traces the origins of modern Egypt’s disciplinary apparatus to the late 19\textsuperscript{th} century, while acknowledging that the coercive apparatus of Sisi’s Egypt is quantitatively (and qualitatively) different from earlier configurations of the state. The breadth and depth of coercion under Sisi is unparalleled in republican Egypt. Abdelrahman raises two particularly important points, both of which concern the expansion of the coercive capacities of the state under neoliberal governance. The first is the securitisation of political discourse in Egypt – the tendency for political issues to be presented as security issues. The second is the increasing role of private security firms in policing. The state’s incorporation of private citizens into its repressive apparatus goes beyond the \textit{baltagiyya}, and the police now regularly rely on a network of civilian informants (which, again, has increased in size and scope from any previous iterations).\textsuperscript{590}

This means that even though they are often victims of the depredations of the security apparatus, the middle class do not simply offer tacit support for the increasing repression by Sisi, but they actively participate in its maintenance. Writing with reference to authoritarian neoliberalism, De Smet and Bogaert remind us that coercion does not necessarily displace consent (or vice-versa), but that they exist in \textit{relation} to each other.\textsuperscript{591} The balance is not necessarily equal. The consent that Sisi has managed to extract from the Egyptian people has been fundamentally underpinned by the overtly violent repression of his opponents. So

\textsuperscript{589} M. Abdelrahman, “Policing Neoliberalism in Egypt,” 187
\textsuperscript{590} Ibid.
even this consent, rather than coming out of an organic ideological connection between two otherwise-competing class groups, is manufactured out of the violence of his regime. The violence of his regime has become self-reinforcing. The severity of the violence is itself presented as an indication of the depth of the threat to the state by opposition forces. His continued public support is reliant on the continued suppression of ‘terrorist’ elements (real and imagined). The securitisation of public discourse serves this well. Ultimately, Sisi depends on the class interests of his supporters, but in a more tenuous fashion than any kind of organic hegemonic relationship might suggest. The Muslim Brotherhood was seen to be an economic threat to those who were not aligned with the movement, whereas Sisi is beholden to the capitalist class (and their middle-class dependents).

Sisi’s demonization of the Muslim Brotherhood is a crucial characteristic of his strategy to appeal to the middle classes, or at least to restrain any potential opposition. Having massacred their supporters, Sisi’s regime has continued its assault on the Muslim Brotherhood, declaring it a terrorist organisation in December 2013, after months of judicial and physical repression of the organisation.\textsuperscript{592} Sisi has attempted to position himself as a modern-day Nasser in the public imagination, particularly through his use of infrastructure mega-projects in the pursuit of economic development. In reality, Sisi has been far more favourable than Nasser was to the functioning of the global capitalist market, and

much more dependent on it.\textsuperscript{593} One similarity that Sisi and Nasser do have, however, is maintaining their power through violence. Dealing with the political opponents of the regime is, for Sisi, in no way separate from the contests that occurred for leadership of Egyptian capitalism. Sisi’s ire has been directed mostly towards the Muslim Brotherhood, but he has also made concerted efforts to prevent any liberal or leftist opposition from threatening his hold on power. Even so, the political actors that are \textit{not} subject to his repressive apparatus are just as telling as those that are. Sisi has left the neoliberal capitalist class mostly untouched (with the notable exception of businessmen connected to the Morsi regime), They possess the capital and expertise to fulfil his economic ambitions, so he cannot afford to restrict their access to the state, and he lacks any patrimonial leverage over them.

Fundamental to understanding Sisi’s rule is to understand that the relationship between coercion and consent is never exclusive, it is never a matter of maintaining one or the other. Gramsci always understood them as concretely related; as dialectically interpenetrated and mutually reinforcing.\textsuperscript{594} So, one of the questions that must be answered to understand coercion in Egypt under Sisi, is how Sisi’s regime has manufactured its particular balance between coercion and consent. This requires understanding who is and is not targeted by his regime; the purpose that coercion serves; the relationship between Sisi’s ideology and the imposition of seemingly disproportionate levels of coercion; and finally, how it

\textsuperscript{593} Though, as Abdelrahman notes, this is more of a reflection of the prevailing international economic trends for each President, rather than necessarily being an indication of deeply-held conviction. See: M. Abdelrahman, \textit{Egypt’s Long Revolution}, 137

\textsuperscript{594} Peter Thomas, \textit{The Gramscian Moment}, 166
allows for and even enhances the continued accumulation of capital on both an international and a domestic level. Arguably, Sisi’s dependence on overt coercion has fundamentally changed the nature of the bourgeoisie integral state in Egypt.

