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Transcript

Egypt and the Road Ahead: Era of Change?

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Sir Richard Dalton:

Welcome. It's good to see all of you here. We've got three speakers, including Shadi Hamid who has come from Qatar, so we are going to run over the normal one hour of meetings. If that is difficult for any of you who have appointments and you need to leave on the stroke of half past two, don't worry about it. Just push past people who might want to stay a little bit longer. It's such a big subject that I think we ought to give it a little bit more so we will aim to have speakers for 40 minutes and then Q&A for 30 or 40 minutes depending on the interest. Could you please all check that you've turned off your mobile phones and if they are silent, I am afraid that that does interfere with electronics. This meeting is on the record and our first speaker is Dr Maha Azzam, who is an Associate Fellow of the Middle East and North Africa Programme here at Chatham House and just back from Cairo.

Dr Maha Azzam:

Thank you very much. Well, I got back from Cairo yesterday. I was there for just under a week. Obviously, it's a momentous time in Egypt and the protests are happening not just in Tahrir Square, but happening in other cities and towns of Egypt – in Suez, in Alexandria, in Ismailia. There are parts of Cairo like Muhalla Kubra, which is a working class area, which has the Muhalla Kubra factories and areas where there are factories where again there have between protests. I think it is worthwhile pointing out that the security arrangements in Egypt are such that there hasn't been a coalescing of these forces and a grand march of some sort, for example, on the President Palace. There has been activity at one point early on in the protests on certain streets, but in some ways, by having it in Tahrir Square, the eyes of the world have been on the protests, but they have also been contained.

So in terms of security it has worked well for the regime, especially during the period when state TV was sending out a very particular message about those that want to threaten Egypt's security and are undermining the country and its economy. This was the message that was going out for a very long time and even when I first arrived. Although, now state television has opened up slightly to allow voices from the so-called 'Committee of Wise Men', that has engaged in dialogue with the government, to have their say as well.

The security situation is such that the protestors are still coming to Tahrir Square in large numbers. There are days when there is more of a lull. There are days that are set out as ones where people are invited to come. Sunday was a very big day which I missed, but Friday was a major process and I've been told by friends who have been there since September 25th that the nature of, and the feeling of the square, changes from day to day. At times, it may be more radical. At others, slightly more like a carnival, but the general tenor of the protestors is to keep the protests peaceful and to continue with one demand – the stepping down of President Mubarak.

Now, I'd just like to add to that that of course the slogans and speeches that were happening all around the square presented very different political orientations from very left-wing political views to more nationalist ones; some far more radical than the ones that we hear here, some calling for President Mubarak's trial and a few even for his execution. Interestingly, towards the end of last week, one of the general staff came into the square surrounded by soldiers. He walked through the square, went to the podium and started to speak, telling the protestors partly that they had made a mistake. They eventually started to shut him down. They kept saying, 'down with the regime', and it didn't quite work the way that they wanted – the military – wanted it to work.

The idea that the army and the people are one is what one hears over and over in the square because the tanks that are guarding the square have clearly, in my opinion, been given orders from very early on not to shoot or antagonize protestors. The orders have come from very high up. There's an understanding that this would not be acceptable. It's not necessarily something that the Egyptian army wants to do anyway. I think the United States made it clear very early on to the high command in Egypt that they have to pursue this with the utmost care and they've dealt with it generally fairly well, except for that period when supporters of Mubarak entered the arena and there was loss of life and things got out of hand.

The supporters that entered Tahrir Square and committed violence and so on, are very much the same sort of people that were involved in disrupting the parliamentary elections in November 2010 and it's almost a tradition in Egypt for the government to bring out supporters, either from factories or offices or whatever by the truck-load or bus-load, to show their support for the regime and it often turns violent. That is not to say that there isn't support for Mr Mubarak in the country - there is, especially among the business elite and some among the middle classes who feel that he has brought stability to the country, many who have done well financially during the years under Mubarak and feel that the country is gravely threatened by his departure because of the economic situation. However, I feel that we've reached a stage where because of the prospect of increasing inflation and deficit, if anything there needs to be a political solution in order to forestall the possibility of the economic situation making people even more angry and possibly spilling out onto the streets in the coming months out of just sheer anger and frustration.

I'd like to touch on one or two things because we do have a limited amount of time. I was assigned the topic of looking at the Muslim Brotherhood, but I think it's important perhaps to look at the whole context. But the Muslim Brotherhood, in the context of the Tahrir Square protests, has taken a very low profile. There was a concerted effort on behalf of the organization not in anyway to appear at the forefront of these protests. They always said that we will be there, among the Egyptian people, we will be among the rank and file. And they certainly were from evidence and the mixing with other groups, all of the secular groups tended to say the Brotherhood were very much there, they were present, but they didn't use any religious slogans. They didn't attempt to lead the protests. They left that to the so-called Facebook generation of youth that brought to the forefront their anger about the Mubarak regime and they were left to lead this protest in Tahrir Sqaure.

