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EGYPT: The army uses force to regain control of the government; the Brothers dig in for a long fight; the proletariat still isn't fighting for its own needs

Just over two years have gone by and the issues are the same¹... Reduction of food and energy subsidies, more and more shortages, including in the big cities, rise in food prices, people fed up with the moral order set up by the Muslim Brotherhood, and unemployment, particularly among young people, are the basic reasons for the demonstrations in July 2013 – demonstrations which were preceded by several violent urban eruptions in the spring. The army, surfing opportunistically on the wave of discontent, seized the upper echelons of the state and, with the approval of a fair chunk of the population, kicked out President Morsi who'd come from the ranks of the Muslim Brotherhood

An acute political crisis aggravated by the long crisis of the valorisation of capital

The crude figures are eloquent enough. The exchange rate of the Egyptian pound against the dollar has fallen strongly, going from 6 pounds to the dollar in 2011 to a bit more than 7 to the dollar in 2013. Purchases of wheat and oil are made in dollars, which weighs down on the finances of the Egyptian state which provides massive subsidies to the prices of food and energy for individuals and businesses (in three years, the consumer price index went up by more than 33.6%, while food prices specifically went up by almost 50%²). Consequently, the Egyptian state's budget deficit was more than 14% of GDP for 2012/2013. The foreign currency reserves, which had once served to support the national currency, to guarantee public debts, to repay them when they were due and, eventually, when necessary, to sort out the purchases of food and energy in foreign currency, stood at \$36 billion at the beginning of 2011 and around \$15 billion in July 2013

The growth of GDP, which averaged something like 5% per year between 2000 and 2008, was no more than 2.2% in 2012 and was only 2% in 2013 (source: IMF). Egypt will need somewhere between 10 and 30 billion dollars of external finance up until June 2014 to honour the debts coming due. The risk of default on the part of the state rises day by day. Egypt must pay back loans for \$5 billion in the four months up until this November. A default will have dramatic consequences for the financial sector of a country dominated by nationalised banks and where 40% of total assets are financial titles based on the public debt. Countries like Saudi Arabia, Kuwait or the UAE cannot allow the

Egyptian situation to contaminate the regional order, and have provided loans of \$12 billion. These loans let Egypt breathe but do nothing to resolve its economic, social and political problems.

The degradation of the conditions of life for Egyptians caused by the fall of the Egyptian pound against the dollar and the rise in prices of basic necessities explains the massive presence on the anti-Morsi demonstrations of not only secular young people, but also enormous numbers of Muslims who had voted for Morsi and who had approved of the change in the constitution.

The margin of manoeuvre for the Muslim Brothers at the head of the state was very much reduced by the indispensable restructuring of capital which the Egyptian state could only carry out on three conditions that were impossible to fulfil under the actual circumstances. First of all, it needed to take steps towards a drastic reduction, aiming at the complete abolition, of food and energy subsidies, which would inevitably lead to massive strikes and protests. Measures necessary to reduce public expenditure would inevitably end up hitting the budget of the army, which in great part explains the reaction of the latter. Secondly, it would have been necessary to accentuate the process of "internal deflation" launched by the violent depreciation of the national currency by lowering even further, by suitable legislative means, the already low costs of the workforce so as to offset the inability of local social capital to compete with other countries by investing in greater productivity. Finally, the Morsi government would have had to guarantee social peace, including by force, in order to fully restore the productive capacity of the country.

A historic compromise to find a lasting formula under emergency conditions

In Egypt, there are only two really organised political forces: the army and the Muslim Brotherhood. Two others are trying to gain some advantage from the unstable situation: the so-called secular opposition and the Salafists.

The army is a civil war army, used very successfully for internal repression. While it has suffered foreign defeats throughout the twentieth century, it has shown its military and economic strength internally, in public and private companies and in the civilian sector as well as the military one. It is the only political power capable of containing the influence of the Brotherhood.

In the present situation, the priority of the army is to preserve its interests and to once again play the role of "kingmaker". At the same time, its leadership doesn't want to directly take over the executive functions of the state because its role as last resort and supposedly impartial guardi-

¹ For more details on the events leading up to the present situation see the MC/KpK, booklet no. 3, "Egypt: A historic compromise over an attempt at democratic insurrection", October 2011, and the leaflet (bulletin no. 3), "For proletarians the "Arab Spring" has just started", February 2013.

² *Natixis*, 4 July 2013, N°125

an of the state would be undermined. Today the army can still count on numerous political intermediaries coming both from the old Mubarak regime and the various new democratic formations set up in the wake of the Arab Spring. These intermediaries are still not on a scale where they compete with the Brotherhood but have shown a growing effectiveness during the campaign to depose Morsi. Also, the army has not given up on dividing the Islamist formations and rallying at least part of them to its project while marginalising the most determined fraction and pushing them into an unequal and prolonged armed struggle.