The Ideology of Coercion in Sisi’s Egypt

The violence meted out domestically by the Sisi regime serves two purposes. Firstly, there is the ideological role of the violence, which serves as a constant reminder of both ubiquitous state power, threats to that power, and hence (by a perverse state-centric nationalist logic,) to the Egyptian people. Secondly, there is the literal attempted physical extermination (or at least neutralisation) of political opposition. The everyday repression faced by active political opponents of the regime, as well as anybody else that the regime deems to be a threat to the nation, takes various forms. Exactly what constitutes a ‘threat’ varies wildly. Being a threat to the nation (and therefore the state) can mean almost anything, with charges becoming increasingly absurd. In November 2017, a pop singer was ordered to stand trial for ‘insulting the Egyptian state’ by suggesting that people should drink bottled water instead of water from the Nile.595 The state has turned to social media to round up its opponents, including the use of gay dating app Grindr to track down and arrest members of the LGBT community. Homophobic

595 Though this lawsuit was filed by a private lawyer rather than the state itself, the fact that a law against insulting the state exists is absurd enough. See: R. Michaelson, “Sherine Abdel Wahab to Face Trial Over Nile Comments,” The Guardian, November 16, 2017, https://www.theguardian.com/world/2017/nov/15/egyptian-pop-singer-sherine-abdel-wahab-to-face-trial-over-nile-comments
repression has increased after a rainbow flag was displayed at a Cairo concert by
Lebanese band Mashrou’ Leila in September 2017.596

The security reasons for targeting the Islamist groups that target the civilian
and military infrastructure of the state are relatively self-explanatory, but the
ideological justification for doing so is intrinsically tied up with Sisi’s particular
configuration of nationalism. Because Sisi reduces the nation to the state itself, his
overtures to the Egyptian people invoking ideas of the nation are qualitatively
different to those of Nasser, or even Sadat and Mubarak. The potential for the
catastrophic collapse of the state has become all too real in the popular
imagination, given events in Libya and Syria. This is the ultimate existential threat
to the middle classes, desperate as they are to hang onto their steadily declining
standard of living. Conversely, the almost-random violence that the regime uses
against protestors, political dissidents, or supposed moral transgressors, targets
some elements of the middle class itself. The two types of violence thus reinforce
the dominance of the state in a co-ordinated manner: the threat of the destruction
of the state is used to justify the increased violence of the regime, and the many
Egyptian people tolerate violence committed against themselves to avoid damage
to the state. Whilst so-called crimes such as homosexuality, or warning against
drinking bottled water, are clearly not immanent threats to the state, the apparent

596 The targeting of the homosexual community pre-dates Sisi. See: H. Bahgat, “Explaining
Egypt’s Targeting of Gays,” in J. Sowers and C. Toensing, eds., The Journey to Tahrir:
Revolution, Protest, and Social Change in Egypt (London, Verso, 2012), 280-4. For examples
under Sisi, see: M. Jankowicz, “Jailed for Using Grindr: Homosexuality in Egypt,” The Guardian,
network/2017/apr/03/jailed-for-using-grindr-homosexuality-in-egypt; R. Michaelson, “LGBT
People in Egypt Targeted in Wave of Arrests and Violence,” The Guardian, October 9, 2017,
moral degradation that they represent is mobilised as another enemy within. Using these enemies within as justification for his policies, Sisi’s coercion paradoxically transforms the Egyptian people (particularly the middle class) into both supporters and victims of a violent regime. The two types of violence serve to justify themselves, and to ensure the buy-in to Sisi’s ideology by the middle class.

Besides the Rabaa massacre, the regime has exercised force against protestors demonstrating against a range of issues, including the nature of the relationship between Egypt and Saudi Arabia, protests against Sisi’s authoritarianism by university students, and workers engaging in strike action. In addition, the government has used its legal power to prevent rival opposition movements from participating in political processes, to restrict access to the state’s (ever-reducing) welfare provisions, and to favour certain businesses over others. These more subtle, juridical and bureaucratic methods by which the state disciplines its subjects have been ruthlessly exploited by Sisi and his regime. If the judiciary was a site of resistance against authoritarianism under Mubarak, it is nothing more than another element of the coercive apparatus under Sisi.

