CHAPTER IV

INTERNATIONAL CIVIL SOCIETY AND INSTITUTIONALIZATION OF DEMOCRACY IN EGYPT

This chapter will elaborate and analyze the condition brought by the revolution after Arab Spring occurred in Egypt 2011. These conditions mainly happened as the result of fundamental change in dynamics of Egyptian political participation with the help of Ford Foundation.

A. Transformation of Economic Development in Egypt after Mubarak

Egypt actually had liberalized its economy since long time ago under the reign of President Nasser. It was originally done on purpose to stabilize economic sector which had to deal with severe economic crisis and high debt level in the early of 1970. However, recently in 2004, Egypt under the reign of Prime Minister Ahmed Nazif enforced economic reform and structural adjustment program by developing policy paper through Policy Committee of NDP, headed by Hosni Mubarak's son, Gamal Mubarak. Yet, this economic decision toward competition based on market was corrupted and done without transparency during the process in accelerating the revolution.

Egypt is a country in which the income basically depends strongly on unstable external sources such as from tourism, Suez Canal revenues and transferred income of workers who work in countries which produce oil. Moreover, tourism sector also highly depends on Egypt domestic condition. While, the revenues coming from workers who work in oil-producing countries fluctuate in accordance with global economic condition and labor politic (Bertelsmann Stiftung, 2014). Following this condition, it is clear that Egypt transformation would face various difficulties to overcome socio-economic barriers.

Following the revolution of Egypt which happened in 2011, its economic trend had been influenced greatly by the instability of political sector. As all of us know, economic sector is directly linked with political sector, it basically affect each other. Egyptian economy during post-revolution phase was highly challenging. It faced low foreign direct investment, high budget deficit, high debt rate, high poverty rate and low standard of living. Egypt economic performance has been poor since the revolution started. Its GDP had declined almost 4% and manufacturing declined into 12%. However, as the income from tourism sector was collapsed, it led to pressure on balance of payments. Government reserves had fallen by \$9 billion during the first semester in 2011 (Saif, Challenges of Egypt's Economic Transition, 2011).

Moreover, the allegations of corruption and figures which were exaggerated by the media resulted on business people reluctance to conduct investment due to fear of the risk of assets deprivation because such liberalization was equated with corruption. However, the transitional government which was held by SCAF had inflated government budget by providing fixed-term contracts for 450,000 temporary employees. It also approved to increase 15% of public-sector wage. Yet, this decision was politically and economically unsustainable for long-term project (Saif, Challenges of Egypt's Economic Transtition, 2011). Those decisions in long-term would ruin the government budget and fiscal sector.

In fact, Egypt spending was significantly increasing, exceeded the government revenue. Later, it required government to borrow either from domestic or foreign sources. The government, then, decided to borrow from domestic market. Resulted in the increase of domestic debt in 2011, the debt reached 19.6 percent of 2010 overall amount and 1.7 percent in respect to GDP.While government's external debt increased 6.9 percent (Saif, Challenges of Egypt's Economic Transtition, 2011).

The 2011 Index of Economic Freedom portrayed Egypt economic freedom ranking at 96 freest countries in the world with overall score 59.1 as of September 2010. Meanwhile, in Middle East and North Africa region, it was placed on the 11th out of 17 countries. Its economic freedom score was basically stable, with investment freedom significant gains, yet there were declining points in government spending and monetary freedom. The investment freedom sector contributed the highest development by 15 points into 65 points. A project might be fully owned by foreigner. Yet, the approval would be much easier if it was joined by domestic partner. This increase of investment freedom was as the result of increase in regulatory transparency and bureaucracy. This development had placed Egypt on 50 ranks of countries all over the world. Yet, the index showed the highest point of the ten economic freedoms that was the fiscal freedom with 89.6 point and had ranked Egypt on the 23rd number among countries worldwide. It was as the result of individual and corporate income tax rate which were 20 percent. While, for oil, gas

and other exploration, companies had special rates which reached 40.55 percent. Overall, its tax revenue was 15.4 percent of GDP (The Heritage Foundation, 2011).