But the Brotherhood are very much there. They were particularly involved – I think it was Wednesday night/Thursday morning, if I'm not mistaken – in combating the pro-Mubarak protestors and many said to me afterwards that, had it not been for the Brotherhood being there and being organized, the protestors may have lost the square. The Brotherhood now is engaged in – and this in itself is an enormous move – in dialogue with the government. We don't know whether it is going to go any further. They were invited by Omar Suleiman, among other groups – six other groups - to participate in dialogue with the government and this, in itself, is a turning point, in terms of the Brotherhood agreeing to negotiate with the government. Although their position is that they are not negotiating. They are seeing how the government is going to respond to their demands and whether they should take it further.

The media spokesman for the Brotherhood came out after the meeting saying that they were sceptical and they are not sure that the government is going to be responding, especially on one crucial element which is the standing down of President Mubarak (which the regime takes the stance that he should stay until election in August or September to allow for certain constitutional changes). Also, in terms of emergency law, Omar Suleiman made it clear that given the situation in terms of lack of security within the country, the emergency law has to stay in place. Therefore, there are some crucial efforts where the government is clearly not going to budge.

There is also the figure of Omar Suleiman himself, a Head of Intelligence, of military intelligence, who is very closely associated with the regime and disliked and there is a fear that this is an attempt - this whole dialogue - by the regime to gain time. And of Omar Suleiman knowing that essentially, if he can withstand this crisis, being able to control the situation and retake some of the lost initiative over the last few weeks.

The protestor's stance is that they are going to keep coming back, they are going to keep the pressure up, but they are in some ways undermined by the Egyptian opposition which lacks leadership. It has focus in so far that it is clear of the immediate demands that its wants responded to by the government, but is in itself fractured. Even the Muslim Brotherhood faces challenges from within. There are some that feel that they should not have met up with Omar Suleiman, that is has undermined their position on the street and there are feelings that this was a chance for them.

There is, of course, Mr El-Baradei who sent a representative to meet with Omar Suleiman separately who I think rightly says that the whole situation is fairly opaque, Suleiman is very connected to the government and things are not clear. But my feeling was that Baradei - it's not that he lacks credibility, but he is not particularly popular and, particularly in an atmosphere that has been conjured up in Tahrir Square, he is not necessarily the kind of man, the populist, that people want to follow, given how high emotions are running.

There is one aspect of this that we need to highlight and that is that the Egyptian state, despite the pressures on it in the last two weeks and the pressures on the economy, although sidelined by the police for a while, remains very much threatening to the protestors and to political opposition. Arrests continue to take place. Human rights groups feel threatened. State security is in place. There is a fear among many that it's a matter of time if the government, if the regime under Omar Suleiman, even if it is pursuing talks with the opposition finds itself, that if can regain a grip on things and the eyes of the world are turned away from Tahrir Square that the arrests will continue and the state security will be getting up to it's old practices again. So the human rights situation in Egypt is pretty bleak. There is a sense that all of the people are speaking up within a particular arena, that the eyes of the state security are on them and we still have very much the survival of a police state.

Sir Richard Dalton:

Thank you very much. Shadi Hamid is our next speaker form the Brookings Institution. He is a fellow of the SABAN Centre in Washington but also prominent in the Brookings Center in Doha. We are very lucky to have you. I've quoted him twice in the last year in speeches that I have given to groups on the situation of the Middle East and British policy towards it so particularly glad to have you.

Shadi Hamid:

First of all, thank you to Chatham House for having me. Very glad to be here, it's a very important discussion obviously. So I'll just start by saying that after 9/11, we heard something over and over again. There was a narrative. We heard from US and European officials that the status quo was untenable. And it was in fact untenable as we've now found out. I think most people knew that the region was on the brink of a popular explosion of some kind, but we didn't know how or when it was going to happen. This is the problem with autocracy – they seem stable until they are not and then it's too late.

This was always building in Egypt. This didn't come out of nowhere. We have to remember there has been a culture of protest over the last couple of years in Egypt. December 12th 2004 was the first anti-Mubarak protest in Egypt's history and that was done by Kefiyah, the loose coalition of secularist, Islamists and leftists. In the past six years, we've seen continuous protests. In 2005, actually saw the largest pro-democracy mobilization Egypt had ever seen up until a few weeks ago. But of course that was spearheaded by the Muslim Brotherhood so there wasn't the same kind of excitement and participation from the western media and western officials. So there was something brewing, but something was missing. All the ingredients seem to be there, but there wasn't quite that spark.