The Muslim Brotherhood is composed of a hard core of seasoned and capable old militants, formed in clandestinity who have survived repression. Its base rests on mass organisations deeply rooted in Egyptian society. The Brotherhood movement is not formally constituted as a political party³ but covers a myriad of charitable and self-help associations, offering its members various kinds of support and, more generally, a community.

On the side of charitable works, the Brothers possess a network of organisations and businesses. While hostile to foreign capital, the Brothers are liberal on the economic level. They are favourable to a lean state and public sector, and have always supported the various policies of privatisation and structural adjustment pursued by the successors of Nasser, considering private property as a right blessed by Islam. These organisations are led by numerous intermediary cadres who, for the most part, have been viewed up until now by the population as not at all or very little implicated in the mechanisms of corruption.

The Brotherhood is above all a pre-political organisation of the communitarian type, deeply rooted in certain fringes of the population but which, because of its history of opposition to the authorities and its essentially religious and charitable structure, lacks the activists capable of taking part in the affairs of state. Once at the head of the state executive, the Brothers did not succeed (just like the army before them) in attracting experienced technocrats, people who did not wish to be associated either with the Military Council of an unpopular government or with the obscurantist ideology of the Brotherhood.

The Salafists were totally absent from the demonstrations at the beginning, adopting a position of wait-and-see. But very quickly, seeing the scale of the movement and the ostracism to which they were subjected by the Brotherhood, they went to join it. But they avoided massively mobilising their troops on the streets next to the anti-Morsi secularists. Their tactic was simple: to take the place of the Brotherhood in the institutional negotiations with the aim of getting some positions in the government, positions which they had been denied by the Brotherhood. Their principal argument was that the ejection of the disposable Morsi would preserve the place of Muslims in the institutional game.

Since then, their attitude has not changed. They try to get through the anti-Morsi wave, and to not be put in the

³ The party which they've created for the elections is a shell filled with Muslim Brothers, incapable of fulfilling the political role allocated to it.

same bag as his government, while avoiding a direct confrontation with the Brotherhood, who are weakened but still alive. Translation: non-participation in but critical support for the new government.

The so-called secular opposition: Tamarod, formed in the spring by three young democrats coming out of the wealthy milieus present from the very first agitation in Tahrir Square. The three of them had been active in *Kefaya* since 2011. *Kefaya* (Egyptian Movement for Change) is an Arab nationalist group which developed starting from the movements of protest in 2004 and whose roots can be found in the support committees for the Second Intifada of October 2000. *Kefaya* is the fruit of the convergence of various Egyptian bourgeois democratic forces which placed themselves under a Nasserite leadership. The Movement can also count on the support of part of the Coptic Christian community. A professor and consultant by trade, George Isaac, is one of its founders. He was born in Port Said, and is an influential member of this religious community. At the end of April 2012, he contributed to the formation of the Constitution Party led by Mohammad ElBaradei. *Kefaya* was the most organised force present in Tahrir Square before the Brotherhood arrived in large numbers.

The *Tamarod* movement can therefore be considered as an agile and elaborate structure of *Kefaya* which brings its activists and its influential associates into bourgeois milieus. Is *Tamarod* a spontaneous "grassroots" movement? Not really.... However, its capacity to capitalise on the growing discontent of the population has been real enough. Today, it uses this new grassroots support to aid the repression carried out by the army.

A well-prepared coup to get things done

There is evidence that the coup carried out in July by the Egyptian army had been prepared for a long time, probably with the agreement of the army's traditional ally, the United States⁴. The police, the army and the judiciary had organised, well before July 2013, a sort of paralysis of the country. Elsewhere insecurity had been encouraged by the passivity of the forces of order who only rarely intervened during gang rapes⁵, lynchings or attacks on buildings occupied by the Brotherhood

⁴ On 19 April 2013, Morsi was in Russia. One of the aims of this trip was to find a counter-balance to the link which the army had to the US. Morsi tried to reforge close economic and strategic links with Russia and to do that he would have to have been prepared to review the position of Egypt on the civil war in Syria. Morsi said "We need the power of Russia in the Middle East and to reinforce the alliance between the Arab world and Moscow, with the aim of balancing the strategic partnership between Washington and Tel-Aviv" A declaration which would not have gone down well with the Egyptian army and the US. Is this what sealed the fate of Morsi?

⁵ Gang rapes which have taken place in both camps. We should recall the organised rapes which took place during the demonstrations at the beginning of the year, and which were the work of Islamists who wanted to put pressure on the demonstrators. But also in July, in Tahrir Square, the most symbolic location of opposition to Morsi, where at least a hundred gang rapes took place during demonstrations, some lasting almost an hour. This poses numerous questions about the contempt towards, the hatred for, the negation of women in Egypt, in whatever camp (pro or anti-Morsi).