However, in 2012 Economic Freedom Index, Egypt score was 57.9 which ranked Egypt as the 100th freest country as of September 2011 or seven month after the revolution days. While, on regional rank, it was fell and ranked as the 12th out of 17 countries. The Egypt raising trend economic freedom was halted due to economic turmoil as the result of revolution in the early of 2011. However, there was development in freedom from corruption, it was scored 28 in 2011 index and the score grew into 31 in 2012 index. Furthermore, there were slightly trends of development in both Labor Freedom and Monetary Freedom (The Heritage Foundation, 2012).

B. Political Transformation Post-Mubarak

In post-revolution time, Egypt had faced new phase in many aspect, however, the most significant changes happened in Egyptian political participation. They were used to live under authoritarian government with all of its governmental decision decided by governmental elites with dictatorship style. Yet, it was changed in some aspects below.

1) Shift of Military Role

Prior the revolution time, Egypt military forces under SCAF was the basic power of President Mubarak in ruling the country. It supported and legitimated Mubarak's action under his dictatorship style towards his people. However, during the post- revolution time, the SCAF was in charge to fulfill empty-ruling government and to run the government until the next President would be chosen.

Though it held government power without proper law or regulation, the SCAF eventually realized its promises to assist, prepare, and conduct parliamentary and presidential election. It also promised to transfer governmental power he held to the hand of people. Through referendum achieved in March 2011, 1971 Constitution was amended resulting to the parliamentary election which was held in November 2011 and was ended in January 2012, Shura Council election which was held in January and was ended in February, and finally the presidential election was held in May 2012. These elections held under SCAF were conducted in accordance with the time agenda approved by the constitution.

International election observers and international actors, particularly the European Union responded the Egyptian success in conducting election and called it as credible election. Such achievement of Egyptian in conducting elections had proven SCAF efforts to bring Egyptian government to the civilian forces- based government.

2) Political Participation and Political Parties

Fundamental changes prior and during revolution time had brought changes in Egyptian political aspect. However, democracy was surely linked tightly with political participation of the society within a country. Therefore, in the context of time after Egyptian revolution's political participation would be referring to the

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political parties' activities and citizen who aimed to affect political policy both in informal and formal way.

After all the basic foundation of democracy must be supported by the existence of democratic institutions which sustained and flourished by the value of democracy itself. According to Guillermo A. O'Donell, democratic institutions are political institutions which have recognizable, direct relationship with decision making process which is mandatory within a country, link access to decision-making roles, and interest as well as identities shaping to decision- making process. Following that explanation, democratic institutions including legislative body as law-making, judiciary as law-enforcing, electoral institutions, political parties, local government, mass media, and civil society (Khatib, 2013).

Egyptian revolution had created new structure in political participation in which the change of its status quo was highly desired by most people. There was also a change in the participation of its people, which in the prior time was recognized as informal political action to formal political action. Informal political action, according to Laila Alhamad, can be defined as participation which was done unintentionally by people, it was mainly done to express general dissatisfaction. While, according to Holger Albrecht, formal political participation is defined as a participation which aims to affect political changes which is definitely needed in democratic transition (Khatib, 2013).

In the prior time of revolution, Egypt formal participation was occupied by government strict regulations through Political Party Affairs Committee. It hampered the existence of opposition political parties and people participation in policy- making. However, in the time after revolution, this aspect began to open to the participation of public at large and no longer restricted to elites. It was shown by the amount of political parties, in which before the Egyptian revolution, the political parties amounted in total of 24 (Hassan, 2011). Further, the amount increased and was more than forty new political parties established after President Mubarak was ousted (Khatib, 2013). Those parties, then, were divided into four main coalitions and participated in both election, parliamentary and Shura Council. Furthermore, there were 13 of them who became the candidates for presidential election (Bertelsmann Stiftung, 2014).

The amount of political parties in the post-revolution period had been growing significantly. However, its member composition, electoral programs, and their alliances changed in short time. They were basically divided into four groups of parties: Liberal parties, Left-wing parties, Religious parties, and Former NDP independents.