Many of the protests by Egyptians are in response to Sisi’s authoritarianism and the parlous state of the economy. Of particular interest for many protestors has been Sisi’s increasingly-close ties with Saudi Arabia (who strongly support Sisi’s clamp-down on the Brotherhood), and the sale of two islands, Tiran and Sanafir, to the Saudis. One of the largest protests against Sisi’s rule broke out when the sale was announced in 2016, with the police deploying tear gas and breaking
up the protests.\footnote{K. Fahim, “Egyptians Denounce President Sisi in Biggest Rally in Two Years,” \textit{The New York Times}, April 15, 2016 https://www.nytimes.com/2016/04/16/world/middleeast/cairo-protesters-denounce-egyptian-president-sisi.html} This incident, and subsequent protests that followed the final approval of the sale, illustrate the tensions between competing forms of nationalism in Sisi’s Egypt. Sisi’s insistence on reducing nationalism to the survival of the state (\textit{qua} institutions) partially explains the dissonance between a self-described nationalist president and the effective sale of national territory. The transfer of ownership occurred after the Saudi government poured money into supporting Sisi after the withdrawal of Qatari money in the aftermath of Morsi’s removal. Sisi’s coercion is as important to maintain the regional circulation and accumulation of capital as it is the political dominance of himself and his supporters in Egypt. With regard to this latter point, it is important to remember that Egypt’s importance to the regional capitalist class has had a direct impact on state formation. This class has no qualms about supporting a violent regime, and has no particular interest in supporting the growth and independence of civil society. All that matters is that the state can protect their investments.

State coercion under Sisi can be usefully approached using Gramscian theory. As has already been argued, the state is, and has always been, central to capital accumulation in Egypt. Under Sisi, most of the coercive institutions of the state are directed towards ensuring that these processes are uninterrupted. All of Sisi’s laws protect the capitalist and, make resistance to the regime incredibly costly. They simultaneously play on and promote the insecurity of the middle classes. In the absence of a unified historical bloc brought together by an economic
ideology, Sisi has attempted to rely on nationalism to gain popular support, forming a ‘mere’ alliance of social forces. By this, I mean that the connection between the leading element (Sisi and the military), and those that follow him, is not defined by an organic, shared ideological interest. Rather, it is predicated on the same fear of catastrophic violence that defines his relationship with the subaltern classes. Therefore, rather than nationalist ideology acting as an ideological glue that holds together a class alliance, Sisi’s social base seems to be built entirely on fear and coercion. He sees himself as the arbiter of what is and is not acceptable nationalism in Egypt.

Sisi’s turn to nationalism does not only serve to justify his coercive behaviour. He has empowered (or re-empowered) the military as an economic actor in Egypt, most notably using them to build his expansion of the Suez Canal. Whereas the military under Mubarak was gradually economically sidelined in favour of civilian oligarchs to ease the desired transition of Gamal Mubarak into the presidency, under Sisi the military are trying to wrest control of the economy (with mixed reports of success).\(^{598}\)

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Capitalism Under Sisi

Under Sisi’s rule, the possibility for the 2011 revolutionaries’ calls for a fairer, more just economic system have been almost entirely extinguished. Egyptian capitalism is as secure as ever, with no coherent alternative being offered. The evolution of capitalism under Sisi can be understood as occurring in two methodologically distinct, but concretely interrelated spatial scales – the international and the domestic. The complicated ways in which the military has reasserted its declining economic power and influence in the relatively short time since Sisi came to power is reflective of the dominant role that the state plays in Egyptian capital accumulation. Roccu examined the emergence and consolidation of neoliberalism in Egypt partly through the activities of organic intellectuals – in what Damien Cahill would term an ‘ideological explanation of neoliberalism’.599

Turning our attention to the state, and the turn to neoliberalism as a class-based response to ongoing crisis, adds more depth to the ideational account. Capitalism under Sisi has distinct characteristics compared to his predecessors, and the corresponding class structure of Egypt, and the relation between the state and dominant class groups, sets Sisi’s Egypt apart.