The opponents of Morsi could only rejoice at this situation because all the blame fell on the president. At the first signs of intervention by the army on the Egyptian political scene, it was acclaimed by the majority of anti-Morsi protesters. Following on, the army knew very well how to capitalise on this nationalist sentiment, for example, by sending helicopters to fly over Tahrir Square carrying enormous Egyptian flags. These things undoubtedly contributed to creating the material conditions and popular enthusiasm on which the army could construct its coup d'état. To validate its coup, the army was not only assured of the popular support of the opponents of Morsi, it could also count on international support by not calling into question any international agreement. It has secured the Suez Canal, carried on military cooperation with the USA and is maintaining the peace agreements with Israel.

The working class is still not involved on its own account

Have these events sounded the death knell for the Muslim Brotherhood in Egyptian society? No, obviously not. If their bases are weakened they are not destroyed. Their leadership has serious problems, going through a difficult debate about the path to follow in the medium to long term and with numerous leaders arrested or killed. However, this association has proved itself over the decades to be able to survive the most ferocious repression. The mechanism which made them so strong is still in place. The tactic adopted after the coup is not new and is tried and tested: mobilise peacefully in the street starting from the mosques and harass the forces of repression without falling into the trap of direct armed confrontation, even if this costs a fair number of lives. It is not very likely at this stage that minority sectors of the Brotherhood will choose the path of direct action. The iron discipline which rules in the association has not been broken by the latest developments. Meanwhile the leadership carries on negotiations with foreign powers and movements which are won over to or are sympathetic to their cause. The objective is to exercise an internal and external pressure so they can return to the institutional game at the highest level.

As for the army, its line is simple: create the conditions for the return to power of a coalition of forces capable of counter-balancing the Brotherhood. To do this, the connection with the anti-Morsi movement is essential. But it also wants to get at least part of the Brotherhood back on board within the institutional compromise forged after the fall of Mubarak. The operation to carry out an emergency rebalancing of forces which has taken the form of a coup d'état against the background of a barely concealed civil war has still not been overturned. The strong arm tactics pursued on the streets have already caused 1000 deaths but they are targeted, intended to divide the Brotherhood over how to respond. Meanwhile the negotiators carry on discussing with Morsi himself and with the numerous agents of domestic and foreign liaison which are at the disposal of the Brotherhood. Changing the Constitution according to criteria ac-

ceptable to the generals and fixing the dates for a new round of elections are at the heart of the negotiations.

The big global and regional powers are now explicitly part of this. The rich countries of the Gulf have put their hands in their pocket to bail out the state finances. The US and the EU offer their help and support to quickly re-establish a semblance of democratic life and legality in the country. Fearing a shift in alliances in the region, Turkey, Qatar and Hamas persist in supporting the Brotherhood and their demands. Israel keeps quiet while waiting, with the backing of the Western powers, to relaunch the so-called peace negotiations with the Palestinian Authority and, indirectly, with Hamas. The other Arab countries, including the Syrian and Libyan regimes, line up noisily on the side of the army with the exception of Tunisia where the Ennahdha Islamist government is having difficulty avoiding an Egyptian drift towards civil war.

For its part, the Egyptian proletariat is well represented in the streets and in both of the camps which confront each other. The proletarians in uniform in the army, sections of the proletariat in cities where economic activities are the most highly developed (Port Said and Alexandria, for example), large segments of the civil service including those with the highest rates of trade union membership, the battalions of the poor in Cairo with an interest in well-ordered disorder and the illegal business of the Mubarak era, large numbers of educated youth have openly supported the coup. But of course their motivations are very varied.

The soldiers are not entitled to have their say, being well supervised by the officers welded to the common cause of maintaining the primacy of the army. It's important to understand that the majority of officers in the Egyptian army are the sons of peasants, whether they joined voluntarily, are conscripts or even if they are officers from the security forces. This goes a long way to explaining why the masses in the countryside, however much they've suffered from the crisis, have not moved. The army is very well implanted there.

Among many proletarians in the cities there is mixture of anti-Brotherhood sentiments (against their moralising) and righteous protest against the high cost of living which has often led to riots since the spring. Struggles against the high cost of living seem to be taking shape even in the rural zones of the Nile. Not affected much by the crisis, many public sector employees feared losing their jobs gained during the Mubarak era and becoming the object of purges by the Brotherhood government. As for the desperately poor of the big cities, they are prisoners of the mechanisms of the grey or criminal economy. The will shown by the Brothers to block their channels of survival has caused many of them to come down on the side of the army.