Liberal Parties

Amongst liberal parties, the parties which showed its most significance, even during Mubarak presidency was the *Al-Ghad* (Tomorrow) party. It was led by Ayman Nour who was the most challenging opposition of Mubarak candidate in 2005. Its platform was under "social market economy", protection in both civil and political rights, faith and gender equality, elimination of state's media monopoly, strong legislation on anti-corruption, and private sector controls (Teti, 2011). However, there were several new parties such as the Egyptian Democratic Social Party (EDSP), the '*Adl* (Justice) Party, and the *Al-Masriyeen al-Ahrar* (Free Egyptians) Party (FEP). Their political agendas were generally based on prescribing civil state, separation and balance of powers, termination of emergency law, state institution building, encouraging public sector investment, equality, rule of law, anticorruption action, implementation of liberal policies includes free-market economy, anti-monopoly regulation, sustainable development, enforcement of social justice, and job provision as well as education improvement (Teti, 2011).

Left-wing Parties

The Left-wing parties basically worked as the representation of Egyptian working class. Yet, this kind of parties had faced difficulties in drawing support which resulted in its development seemed lagged in comparison with other liberal and Islamic parties. Some of its focuses had been similar with other parties such as the termination of emergency law, civilian state, and support to NGO legislation. However, it also focused on halting privatization, supporting workers' rights, enforcing political expression through independent trade union, setting minimum wages, developing industry nationalization, and performing wealth redistribution (Teti, 2011).

One of the most important left-wing parties was the Progressive Nationalist Unionist Party or *Tagammu*. It was established on 1976 and used to be strongly supported by the working class, union, scholars and universities. However, its support declined since there was accusation that this party supported the Mubarak regime. Besides, the other left-wing parties which challenge *Tagammu* position were the Socialist Popular Alliance (SPA), Worker' Democratic Party (WDP) and the Egyptian Socialist Party (ESP). SPA aimed to become a framework for leftist and a counterbalance to Islamic and liberal sides. It was the only leftist party in post-revolution which obtained the required number of members for registration. Meanwhile the WDP and ESP were still struggling to reach the required number of members. Furthermore, the ESP ideology was based on the socialist democracy whose membership ranging over Marxists and non-Marxists (Teti, 2011).

Religious Parties

In the post-revolution time, religious parties' amount was increasing and developed greatly. Furthermore, its view on key issues was ranging and diversed such as their position with military, their relation with opposition groups, their stance in social and moral issues, and both economic and foreign policy.

In broad outline, religious parties in Egypt might be divided into three categories. They are the moderate, conservative, and radical Salafi groups. Their main differences lie on their view whether to make Egypt as Islamic state or not, which implemented Islamic rule in both of its law and economic agenda (Teti, 2011).

The first is the Freedom and Justice Party (FJP) or *Al-Hurriyyawa al-Adala*. Its missions were covering Egypt shift to civil state or removal of military within governmental body, and implementation of Islamic law and legislation as well as commitment to make Islam as the state religion. This party was founded by Moslem Brotherhood, yet most of its member who was considered as moderates and reformist were ousted from its Shura Council as well as its FJP leadership (Teti, 2011).

The other religious- based political party was the *Wasat* (Center) Party. It was founded by several youth who used to be the members of Moslem Brotherhood. This political party was basically come from the Centrist school. It defined that the Islamic law principles were flexible as well as compatible with the idea of pluralism and equality among people which show its accordance with liberal democratic values. Its focus had been advocated equal rights, emergency law and special court annulment, proposed presidential term limits, reduced of executive power, supported privatization, relieved poverty (Teti, 2011).

Other political parties were *Al-Nour* (Light) Party, the Building and Development Party (BDP), *Al-Asala* (Authencity), *Al-Fadila* (Virtue), and *Al-Islah* (Reformation) parties. These political parties were unified under one category which was defined as the Salafi group. They took more concern on religious issues and enforced for closer relation of politic and religious aspect. Their actions covered demand for Islam as country's religion, Islamic law as the source of state law, implementation of Islamic punishment, and freedom of expression to Islamic law (Teti, 2011).