At an international level, one of the questions that occupied the attention of scholars and the wider commentariat was the implications for the rest of the world (specifically the US-backed regional order) of Mubarak’s fall.600 Yet with the

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599 R. Roccu, “Gramsci in Cairo,” 189-201; D. Cahill, “Ideas-Centred Explanations of Neoliberalism”
SCAF quickly restoring order, and the Muslim Brotherhood pursuing pro-capitalist economic policies, the potential for economic or even security problems for Egypt’s economic partners was soon more-or-less dismissed. It was soon clear that the 2011 revolution did not throw up any significant barriers to the continued accumulation and circulation of capital in the region, besides the general slowdown associated with the uncertainty of political change.  

Nevertheless, there was plenty of turmoil in post-revolutionary international economic relations, with Egypt’s international relationships with regional states going through rapid and significant change after both Mubarak’s, and then Morsi’s, removal from office. After Morsi was deposed, his economic support from Qatar was immediately cut off, leaving Egypt in a multi-billion-dollar hole. Fortunately for Sisi, the Saudis were quick to make up for the lost income. Recordings from the ‘Sisileaks’ tapes suggest prior coordination between the military and their Saudi and Emirati supporters.

Egypt has long been involved in the regional circuits of capital accumulation. Under Sisi, that has not changed. The notable difference between Sisi and his predecessors in this regard is Egypt’s place in the global economy. Whilst Mubarak was mostly dependent upon the US and the EU, Egypt under Sisi has diversified its international economic arrangements. The largest sponsors of Egypt are now Saudi Arabia and the UAE. Sisi has also made concerted efforts to draw closer to Russia and China, while maintaining Egypt’s long-standing military ties with the USA. Hanieh’s examination of the regional inter-connections

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601 S. McMahon, *Crisis and Class War in Egypt*, 123-128
between capitalists provides an excellent foundation for the further analysis of Egypt’s place in the still emerging regional order. Hanieh identifies the rise of a regional capitalist class, with the intrinsic connections between Gulf capital and national capitalisms evident in multiple ways. Rather than what he calls the ‘mechanical expression’ of a rentier state, he argues that states in the Middle East were characterised by far more complex regimes of capitalist accumulation, which were centred around productive, commodity, and financial varieties of capital, and their place in global structures of capital accumulation. However, it must be said that Hanieh’s critique of the rentier state was focussed on its manifestation in the Gulf States in particular. The connections between Egypt and the Gulf states are not only at the level of foreign direct investment (though this is considerable), but also in terms of subaltern Egyptians forming significant parts of the Gulf’s labour force. He argues that the remittances that Egyptians fed back to their families from the Gulf constitute not just a form of rentier income, or “aid” or “regional solidarity,” but exactly the opposite – a register of exploitation. Following this logic, the reliance of workers and their families on flows of labour across borders in the Middle East creates a kind of regional class disciplinary mechanism. It is important to note, however, that this is only one (minor) element of class formation in various states in the region. Egypt’s working-class formation relies far more on local factors. There is certainly a connection with the politics and the economy of the surrounding region, but this is much less important in the case of sub-altern

602 A. Hanieh, Lineages of Revolt, “Khaleeji-Capital: Class-Formation and Regional Integration in the Middle-East Gulf.” Historical Materialism 18, no. 2, 2010
603 A. Hanieh, Lineages of Revolt, 124
604 Ibid., 127
605 Ibid.
classes than it is in the case of the capitalist class and the fractions of the bourgeoisie.

Many scholars have focussed on the role of western economic elites (especially the US and the IFIs) in Egypt, particularly with regard to the state’s redirection towards neoliberal policies. In the wake of very clear support from the Gulf for the counter-revolutionary regimes that have followed the revolution, the role of the regional capitalist elite in Egyptian politics is coming under renewed scrutiny. Immediately prior to the revolution of 2011, the states of the Gulf Cooperation Council were the main source of foreign direct investment into Egypt. Investors such as the Saudi Prince Alwaleed bin Talaal have long been associated with Egypt, most notable for his involvement in the quixotic Toshka land reclamation scheme. The involvement of Gulf capitalists in Egypt’s economy was across a broad range of industries (accounting for 37 percent of the value of all privatisations between 2000 and 2008), with a particular focus on agribusiness.606 Besides these historical links between Egypt and the Gulf, what is of most concern for the purposes of this work is how this relationship was reflected in the domestic capitalist class, and the state. On both counts, the influence of the Gulf was significant. Most significantly, Gulf firms were directly involved with the roll-out of neoliberalism. Where Roccu outlined the influence of American and European actors on the dissemination of neoliberal practice and ideology,607 the Gulf