As recently as early December, I was in Egypt covering the elections which were actually quite possibly the most rigged in Egyptian history. I met with a number of people to describe them. Resigned to their fate, demoralized. There was talk of mass protest and civil disobedience, but no one was very clear on how that would happen. So how do we go from A to B? Yes, we need to bring people out into the street, but how do we actually do that? I never really got a clear response. I usually got the opposite that when Egyptians were ready, it would happen and that actually turned out to be more or less the case.

The problem is there is no model. Let's say if we look at the Eastern European model. In the Rose Revolution, the Georgians had Serbia, and in the Orange Revolution, the Ukrainian protestors had Georgia. There were models to copy. There was inspiration to draw from. And that's why we shouldn't forget how important Tunisia was in making this possible. I think what was important about Tunisia is that it provided a cognitive shift for the opposition throughout the region. Because up until then it was very difficult to visualize how a leader might fall. I remember doing this thought exercise whenever I went to Egypt. I would do it with opposition leaders - how do we envision this? Let's try to see how this might actually work out. What are the mechanisms for change? People wanted Mubarak to go, but they couldn't actually figure out how it would happen. What Tunisia did – it made people believe that they, too, had a chance. They say it. They could visualize it. I don't think we should ever forget how important Tunisia was in that respect.

So I think, no matter what happens – the revolution might not succeed in Egypt. We don't know for sure. We don't' know if Egypt is going to be a democracy in a week or two or in a year. But what I think we do know is the Arab world can't go back to the way is was on December 24th because Arabs know something they didn't know then and that is that numbers matter, that putting people in the street can have an amazing impact.

The Egyptian regime was really thought to be one of the more unified and one of the more ruthless in the region. This wasn't a Ben Ali situation where, at the first sign of pressure, there would be panic and he would be making his plans to go to Saudi Arabia. There was a sense that the Egyptian regime would not concede so much to its opponents. But I think what we've realized now is that once protestors reach a critical mass, there is very little a regime can do - and this applies not just to Egypt, but everywhere in the region. Because at the end of the day, if you have 50,000 people in the square or 10,000, you can't arrest all.

And I think counter intuitively as well, because these regimes are largely backed by the US, that had unexpectedly a positive effect in the fact that regimes couldn't shoot. They could shoot a little bit, but they couldn't massacre people in the square. They couldn't shoot indiscriminately into crowds because there is a close relationship between the Egyptian military and its counterparts in Washington. And actually when these protests started on January 25th, senior Egyptian military officials were actually in Washington meeting with senior officials at DOD and the US army. That matters and as disappointing as the US often is on democracy promotion perhaps that is the one positive thing that we can keep in mind as we look back at this.

What does that mean for the region? What this means is that from now on Arab regimes will live in constant fear of revolt and nothing can change that now. Because now Arabs are empowered and know that if they want to, they can bring people out into the streets in the thousands, tens of thousands, and then regimes are in a very difficult situation.

So what might that mean in practice? I think we have two models of how the Middle East might emerge now. The fear of revolt might provoke regimes into initiating some kind of democratic transition. They are afraid. They want to pre-empt demands for change, so they go ahead and try to get out in front of this. Or we can have low intensity civil conflict similar to Lebanon in the sense that you have regular protests on a regular basis, every week, every month. You have a major mass mobilization. Major urban centres are paralyzed, stock markets crash and it never quite end because neither side wants to back down. The protestors want something that the regime is not yet willing to give. So that's a dangerous scenario and it is a major possibility. And I think that is a major worry still in Egypt – what if this just keeps on going and the regime, if its not willing to meet the demands of the protestors, the protestors keep on doing what they are doing and you just have a never ending stale mate of sorts.

I think either way, going back to the implications for US, UK and EU policy more broadly; we've seen the end of stability. So that word - and I probably should put that in quotation marks – 'stability', it's over now. Stability is over; the idea that we could purchase stability at the cost of freedom, because the stability of these regimes is no longer guaranteed anywhere. Yemen, Jordan, Algeria. There is no longer a way to guarantee that these regimes will be in power in the same way they are now in one year. The next revolt doesn't have to come tomorrow but the important point is that it could come tomorrow and in this sense each and everyone of these pro-Western regimes is a liability to western powers. They can't be counted on the way they have been up to now. Of course, we all sort of knew this. Again, autocracies don't last forever unless that is some people were under the impression that Arabs were uniquely tolerant of dictatorship, and now we have conclusive proof that that wasn't the case.

