

## Egypt and the EU: Where next?

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Recent events in Egypt have sent the European Union's foreign policy-makers back to the drawing board: the coup d'état against President Mohamed Morsi in July; the massacre of hundreds of his Muslim Brotherhood supporters and the imprisonment of over 2,000 of them; the release from jail of former President Mubarak and the trial of Morsi and 14 other Muslim Brotherhood figures are all reasons to rethink diplomatic strategy.

High Representative Ashton and the EU Special Representative for the southern Mediterranean region, Bernardino León, had invested 17 months in building a relationship with the main political forces following the revolution of 25 January 2011. With promises of financial assistance and the future negotiation of a Deep and Comprehensive Free Trade Agreement tied to respect for human rights and fundamental freedoms, the EU tried to gain some leverage with the government under President Morsi. It had hoped that its soft power strategy and 'new form of European diplomacy'<sup>1</sup> might help overcome the deep divisions within Egyptian society. But the sums of conditional aid (offered mainly in the form of loans) have proved too small and the prospects of increased trade and investment too elusive to entice the Egyptian leadership to sign up to the EU's reform agenda.

Relations started to sour in November 2012, when Morsi passed his controversial constitutional declaration and drove a wedge right through Egyptian society.<sup>2</sup> EU sector budget support, the main aid modality of the European Neighbourhood and Partnership Instrument, had already been cut off by then due to lack of reform implementation. The ENP report on Egypt in March 2013 did note some progress, including the orderly organisation of presidential elections, the end of the state of emergency and the smooth transition from military to civilian rule. But serious set-backs were also flagged up, such as the dissolution of the national assembly and the lack of progress on human rights. The constitutional process and call for a referendum on the draft Constitution – subsequently adopted by a slight majority and low voter turn-out – were recognised as having “pitched the nation into a deeply divisive political crisis”.<sup>3</sup> Whereas disbursement levels of ongoing EU assistance fell away due to the country's instability and the

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<sup>1</sup> Notably, a 'Task Force' to enhance the EU's engagement through mobilising all EU assets and working with both public and private sectors.

<sup>2</sup> David Kirkpatrick, "Morsi Urged to Retract Edict to Bypass Judges", *The New York Times* (24 November 2012).

<sup>3</sup> European Commission and High Representative, Joint Staff Working Document, "Implementation of the ENP in Egypt: Progress in 2012 and recommendations for action", SWD(2013) 89 final, Brussels, 20.3.2013.

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non-compliance with agreed conditions, the Union's 'more for more/less for less' conditionality simply failed to impress.

The EU's soft power strategy held no sway over the raw power struggles in Egyptian society, let alone prevent the display of hard power in the counter-revolution led by General Abdulfattah al-Sisi, Egypt's defence minister. Al-Sisi maintained that only the overthrow of the incompetent Morsi would prevent the country from sliding into civil war.

On the face of it, the reticence of member states to call the army's bloody intervention by its name: a coup d'état, has hindered the EU from taking a strong policy line on relations with Egypt. General al-Sisi has proved himself to be a de facto ruler just as unwilling to be inclusive as his elected predecessor. He is clamping down further on the Muslim Brotherhood, arresting its leaders and prosecuting them and Mr. Morsi for charges that include incitement to murder. Military courts are now being used for civilians; women's rights, freedom of speech, freedom of religion and the status of NGOs are being whittled away and polarising society further. What has happened is a reconstruction of the police state – bankrolled by Saudi Arabia, Kuwait and the UAE – the exact opposite of what the EU tried to achieve, namely the construction of long-term stability based on respect for democracy and the rule of law. It is therefore perhaps surprising that the EU has so far not imposed any sanctions against members of the military regime. It has only suspended export licenses for any equipment that might be used for internal repression and recalibrated its assistance to support the most vulnerable groups in Egyptian society.

Is this what the EU should do? The answer is, quite plainly, 'Yes' – at least for the moment. The EU should try to build a real and inclusive political dialogue to restore a democratic process that responds to the legitimate requests and aspirations of the people. This is not the time for the subtle application of negative conditionality under the ENP or targeted sanctions, travel bans or asset freezes. The stakes are too high. Hatred and distrust between secular and religious groups of mostly disenfranchised and unemployed young people run so deep that there is a serious risk of civil war. Violent clashes on the streets of Cairo, recent terrorist attacks and the fragility of the Sinai show that the military junta is not wholly in control. Now is the time for diplomacy to prevent conflict and build trust. This requires the EU to adopt an open and neutral stance towards both the current leaders and the opposition. If this approach fails to bring results, then coercion may be the next option.

Arguably, the EU, through High Representative (HR) Ashton and EUSR León, is in a better position than most outsiders to facilitate dialogue between the several political factions in Egypt. The EU remains Egypt's most important regional partner and Ashton has managed to burn no bridges over the past year and a half. The fact that after the coup d'état she was the only western leader allowed to visit Morsi – detained at a military compound outside Cairo – is telling of her credibility as an honest-broker. Based on frequent visits to Egypt by Ashton and León and meetings with representatives of the different societal groups, the HR has persuaded the Council that "all political parties [should] engage in a real and inclusive dialogue in order to restore a democratic process (...), a national dialogue open to all political forces (...). Political discourse must not be violent and political groups not excluded or banned as long as they renounce violence and respect democratic principles".

Essentially, the EU's line towards the military is the same as that towards the democratically elected Morsi. Time has been wasted, but the EU cannot afford to change its policy now. Egypt needs to find its path towards political reconciliation, constitutional reform and democracy, and it is for Egyptians to decide on this way forward. The EU, working together with international and regional partners, should facilitate this process. If successful, it should assist Egypt in addressing its grave socio-economic problems in a systemic manner. It is in the EU's own short- and long-term strategic interests to support democracy and prosperity in Egypt, as indeed in the wider Middle East and North Africa region.