606 Ibid., 138
607 R. Roccu, The Political Economy of the Egyptian Revolution, 77-83
capitalists were more involved in the practical side of things, helping to craft the Egyptian state’s policy approach to privatisation in the 2000s.608

Jumping forward into the post-revolutionary period, Egypt’s real-estate investments continued to be dominated by Gulf investors in 2012. The Sisi regime has depended upon huge sums of money in aid from the Gulf. After Sisi came to power, the proportion of money coming from the US in military aid is now much smaller than the money coming from the Gulf. US military aid is equal to $1.3b USD per year, while aid from the Saudi Arabia, Kuwait, and the UAE between 2013 and late 2016 came to approximately $30b USD.609 Egypt’s reliance on their wealthy patron-states allowed them to meet the bilateral finance conditions to receive a $12b IMF loan in November 2017. This economic assistance has come at the predictable cost of politically supporting these benefactors when necessary. Most recently, this has manifested in Sisi’s (albeit reluctant) support for Saudi Arabia in its political manoeuvring in the region against Iran. The continued investment in Egyptian agriculture and construction by Gulf companies, the propping-up of the Egyptian state by its regional partners under Sisi, and the continued reliance on the IMF for financial assistance, all illustrate Egypt’s subordinate position within the regional and global circuits of capital. Sis is powerless to do anything about this state of affairs.

608 A. Hanieh, Lineages of Revolt, 140-141
Domestically, the major change in the make-up of the economy is the increased role of the military. The recent upturn in the military’s economic fortunes raises questions about whether they could be considered part of the capitalist class prior to the revolution of 2011. The simple answer is that from Nasser’s rule, the military were incorporated directly into the structures of capital accumulation in Egypt, and it was never simply a body that offered the coercion that provided the final-instance of state protection for capitalism. Though the economic power of the military has waxed and waned over time, it has always been an organisation with capitalist interests.

However artificial the Tamarod campaign was, since coming to power the Sisi regime has managed to position itself as the only political force able to provide stability. After eighteen months of turmoil, this was a welcome respite for a weary people. The promised stability provided by Sisi was enough to encourage considerable investment from businessmen that accrued their wealth under the Mubarak regime – including the multi-billionaire Naguib Sawiris, who promised to “[invest] in Egypt like never before”. In the same interview, Sawiris claimed to have lobbied the Gulf states to provide financial assistance to Sisi’s economically beleaguered government, illustrating the connection between the regional and the domestic capitalist class. Sisi’s attempts to gain some economic leverage from the nationalist sentiments of Egyptians are most spectacularly demonstrated by: his commitment to the grandiose mega-projects of Suez Canal

612 Ibid.
expansion; the construction of an entirely new capital city outside of Cairo (itself a reflection of the desire of the technocratic ruling class to free themselves of daily confrontation with their failures of urban planning); land reclamation; new power plants; and entirely new cities built in special economic zones. For the only one of these projects that has been completed, the Suez Canal expansion, Sisi initially adopted a policy of relying solely on Egyptian capital. This policy was, from the standpoint of its designers and supporters, a huge initial success, with $8 billion raised from bond sales in ten days.  

While he is somewhat circumscribed by the threat of popular revolt, Sisi has managed to convince enough Egyptians that any such revolt would result in the collapse of the state. Consequently, he has maintained their support. How Sisi fundamentally differs from Mubarak in this respect is that the wealthiest businessmen are no longer on the ‘inside’ of the state, and they have no apparent desire to be. The economic support of Egypt’s oligarchs is necessary for Sisi to deliver on his grandiose promises for economic rejuvenation and growth, which means that the regime is beholden to them. This was perhaps the greatest success of the Mubarak era for these scions of the capitalist class, such as Sawiris, Osman, and even Ahmed Ezz. They have retained the wealth that makes them able to compete for lucrative government contracts, without directly owing Sisi for any patronage.