Maha covered the Muslim Brotherhood. I want to add a little bit about the Brotherhood part of it because we are hearing a lot of alarmism from the US and from the UK, including from senior policy-makers who are very concerned about the rise of the Muslim Brotherhood. I think that's going to change now. Our Islamist dilemma is changing. This always was one of the most effective tools that regimes had in the region - that they could frighten the international community into thinking it was either them or the Islamist who would take power. What we've seen here is the emergence of protest movements where Islamists are not playing the dominate role so the Islamist card isn't as effective from a regime standpoint. They can't use that as much anymore. Islamists will continue to be the strongest – in terms of organizationally speaking – opposition forces in the region, but they will have competitors and as these societies open up we are going to see leftist and liberal parties emerge and become stronger.

The other part of the Islamist issue is now we are potentially going to see the normalization of political Islam in the Arab world. As Maha just pointed out, yesterday the Brotherhood decided to enter into negotiation – or whatever they want to call it – with Omar Suleiman and the regime. This is the first time in recent memory – I can't think of the last time, maybe sometime in the 1980s - where the Egyptian regime has dealt with the Brotherhood as if it was a legitimate, legal, real organization. Regime officials would always call the Brotherhood 'the banned organization'. They would rarely address it by name. So now we see a defacto recognition of the Brotherhood as a legitimate player which I think explains why the Brotherhood was more eager than we thought to enter into these talks.

What does this mean? The Brotherhood is going to be a part of Egypt's political future whether any of us like it or not and we might very well see the normalization of political Islam first in Egypt, then throughout the region, where it just becomes a normal part for the political process. Islamists participate in elections. They do well. They take part in coalition governments. The world doesn't end. That's going to be an important development if it, in fact, happens. This will be the first real experiment in Islamist integration in the Arab world, at least the first sustained experiment. We've had six month experiments and one year experiments that have failed.

So I'll just start to close with some broader things I want to point to in terms of the original perspective. How does change happen? We are moving forward, trying to understand what are the mechanisms of change. I think there are two important models that are emerging. One is the Tunisia, Egypt, Yemen model of change. This applies to Arab republics where protestors have one simple overarching demand that the president give up power and we've heard, in Tahrir Square, over the last 12 days one very simple demand: Mubarak has to go. And we saw that in Tunisia. And to some extent, we are seeing it in Yemen. The person of the president, because of his dominate, partisan role provides a rallying point for the opposition, so this is conducive to opposition unity. They disagree on a lot, but at least they agree on one thing – that the president is very bad and he has to leave as soon as possible.

So that's an interesting model and one that I think we will see in the republics. The other model of change is different. It focuses around constitutional reform in the Arab monarchies. So let's talk about for example about Jordan, Bahrain or Morocco. We have reasonably free elections. The elections don't matter much. They are free. They are kind of fair, but they are meaningless in the sense that the king or the ruling family has final decision making authority or veto power over major decisions. The problem here though isn't necessarily the king himself but rather the institution of the monarchy and its disproportionate power. So the solution then is constitutional reform where we shift power away from the monarchy, from the executive branch to the legislative branch to the judicial branch. This model is a little less clear cut because you are not going to have people in the tens of thousands in Jordan calling for the king to go into exile. It's going to be a little less subtle where they want the king to reduce his powers, but even that is unprecedented because up until recently that was one of the major red lines in Jordan. Very few major public figures in Jordan would ever explicitly bring up the issue that Jordan is actually an absolute monarchy. It's time for us to become a constitutional monarchy and this is now the rallying cry of this emerging opposition in Jordan. So if we are trying to understand Jordan just for a second here - the king sacked his government last week so a lot of people got excited. And they said, 'wow, this really is spreading to Jordan after all. Maybe we are going to see something similar'. I think we are misunderstanding things there. The Jordanian monarchy sacks its government almost once a year so this is not something new or unprecedented.

This is a way for the ruling elites to absolve responsibility for change and say it's the cabinet's fault, but of course the cabinet is mostly there to execute policies that have already been determined. So it will be interesting to see when that whole game starts to wear thin and you see more of an attack on the prerogatives of the ruling elites and the king in particular. That is something that we are going to have to watch.

So I'll just close with some comments about US, UK and EU policy more generally because I think there are some very important policy implications here that we should bear in mind. I think we can be clear about this. The US and the EU up until now have been on the wrong side of history and now we are paying the price.