However, another marginal group such as the Shi'a Unity and Freedom Party (UFP) and *Hizb Al-Tahrir al-Masry* (Sufi Egyptian Liberation Party) were established as a response to their condition which was increasingly marginalized because of the growth of right- wing position in Islamic spectrum (Teti, 2011).

Former NDP Independents

In post-revolution, NDP which was the main political party in Egypt was disbanded due to corruption and fraud. However, its former member had developed some political parties. One of the leading parties was *Ittihad* (Union) Party which was led by Hossam Badrawi. It supported separation of power, policies in free market, and regulation which ensured social justice. Other parties which were led by former NDP leaders were *al-Horreya* (Freedom), *Masr al Tanmiya* (Egypt Development), Renaissance Party, Egyptian National Party, *Masr al-Haditha* (Modern Egypt), and *al-Mawatan al-Masry* (Egyptian Citizen) (Teti, 2011).

The formation of political parties used to be regulated under Emergency Law which ultimately hampered its process. In order to apply for registration of a new political party, a party was required to register and wait until the registration approval was established. Before the registration approval was established, such political party could not conduct any political activities. The committee itself consisted of the head of Shura Council and Minister of Interior Affairs. However, under the amended law, in Article 8 and Article 18 to be precise, the formation of new political parties was become easier. In the amended Article 8, the committee which decided the formation of new political parties changed to be consisted of independent judges and the process of new party formation was based on notice to the committee. While the amended law had revoked Article 18 which regulated party politics to receive subsidies from government (Khatib, 2013).

3) Press Freedom

On the other aspect, this political participation among Egyptian also expanded in terms of its method of participation. Government under President Mubarak restricted the existence of political activities. Moreover, the oppositions were not well-institutionalized in conveying their demand and were often done through civil society. So, the government under Mubarak also made law on civil society organization restriction. In more than forty years, this Emergency Law was continuously in effect until it was finally terminated in 2012. Due to these changes, institutionalization of opposition was created, and resulted in gaining power of media, citizens, organization and public spaces.

Prior the time of revolution, government restrictions through censorship had been hindered media to accurately convey and report information to the people. Accordingly, barriers removal in order to create an environment with greater press freedom which supported the effort toward democratic country was something essential.

One of the greatest efforts to realize freedom of press was the abolishment of The Ministry of Information in February 2011. This body was the most powerful regime's tools in suppressing Egyptian and many journalists before the revolution. Under the Ministry of Information state-owned media was created and developed. Its mission was to disseminating regime's messages, enhancing government image and maintaining its leadership within Egypt as well as in Arabian World. Therefore, state media consolidated a concept of media as the government platform to carry out government's message. As stated by Osama Saraya who was the former Chief of editor in al-Ahram newspaper, "the main function of state media was to embellish the face of the regime, not to monitor it. It was impossible to imagine another role for it" (el Issawi, 2013).

However, after President Mubarak was ousted in February 2011, the state media did some changes related to its editors Chief. These Chief Editors used to become the representative of government within the news office. They were appointed by government and close allies of government (el Issawi, 2013).

4) Constitution Radical Amendment

After the overthrow of President Mubarak in February 2011, SCAF was the only institution which was seen to be capable to be in charge control of the country and was brought forward until the first election would take place. It suspended the working 1971 Constitution based on public referendum which was held on 19 March 2011. The result of the referendum was public favor on amendment of Constitution with 77% of the total vote (Feuille, 2011).

There were nine amendments achieved and it might become the first legitimate referendum since 1956. These amendments were passed through cooperation with Parliament in composing new constitution. Indeed, it showed the existence of development in democratic idea which started to be implemented on government body (Feuille, 2011).