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613 S. Marshall, “The Egyptian Armed Forces and the Remaking of an Economic Empire”, 14-15
Sisi and Egypt’s Future

In the short-term, it is difficult to see what would cause the demise of the Sisi regime. Yet there can be little doubt that his regime is the most fragile of Egypt’s republican regimes. Often overlooked, especially by Marxists, the element of ideology helps to explain the failure of Sisi to establish a strong base. According to Gramsci, ideology acts almost as an adhesive that bonds otherwise antagonistic class forces, and though Sisi makes attempts to use ideology to establish his legitimacy, he is forced into more and more absurd perversions of nationalism to justify his position. Interestingly, the ideology of Sisi’s regime has almost exclusively concentrated on non-economic issues. The state domination of religion under the guise of pushing out the Muslim Brothers is only part of a broader project of attempting to gain support through appeals to morality and the sanctity of the state apparatus itself. Though Sisi remains a popular leader, his popularity is slipping. As his regime tightens its control of the official avenues for dissent, it seems that any measures of his falling popularity will be more difficult to come by. In spite of the projections of economic organisations of an impending precipitous drop in the rate of inflation from a high of approximately 30 per cent, this change is yet to occur. Meanwhile, the material conditions of day-to-day existence for many Egyptians are waning further.

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Egypt’s post-colonial integral state seems to have experienced a downturn in its strength under Sisi, though it remains resilient. Even though Sisi has attacked any dissenting elements of civil society with the full coercive apparatus of Egypt’s political society, there remains no viable short-term alternative to the hegemony of capitalism in Egypt. Sisi altered the form of the dominant historical bloc with his seemingly Caesarist intervention into the Egyptian crisis, but has not yet replaced it with anything that uses genuine consent to garner popular support. Furthermore, Egypt’s integration into the regional and global circuits of capital provides yet another barrier to any change in the integral state. Since Sadat, the relationship between civil and political society has generally seen a growing preponderance of coercion, in line with Egypt’s increasing importance to international capital. Despite these weaknesses, Egypt under Sisi is yet to see an alternative hegemonic project emerge. If change were to occur in Egypt, it seems much more likely to be the result (yet again) of a different fraction of the capitalist class seizing power than the emancipatory revolution that so many Egyptians have hoped for.
CONCLUSION

The revolutionary events that convulsed Egypt in the earlier months of 2011, I have argued, represented both a culmination and a point of departure. The revolution was a culmination of several decades of neo-liberalisation, beginning tentatively in Sadat’s Egypt and accelerating in stages under the rule of Mubarak. The consequence of neoliberal policies, and the ideas that legitimised them, was the end of the moral economy – the social and political compact between the state and subaltern classes that had underpinned Egypt’s political economy through the middle decades of the Twentieth Century. The neoliberal destruction of the moral economy expressed itself in growing subaltern-class impoverishment and middle-class insecurity. The sharpening of class antagonisms finally revealed itself in the social and political explosion of 2011.
Yet this explosion was also a point of departure for the political ‘reaction’ that was to follow, in both senses of that word. In retrospect, it can be seen that the brief interregnum of Morsi’s presidency (2011-2013) represented a regrouping of those ruling class fractions that had profited so handsomely under the neoliberal policies of Mubarak. During this period, there occurred a demobilisation of those political forces that had most energetically fought for the overthrow of Mubarak in 2011. This demobilisation, along with Morsi’s inability to effectively deal with the economic and political situation he confronted, cleared the way and provided the pretext for the emergence of yet another Egyptian strong man – Abdel Fattah al-Sisi. A coercive state apparatus that did not differ qualitatively from that over which Mubarak had presided secured al-Sisi’s 2013 coup and subsequent presidency. It continues to do so, while also protecting the interests of the class fraction of financiers and predatory capitalists who most benefit from a continuation of neoliberalism. In other words, Sisi’s coup and his violent consolidation of power was the decisive moment in a counter-revolution that, in all essential respects, took Egypt back to its pre-2011 past.

The main aim of this thesis has been to provide an historically informed, class-based interpretation of the dynamics of these processes and events. To do so, I have drawn freely on some key concepts of Antonio Gramsci, and those contemporary scholars who have used his ideas to better understand Egyptian politics and history.