Less than two weeks ago – it's really incredible when you think about it – Secretary of State Hillary Clinton said our assessment is that the Egyptian regime is stable, and just three days after she said that, Egypt fell apart. I think this really captures what has been so fundamentally misguided about western policy towards the region - this assumption, of course, that this so-called stability could last forever. But the tone has evolved. The US position has gotten better. They took a tougher line on Mubarak and just over the last few days one of the options that US officials have laid on the table is that Mubarak either goes or he stays as an honorary president. Defacto power goes to Omar Suleiman. So the US seems to be getting a little bit more on the right side of this. But still, I think its concerning almost everyday of this 12 or 13 day series of protests…the US has been behind the curve and they've been put in a position where they reacting to, rather than shaping events on the ground.

Even so, there is wide-spread disappointment in Egypt about the US response. A lot of protestors wanted to see a more proactive, aggressive approach in putting more pressure on Mubarak to leave – but even with that in mind, I think it's very interesting to see how most of the opposition in Egypt is calling on the US to intervene. So we always thought there was this kiss of death thing. Opposition protestors still see the US as a moral leader, or as having the potential to play the role as a moral leader. So you have the odd circumstance where you have a leader of the Muslim Brotherhood calling on the US and the international community to intervene to stop the violence in Tahrir Square. Even the Brotherhood is looking to the US to play that role.

So what does that mean? And this can also be extended not just for the US, but also for Europe and its allies in the West that have an opportunity to play a major role in seeing this new Middle East emerge. The risk, of course, is that this new Arab world emerges and the US ends up having less leverage and less influence because you have these more independent governments that don't tow the line on Israel or Iran or counterterrorism and so on. Perhaps that's one possibility, but I think that the other scenario and I think this is the one that I think is more promising and I would personally like to see happen, is a fundamental realignment in US and EU policy towards the Arab world where these western powers get out in front of this change. The change is going to happen either way. We can't turn the clock back.

So there is a chance, there is an opportunity in crisis, for the US and its allies to play this role, and to be part of this fundamental realignment, to play a constructive role, to facilitate these democratic transitions and then quite possibly to be remembered as the countries that really made this possible. We've been talking about the decline of western power in the Middle East – that's been one of the big narratives in the last few years - China and Russia rising. If we are looking at ways that the West can once again be influential and looked up to for moral leadership in the region, today we have our opportunity. Thanks.

Sir Richard Dalton:

Thank you very much, Shadi. Well, you have been very bold. Stability is over. I wonder if President Bashar or King Abdullah would agree. Somehow we've got to turn back to our imperialist or colonialist pass to interfere more in order to secure governments that we like. But I'm sure there will be a good discussion of those themes and others in your very helpful presentation. Now for a case study on how it's going in Yemen, Ginny Hill who as many of you knows leads the very effective Chatham House international Yemen Project.

Ginny Hill:

There are three immediate ways that events in Egypt and Tunisia have had an impact on the political sphere in Yemen. The first one is that President Saleh's bid for re-election in 2013 has been rendered temporarily untenable. The second thing is the opposition's position has also been temporarily strengthened. And the third thing is that it has inspired the beginnings of an urban protest movement in the capital Sana'a. Now, I'll take each of those things individually.

Last week, President Saleh promised in a speech before parliament to freeze a new constitutional amendment which would allow him to run again for election in 2013. He also promised to delay Yemen's parliamentary elections which are due to take place in April. Now they have already been delayed by two years because the ruling party and the opposition party could not reach an agreement last time around, but that again, has been put on hold, until the two groups can reach an arrangement on the framework. He also promised that his eldest son Ahmed would not inherit the job of president. The constitutional amendment that would allow the president to run again was only introduced in January and for several months President Saleh had been threatening to hold the parliamentary elections without the participation of the parliamentary groups if they weren't happy about the terms and conditions. So in a matter of weeks, we've seen a really quite a dramatic reversal in the direction of political travel in Yemen.

The announcement that Saleh made was intended to tone down the growing internal tensions as a result of events in Tunis and Cairo and, so far, it seems that these have been largely successful because Yemen street protests have not been violent. Unlike Cairo, they are coordinated essentially though the established political opposition and they don't have the same sense of a grassroots phenomenon occurring without very much coordination. The Sabafon network in Yemen is owned by the prominent opposition politicians and they've been using the Sabafon network to coordinate information about the events. And I feel to an extent they are still playing by the rules of the elite politics in Yemen. None of the anti-government protests have yet occupied any of the really symbolic positions in the capital. They haven't occupied Tahrir Square and they haven't held a rally at the stadium by the old airport road which is a really symbolic site for political gatherings.

Last Thursday was Yemen's day of rage. It didn't turn into a day of rage. It was peaceful. But the night before, several hundred pro-government tribesmen showed up and occupied Tahrir Square and they were clearly there to deny space to the political opposition. During the course of the day on Thursday, there was rising concern about the potential for political violence, but the opposition parties decided to switch the location for their protests, so they went ahead with their protest outside the university. I'm told by some sources that the students wanted to protest all day, they wanted to escalate the tone of the protests, but they were told to go home after two hours by the organizers who were seen as being very close to the opposition movement.