The amendments focused on changing law which legitimated Egypt's dictatorship was the Article 77 and 139 of the 1971 constitution. The amendment made the Article 77 which used to limited presidential term in six years, without any limitation of the amount of terms a president could serve, to be limited into two-term for each President. This amendment was essential to avoid a repeat of dictatorship. In addition, the amendment of Article 139 made President to choose people to fill in vice president position before sixty days of its presidential term was over. Prior to the revolution, a President might choose whether or not he assisted with vice-president. Furthermore, the vice-president used to not have any power and ability to conduct check and balance towards the action and authority of the President. Indeed, the emptiness of the vice-president's position seemed to facilitate dictatorial action (Feuille, 2011).

However, amendment on Article 75, 76, 88 and 93 were based on the effort to make regulations which made free-election possible. The Article 76 used to regulate applicant to be presidential candidate by requiring support from 250 members of People's Assembly whose total member were 45. However, the amendment of Article 76 had made possible for applicant to be the candidates of President position by having support only from thirty members of the upper house which was the People's Assembly, having support from fifteen Governorate with 30,000 signatures, or being a candidate from a political party which ever held in seat in Parliament at least once (Feuille, 2011). By this requirement, it made impossible people from outside of the government to be legitimate candidates.

The amendment of Article 88 gives authority to the judicial body in assist and to oversee election as well as its committee. Furthermore, it also gives ability of the court to check the committee decision in election and ensure the election held based on the constitution requirement. This Article used to require election committee performed by judiciary and responsible for balloting and counting the vote. Yet, because of the previous regulation, it made impossible for the committee to oversee the election (Feuille, 2011).

The amendment of Article 93 had transferred power owned by the People's Assembly to validate election for its member to the Supreme Constitutional Court (SCC). The previous regulation had allowed NDP-dominated Assembly to validate candidates who came from NDP, while the other might be invalidated in the election (Feuille, 2011). This amendment had made possible for candidate came from wide-range basic to participate in the election.

Another important point of 1971 Constitution amendment which brought Egypt to be a more democratic country was the Article 148. This Article used to give authority for President to publish a state of emergency. Along with this privilege, the President was able to detain individual without proper and clear cause. This state of emergency renewed for thirty years by the majority vote of People's Assembly. Indeed, the government controls over People's Assembly then, it never hampered the President's intention to extend status of state of emergency. The amended Article 148 moved the President's privilege in declaring state of emergency to the people of Egypt through public referendum mechanism. This article had deprived the President to detain any citizen indefinitely (Feuille, 2011).

Furthermore, the Article 179 was also crucial related to Article 148 which enabled government to run dictatorship. It allowed President to shift detainees of Article 148 under military court. However, SCAF proposed for complete dismissal of this Article (Moustafa, 2011). Indeed, it had showed SCAF's commitment to bring the beginning of democratic reforms and its intention for future democracy.

C. CIVIL SOCIETY AS NEW POLITICAL ACTORS

During the last years of Mubarak presidency, civil society organization and movement had expanded greatly. Their roles were widely recognized as well as appreciated among Egyptian. Such wide- range of association, unions, as well as coalition of democratic and socioeconomic interest had successfully brought revolution time in Egypt. Civil society organization was clearly an important factor during the struggle to overthrow Mubarak from its presidency (Bertelsmann Stiftung, 2014).

Post-revolution day in Egypt, civil society had a new phase of life in the society. The toppled of President Mubarak had opened more space for new formation of NGO and its more free performance. Though there were still some limitations in civil society performance in affecting political decision, there were some signs to positive direction towards a more democratic country by seeing its widening political participation. Before the revolution, civil society was more likely to act and perform informal political participation by relying public dissent toward government through demonstration, it became alternatives of political parties when it was impossible for political parties to emerge.

However after the revolution time, the performance of civil society was widened towards formal political participation. By these changes civil society was able to actively engage in making decision rather than only influencing the process. For example, the Federation of Economic Development Association which was one of civil society existed in Egypt, was decided to register themselves as a political party in 2011. It aimed to be able to participate in parliamentary election in 2011 (Khatib, 2013). Another example was the Moslem Brotherhood. It was an Islamist group which was the oldest, largest, and best in both organizational and funding aspect. It used to focusing on "Islamization from below" and was not likely to focused on direct political involvement and aim at for revolution.