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615 i.e., reaction simply as political response, and reaction as ‘reactionary’ – the backlash of ultra-conservative political elements, backed by the military.
By focussing on historical blocs and the integral state, for example, the social coalitions that upheld the rule of the capitalist class were examined in both their ideological and institutional manifestations. On the one hand, historical bloc allowed us to better centre the role of ideology in the reproduction of fundamentally anti-democratic, capitalist regimes in Egypt. On the other hand, the concept of integral state helped to avoid abstracting the political apparatus of state power from economic and social foundations in which politics is always embedded. Egyptian civil society is often portrayed as weak (with good reason), but this does not mean that there is a neat divide between the state and civil society. In the aftermath of the 25 January 2011 uprising, we saw that the Muslim Brotherhood, the strongest element of civil society, was heavily invested in maintaining bourgeois class rule. They were utterly committed to neoliberal economic policies, even if they provided stern denunciations of the inequalities that they engender. They were one of three capitalist class fractions, each of which has continued to impact Egypt into the present.

The emergence of a distinctly Islamic fraction of the capitalist class, and its most significant political manifestation in the Muslim Brotherhood, has received relatively little attention in the literature on Egypt. Egypt’s Islamist movement has been analysed as a cultural phenomenon, and more recently a strictly political one (i.e. divorced from its economic basis, with its class allegiances minimised). But the fact that this movement in Egypt has never been in firm opposition to capitalism has become a fact of enduring importance.

616 See: J. Schwedler, “Can Islamists Become Moderates?”
As well as an Islamic fraction of capital, the period of early Egyptian capitalism (and of course, Nasser’s ‘Arab Socialism’) also saw the rise of a nationalist fraction, which has also endured into the present, personified in the forlorn figure of Hamdeen Sabahy. Although the personnel of these class fractions would change through time, this early period saw the rise of ideologies and inter-class alliances that have fundamentally shaped Egyptian politics since.

The ill-fated, and enormously influential presidency of Sadat, which is where we started to see the emergence of neoliberalism as a set of ideas and policy tools, saw the emergence of a fraction of the capitalist class that took advantage of this new economic paradigm. Sadat’s presidency illustrated that the neoliberal program in Egypt was never a purely ideological program, instead being adopted as a practical economic program with the simple objective of maintaining power for Sadat. There was an ideological element to it, of course, but this was secondary to the concrete concerns of a president who was never comfortably ensconced in his office. Sadat made efforts to build a new class base through his economic opening (Infitah), and managed to fracture the elites of Nasser’s Egypt, leading to a period in which opposing political blocs were struggling to achieve dominance over each other.

For the early part of Mubarak’s rule, the entrenchment of neoliberalism was always partial, its implementation subject to the political vicissitudes of a regime that was concerned about the possibility of a subaltern uprising. The early years of Mubarak’s rule saw the abandonment of any alternatives to neoliberalism. The
alternative was, invariably, delaying reform until neoliberal reforms became a *fait accompli*. For the class fractions of the bourgeoisie that came to dominate the contest for the 2011 revolution, this was a period of relatively little change. The three fractions of capital that have been referred to in this thesis – Islamic, Nationalist; and Neoliberal – were all present during this period, but none had established dominance. Although Mubarak was making ‘progress’ towards the IFIs’ demands for neoliberal reforms, the fraction of capitalists that later attained so much power under Gamal’s oversight was still weak.

This changed in the latter years of Mubarak’s rule, in which the regime lost its (outward) ambivalence towards neoliberalism and abandoned all pretences of a cautious approach to reform. Gone were the regime’s rhetorical commitments to long-standing social and economic norms, even in the face of potential social unrest. This period, during which the potential for a dynastic succession from Hosni Mubarak to his son, Gamal, became a realistic prospect, saw the most comprehensive attempt to reorder Egyptian state-society relations into something that was more recognisably neoliberal. This process was (of course) only achieved in a partial sense, but the crucial appropriation of nominally public resources by the private sector was pursued with gusto. As neoliberalism expanded its reach as both policy program and ideology, Egypt saw the erosion of the nationalist fraction of capital, in particular the military.\(^\text{617}\) While this fraction would re-emerge in later years, it was during Mubarak’s rule that the nationalism that underpinned this group’s ideology became little more than an ideological mask for its own

\(^{617}\) However, *erosion* must be stressed, it was not a case of elimination.
neoliberalism. Besides the military’s economic interests, which are hardly ‘public’ in any meaningful sense, this group and the neo-Nasserists that comprised it became more interested in ‘Egyptian’ ownership (rather than state ownership), echoing the nationalist economic demands of the early Twentieth Century. The wave of dispossession, increasing coercion, falling standards of living, and the acts of economic and social vandalism committed by the regime in this period were undeniably the main factor that led to the uprising of 2011.