So I feel the genuine street protest may emerge over the coming years, but young Yemenis and non-aligned activities haven't yet reached the critical mass that we've seen in the other capitals in North African. Yemen has a very different social profile from Egypt and Tunisia. The middle class is tiny and there are very low levels of literacy and very, very low levels of Facebook use, internet use and Twitter. So these protests do have the potential to grow and gather momentum over the coming weeks, but they do have a different character at the moment.

Among the political classes, very few people believe that President Saleh really will go in 2013 and I think like Maha said, it's seen as being an attempt to gain time until the storm passes. On Saturday, the opposition groups said that they would continue to boycott parliament until there was real proper movement on some of the key issues that they are concerned about. So still very high levels of distrust between the ruling party and the opposition. There is a sense I think that the established opposition movement has been taken off guard by what's been going on in Cairo and they now have to figure out how to respond to the opportunity that has been created for them. But as we've also heard in Egypt, the opposition is very divided in Yemen and in the eyes of many Yemenis, it no longer represents their interests. There are factions within the opposition who are very loyal to the president and there are figures within the opposition who have business interests that are closely linked to the regime. There are a number of strong individuals within the opposition movement, but it is a very loose coalition and there is no clear figurehead.

So they have a challenge to agree and maintain a united front now as they move forward in their negotiations, but the lack of trust that exists means there are many voices calling for international mediation to support the negotiations. Essentially, the opposition and the ruling party have been engaged in endless dialogue over the last three years to try to kick start a dialogue, a national dialogue, that would draw in all the different constituencies that currently have grievances against the regime and they haven't been even able to agree the ground rules for that and now they have some quite specific issues that they have to address if they want to move forward. They are looking for a moral leader from the West on this, as Shadi was saying in Egypt, on democratic participation and they really would like external parties to hold the president to his word.

The US's National Democratic Institute has been trying to broker dialogue between the two groups for some time, really looking at quite technical electoral reforms around the forthcoming parliamentary elections. But now, there are voices in Yemen calling for the Friends of Yemen to take a role here and to try to bring these different groups together. Friends of Yemen was initiated here in London in 2010. It's a high-level diplomatic coordination mechanism of all of Yemen's donors and it's an attempt to try to improve donor coordination so that there is a better response to Yemen's current challenges. But it doesn't have a mandate or the resources to try to intervene at the level that the opposition groups are calling for it to take on as well.

So what next in Yemen? I think crucially unlike Tunisia and Egypt, Yemen does not have strong state structures for any potential successor, for the president to inherit. There are two large areas to the country that are already in open revolt against the regime. There is an area in the North that has been involved in a civil conflict since 2004. That is now on ceasefire, but essentially it could be described as a self-governing area by default. And, in the south there is a protest movement, a separatist movement which is gathering momentum and there are little pockets throughout the south that are very strong in resisting the control of the security forces and there are regular clashes going on throughout the south and that's been a feature of daily life in the south for several years now.

There is a slow motion process of fragmentation that is occurring in Yemen and neither the rebels in the north or the southerners are actually represented by this formal opposition structure that exists in the capital. In addition, Yemen has a fundamental economic crisis which also has its own momentum. The country is very dependent on oil revenues and oil is running out. Yemen is going towards becoming a net-importer of oil within the next few years. Its foreign currency exchange is diminishing. The rial went through a very rocky phase last year and it stabilized slightly. This is really, forthcoming, a really big problem down the line. Some analysts are arguing that Yemen has about six months now before it can't afford to pay, can't be paying salaries anymore. So a lot of the promises that the president made last week in his speech of concessions – i.e. raising salaries, cutting taxes – these things are all in question because there really aren't the resources available to pay for these measures.

The other point to add is that the current regional dynamics are intensifying and the competition that exist within Yemen's power elite, and I don't mean the government or the political parties or even parliament but I mean informal networks of power that sit in and around these structures. It's quite hard to read where these changes are going at the moment. Quite opaque, and I would say that if there are any surprises, it is going to emerge from within this structure or this network. But Yemen's army, its intelligence services and its security services are highly factionalized and the army and the security services don't have an institutional identity as such.