However, its function had changed in post-revolution time. Moslem Brotherhood in post-revolution time founded FJP. It could be the leading Islamic party post-parliamentary election. Indeed, its aim was the implementation of Islamic law within Egypt (Teti, 2011).

More political ambition of Egyptian civil organization showed that there were political changes desired by most people. It resulted in the Egypt structure of political participation. These changes covered the existence, composition and variousrange of civil society organizations. Along with it, since such amendment of basic democratic regulation has been made, people were no longer in the same level of fear as they were used to feel when they were under dictatorship government. The changes of economic association and Islamic group to transform their perspective were included in decision making process, possibly to trigger for such action to be followed by other association.

In the post-revolution period, we could see that there were some fundamental changes within Egyptian. Even though in economic aspect, it experienced huge backwardness both in financial aspect as well as its overall in economic freedom. Yet, its political aspect, particularly in political participation, experienced great development. To the extent, there were shift of military role into the condition where it fulfilled its promises to prepare and conduct both parliamentary and presidential election, great political participation, constitutional fundamental changes, and changes within civil society participation in political activities. Such various actions of Egyptian in post- revolution period symbolized variety of interests and signaled people preference for the state to limit its government powers and legitimated pluralism as the basic idea which influenced future policy agenda.

Those developments toward institutionalization of democratic values in Egypt could not be separated from the role of international NGO which had been

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working on wide- range field. Though they did not act directly as the spear- header of the revolution, however, they were responsible in putting the groundwork of the uprisings through the honor of their education programs and also programs committed on civic engagement. While, after the Mubarak regime was fall, their focus shifted to the advance of political reforms, covered education for voter, election monitoring, constitution reform, human rights issues, and civic participation. Those activities had placed them as the front- liner of democratic consolidation.

Furthermore, some of international NGO which engaged in those missions were the western foundation including Ford Foundation, the Rockefeller Foundation, the Open Society Institute, and the US-funded Foundation for the Future which had been active since long time ago (Herrold, 2012). They were actively supported as well as accelerating social movement and socio-political reforms. These foundations worked by building efforts and increasing integrated support for public policy reform as their grant- making strategies. According to J.C. Jenskin and A.L. Halcli, such philanthropy act, was believed as guided under the framework of civil, political, economic and social rights for all. While for the case of Egypt, it attempted to embodied plural democratic model which guaranteed all interest to be politically represented (Herrold, 2012).

Indeed, their way in realizing their main mission in post-period of revolution was to channel the movement's goals and tactic through modest way without setting aside crucial aspect for the successful phase afterward. Their way of

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realizing their mission was shifted from giving fund to professional organization and persistently persuaded grassroots organization towards a more professional actor in prior and during revolution, to the effort correlating movements to the more institutionalized forms of participation, and also increased the movement's capacities to mobilize voters in order to reach their long-term goals in post-revolution time (Herrold, 2012).

Indeed, from the discussion above, we can acknowledge that the emergence of variable led toward institutionalization of democratic values in postrevolution had been already shown. Furthermore, it can be recognized as the result of efforts done by various international civil societies, including the Ford Foundation. The Ford Foundation was very important in directing and encouraging Egypt transformation to democratic country through modernized its people since long time ago which then led to revolution by using replacement model.

Moreover, it also continued to support Egyptian in post- revolution time toward institutionalization of democratic culture through persistent participation. Though some opposition saw that Egyptian was still not ready for democracy and believed to be unable to practice reform due to its low capacity of the people, however, the idea of Ford Foundation is different. It supported people intervention in political life, merely because they believed on the idea that as the people own the authorized responsibilities in political participation, people would learn their new roles and understood the need to reform through participatory decision in political activities. Indeed, learning democracy by practicing is believed to be the best way during the transition phase. It is merely because when changes are well- introduced, society can adjust and learn the new opportunities in short time (Tobbala, 2012).

However, though those variables which lead to the institutionalization of democratic value had emerged, in the post-revolution period, Egypt still experiences fight among people who used to lead under Mubarak government and reformist. People also still struggle to bring Egypt into a more proper condition of democracy through their involvement in political activities.