Which finally brings us to the revolution itself, and the brief rule of Mohammed Morsi. Though acknowledging that the uprising of the people was a genuine expression of dissatisfaction with the status quo, the ensuing political struggle was a contest fought between fractions of capital and their subaltern allies. It is important to note that the approach of this thesis was not intended to downplay the struggle by the various popular movements that sought a genuinely revolutionary outcome for Egypt. The limitations of these groups and their tactics has been discussed at length by many other scholars.\textsuperscript{618} The point here was to demonstrate that the state apparatus that they fought against was only the most obvious face of bourgeois class rule. In fact, by using Gramsci’s idea of the integral state, we can see that those institutions of civil society (especially the Muslim Brotherhood) that upheld class rule are just as important a part of the neoliberal state as the coercive and bureaucratic institutions.

\textsuperscript{618} For an overview of Egypt’s recent protest movements, see: M. Abdelrahman, \textit{Egypt’s Long Revolution}
This lengthy historical build-up brings us to the presidency of Abdel Fattah al-Sisi. There are two broad themes apparent in Sisi’s regime: the expanding use of coercion; and the evolution of the state’s official ideology. Both of these elements are symptomatic of the victory of counter-revolutionary forces in Egypt. However, rather than simply proposing that the state’s reliance on coercion under Sisi is simply symptomatic of a fundamentally weak regime, I proposed that the coercive regime of the state served a fundamentally ideological purpose, in addition to the blatant repression of any dissent.

The significance of this thesis and its conclusions is therefore two-fold: It helps us to gain an understanding of the more complicated class dynamics, and to problematize bourgeois class rule in a more comprehensive manner than a simple contest between capitalists and the rest. In doing so, it brings ideology to a position of prominence in political analysis. Looking at the gradual construction and evolution of capitalist class rule in Egypt over the past two centuries or so gives important insights into the revolutionary situation in Egypt. On the one hand, understanding the periodic internecine strife that has shaped the capitalist class helps us to understand the ideologies that continue to delimit the bounds of ‘acceptable’ political activity and economic policy in Egypt. On the other hand, we can see that the contest between the capitalist class and the subaltern classes is not reducible to a struggle between the people and the state. In fact, the ideologies that have shaped the various blocs of the capitalist class cut across traditional class lines. Although the working class, in particular, continue to behave in a militant fashion, and to make demands that demonstrate a broader class-consciousness, this has never been enough on its own to challenge the dominance of capitalism in
Egypt. The task of the revolutionary movement seems incredibly difficult. The fact that the state is so heavily involved in the reproduction of capitalist relations in Egypt is, of course, not unique to the country. But the brutality of the state, and the cultural and historical idiosyncrasies that have seen the capitalist class co-opt many forms of resistance, is a unique challenge.

Looking into the future of Egypt, it is difficult (and likely futile) to attempt to predict what might occur beyond the broadest possible terms. Even though some predicted that a popular explosion of anger against Mubarak was inevitable, the outbreak of the 25 January revolution caught observers by surprise – and the same could happen with Sisi. As the protest movements of the last decade or two of Mubarak’s rule have demonstrated, failing to target the state itself cannot be an option for those seeking a more just economic order. Allying with ‘good’ capitalists has yet to work, and likely never will. Most of all, the liberal middle-classes will need to be superseded by a subaltern movement if Egypt is to see any real chance of change. Unfortunately, the brutality of the Sisi regime, and his ability to close off space for any ideological or practical alternatives to emerge, makes that task more difficult with every passing day. The same digital tools that helped enable the revolution of 2011, according to some at least, are now being used by the state for surveillance. At the time of writing, Egypt is preparing for a presidential election. One by one, any viable candidates are being whittled away from contention by the state, and it appears inevitable that Sisi will emerge victorious. Whatever form the popular struggle in Egypt takes in the future, it must be fought on ideological and class grounds, and it must target the state in an integral sense.
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