So the western position - I think there has been a tendency for many years for western diplomats to fear that there is no alternative to President Saleh. The US ambassador in the last few days has been encouraging the opposition parties to respond to the president's offer to resolve their differences through dialogue and negotiation. President Saleh has been receiving an increasing amount of American military aid over the last few years. He just received a shipment in mid-January of four new helicopters over the 1206 military financing mechanism in the States. American military aid for this year is projected to rise to US$250 million dollars which is still very small compared to Pakistan but there has been a real escalation in the amount of American military aid in Yemen in the last three or four years. The elite units that receive this aid are under the control of the president's sons and his closest nephews – three close nephews - and the opposition groups in the last few days have been calling for the president's relatives to resign their control because of the political significance that comes with this. CIA sources are now claiming that Al Qaeda in Yemen now represents the biggest threat to security in the United States and there is a high fear of what might come next if the president loses control or if there is a transfer of power in 2013. I think there is enormous concern about stability and caution about anything that is seen to disrupt stability. In Yemen itself, I think there is also a very high level of fear of chaos which the president has been playing on, but it's present within Yemeni society itself. And it may be a paradox that forces a deal between the opposition and the ruling party over control of the capital.

But I think it is important to recognize that this is about the control over the capital itself at the moment, because large areas of the country no longer fall under the control of the government structures or figures that sit inside Sana'a.

So what can be done? The Friends of Yemen are meeting again in Saudi Arabia next month. They are focusing on trying to unblock US$5 billion dollars worth of aid from the Gulf states which hasn't yet been spent, but none of this is for direct budget support that would provide resources for Yemen's government to pay salaries and carry on with service delivery. So there are real questions still around how government machinery is going to operate as the economic crisis develops and I would say there is one possible scenario for Yemen going forward and that would be external financial support, political support and military aid to the regime which enable the regime to maintain control in the capital while the rest of the country continues to fragment and continue along this trajectory of resistance to central control.

I think Egypt and Tunisia have introduced some new dynamics into the equation and some of the old certainties which seemed quite predictable and sure in December are now looking a bit more uncertain. So I would support Shadi's position that there are no longer guarantees for Yemen.

Q&A

Sir Richard Dalton:

Thank you very much indeed. Time for questions. Please stand and say who you are and any affiliation you might have. At the back there please.

Question One:

Any foreign minister would read the correspondence of his own ambassadors in Arab capitals but also, as well, the reports of the World Bank and the IMF. Was – and this is for Shadi Hamid – the IMF and the World Bank wrong in writing positive reports about these countries, putting in mind that some officials from these governments are represented in these institutions namely Boutros Boutros-Ghali and the former Egyptian Mahmoud Mohieldin, finance minister. So how fair they are?

Sir Richard Dalton:

Shadi, would you like to reply?

Shadi Hamid:

Yeah, sure. It's certainly true that Egypt received many accolades from the World Bank and the IMF over the past four to five years. Egypt did actually see a very impressive GDP growth of 5 to 6 percent since 2004. So I don't think there is anything wrong with recognizing that. Of course, the problem is when those gains aren't redistributed throughout society so the rich get richer and the poor either stay the same or get poorer. And that's what we end up seeing not just in Egypt, but Tunisia also has relatively impressive GDP growth rates as well, but the problem is when you have a richer population and a more politically aware population, they start to see that and they ask themselves why is there that gap, why aren't we experiencing the same benefits. Again, it goes a long way to understanding where the growing frustration in these countries came from. But I think the IMF and the World Bank need to think about ways to integrate other concerns beyond strict economic indicators because, in part, they got this wrong and didn't see how this increasing wealth was having a negative effect in some ways.

Question Two:

Surely this so-called revolution is already petering out in so far as America clearly backs the regime. Even Mubarak might surrender in the next six months, but the regime suits America. The military have not moved against

Mubarak, let alone Suleiman. How can this possibly go any further without something happening with the military in particular, in terms of a division or some sort of coup?

Maha Azzam:

I think that is the fear of the protestors – that they are unable to sustain their protest in Tahrir Square which is really the symbol of the opposition, although I think the opposition is clearly more wide-spread than Tahrir Square. There may even be opposition in the military for all we know.

I'm a little bit worried about how we are interpreting the United States' role. I read it somewhat differently. I think that the pressure that's been put on Egypt by President Obama is quite enormous. I think that the military feel that pressure and that the United States has played a very important role in the last few weeks. Its vision of Egypt and the Middle East and how it wants to project itself in the region in a way was indicated as early on as Mr Obama's speech in Cairo. What it wants to see is the people of the regime decide its destiny and America will be there to support a democratic process. It knows that there are dangers to this but it also came to learn very recently the extent to which Mr Mubarak was a liability.