Finally, the most clear-sighted of the more or less radical democratic elements of the educated youth have seen in the military coup a "lesser of two evils" in terms of threats to the so-called revolution and against the process of establishing a Western-style modern democracy in Egypt. No significant autonomous expression has appeared during the anti-Morsi movement, even more so after the coup.

In the camp of the Brotherhood we can find, apart from those close to the soldiers, the same components of the proletariat as those who oppose this camp. Their motivations, however, are clearly more homogenous, faithfully reflecting the political line of their party. The real strength of the Brotherhood resides precisely in their capacity, over the course of decades of opposition, to form a mass organisation welded around its leading group and their programme.

The old middle classes (liberal professions, merchants and small peasantry, more or less poor) and the new bourgeoisie do not have, on their side, the capacity to express a unified point of view and to become polarised in a manner analogous to the proletariat. For their part, the international financial markets are relatively confident in the military coup.

This quick overview of the social forces at work doesn't provide any grounds for naïve optimism in relation to the way that the situation is likely to develop in Egypt. The absence of any process of political autonomy within the proletariat and the subordinate classes more generally makes it hard to envisage the beginnings of a short to medium term revival of class struggle on a serious scale. Nevertheless, the acute political and social instability which has become established in this country makes possible, however improbable it seems at the present time, accelerations and new polarisations which could lead to the irruption on to the scene of subordinate classes with their own project. The episode of the military coup is founded on a very calculated risk of possibly exacerbating battles between partisans of the two fractions fighting over the state and the army.

A state and an army which, lacking victory in the streets, will propose itself once again as the only guarantor of civil peace and social cohesion, that is, representing the general interest. It is only a question of a specific variant of Bonapartism. Marx defined Bonapartism as "*the victory of the executive power over the legislative power*"⁶ with a state which seems "*to have returned to its oldest form, to a shamelessly simple rule by the sword and the monk's cowl*"⁷, "*The struggle appears to be pacified in the sense that all classes are on their knees equally powerless and mute under the rifle butt*"... the dream of the Egyptian generals. Despite the masquerade of the government of experts and eminent figures supposedly above politics, the Egyptian army of the permanent coup d'état today represents "*governmental power as an antithesis of civil society, that is to say as an extreme dominator*".

But the leadership of the army and its advisors and foreign money-men know perfectly well that this situation is hardly sustainable long term. All the more so given that the new regime doesn't have anything more to offer the hungry and discontented masses than the one which it has just removed by force. "*And yet the state power is not suspended in the air*" said Marx.... It will be necessary for the power of the state to return to earth and very quickly so as to prevent

the army itself becoming the target of the practical critique of the dispossessed masses of Egypt.

The factories continue to produce⁸. Capitalist order reigns in the workshops, as is shown by the jump in exports of non-hydrocarbon products. After having grown by a modest 2% in 2012, exports of these commodities bounced back by 15% in value, to 65.50 billion Egyptian pounds, thanks notably to the depreciation of the national currency in the first five months of 2013 (relative to the same period the previous year). This rebound in exports was even more accentuated in textiles (up 16.5% over the same period, to EGP2.44 billion). Any reawakening of the class necessarily involves an incremental establishment of workers' power through independent struggle in the places where workers are exploited. Egypt is no exception.

There will be yet more violent jolts ahead for the political and economic crisis in Egypt. It has never transformed itself into a pre-revolutionary situation and even less into an opening towards communist revolution because the proletariat, massively present though it may be sociologically in the conflicts going on, still does not exist for itself.

We need to keep in mind that for a pre-revolutionary or revolutionary situation to begin, there must be two objective ingredients – a halt to the development of the productive forces in the form of a cyclical crisis of such severity that proletarians are hit very hard in their everyday material lives as well as there being a serious political and institutional crisis – **and** two subjective conditions: the majority of conscious workers ready for the final assault and an accelerated politicisation of the "backward masses". What's more, the formation of a revolutionary situation is not sufficient to unleash a communist revolution because that is exclusively the act of proletarian subjectivity, of the emergence of the need for communism amongst the exploited and oppressed masses.

⁶ The Eighteenth Brumaire of Louis Bonaparte.

⁷ Even if we have to understand that here the religious symbols are on the side of the deposed legislature and therefore against the Sabre!

⁸ If numerous private companies have seen their production halted during the days of repression, it's not because of strikes. Factories have temporarily closed because the bosses fear unrest and/or that the workers cannot get to work. Perhaps the most lucid amongst the workers refuse to be implicated in a fight between two bourgeois fractions, to choose between plague and cholera. The strike of 2,100 workers at Suez Steel from 23 July to 23 August took place for reasons specific to the company.