So I don't think there is any turning back at this stage in terms of a desire for political reform in Egypt and for the United States, to a large extent, backing that. I think the government, the regime is to a large extent more entrenched than some may have thought. It's not going to be easy to bring it down, but I think that we are down a road that is going to be very difficult for the regime to control. The problem is, the longer the regime takes the compromise, the more the frustration will grow. So if we don't see any real move towards democratization over the next year, the problem then becomes what happens in term so the Egyptians frustrations which then may really spill onto the streets and may reflect themselves in the sort of mob violence that everyone fears.

Sir Robert Dalton:

A quick comment from Shadi?

Shadi Hamid:

Yeah, sure. If we look at Cairo speech, I think it's worth remembering that the Obama administration, at least initially, was seen to be deemphasizing democracy promotion. They did, in fact, deemphasize it. The Cairo speech had good rhetoric but we saw almost no follow-up whatsoever after that speech. There's a reason for that. The Obama administration prioritized the peace treaty countering Iran and Obama felt that he needed the support from autocratic Arab regimes to help facilitate those objectives. That's why there has been an odd, but certainly present undercurrent of Bush nostalgia in the Arab world and not just among liberals and leftists, but also Muslim Brotherhood leaders who often say amusingly positive things to me about Bush sometimes.

But in any case, I think you are right that Obama has put significant pressure on Mubarak, but if you look at their wording, there is a lot of hedging of bets and at the end of the day the US doesn't want to see a total shift. They don't want to see a revolution of the old order. They don't want to see a fundamentally new order. That's why we've seen very cautious statements about the Muslim Brotherhood's rise and how the Muslim Brotherhood has to commit to certain conditions. The US is very concerned about the implications this will have on Israel. The peace treaty. What happens when you an independent Egyptian government that wants to have a more contentious relationship with Israel? That is still an open question.

Sir Richard Dalton:

I think we'll pass over it. Perhaps we could follow it up afterwards.

Question Three:

Question for Maha Azzam and for Shadi Hamid as well. We keep hearing about the Muslim Brotherhood and they are of course the big elephant in the room. We don't seem to know a lot about them. What we do know is they are being constantly demonized by everybody? Are they a danger? Are they a threat? Who are they and what do they actually represent? Is there a Turkish model? Are they a Sunni Hezbollah? Are they Hamas? Where do they fit into the overall scheme of things?

Sir Richard Dalton:

You have 45 seconds to answer that.

Maha Azzam:

The history of the Brotherhood. Alright, in a nutshell, they are the largest and most important and deep-rooted political movement in Egypt's political history in terms of the opposition and I think they remain so despite the rise of secular liberal groups. I think that their agenda has been social as well as political and that's why they have so much support. They promote a conservative social agenda which I think will remain appealing to a majority of Egyptians who may decide or may not decide to vote for them if there were free or fair elections. There is a lot that has been said about their social and educational work, their charitable work in Egypt and so on, but I think politically they have the vote. There are divisions within the organization itself because their leadership is extremely elderly. There is a young generation of Brotherhood members that want greater transparency and they are very much members of the Facebook generation, too, and they want to see change in an organization that is very hierarchical and is, in some ways, modeled on a very apparati kind of system of control although there has been some degree of opening up.

The Brotherhood has evolved to accept, over time, participation in parliament. In 2005, they won 20 percent of the vote and they behaved, as parliamentary members, like any other political group. They have always condemned violence. They stand openly against Al Qaeda and I think if we are going to speak of any inclusive parliamentary system in Egypt, the Brotherhood have to be included if you want to have a degree of stability. Clearly, they may evolve in either direction. The radical voices may become more important, but it seems as if they are, they have moderated themselves over the years and they may well be going towards a Turkish model, especially if we see the democratization process getting underway.

Shadi Hamid:

In addition to what Maha said, the Brotherhood is at its core, a very pragmatic organization. In fact, in some ways, they are so pragmatic that they give pragmatism a bad name at least according to much of the rest of the opposition which feel that the Brotherhood sell out on a regular basis and shifts its positions overnight. Actually, literally overnight two days ago. But that's a very important point to keep in mind – that whatever Brotherhood leaders believe in their hearts, what is important is what they actually do. So when people say what does the Brotherhood really want – does that really matter? What matters is what they can actually get within the constraints within Egypt's political structure and within the constraints of the international arena. So, let's talk about Israel for a second. Yes, the Brotherhood hates Israel. We all know that. It's not rocket science. But when push comes to shove, the interesting question is will they be willing to accept Israel's existence? I think the answer is yes and many Brotherhood leaders, not all, have said that as much as they dislike Israel in their heart of hearts, they are going to be resigned to the reality. Their politics is about the art of the possible. The Turkish Islamists here are instructive. They had militant anti-Israel rhetoric in the 1990s and what happened? They had a military relationship with Israel after they came to power.

And I'll just say one more thing. The Brotherhood itself doesn't know what it wants because it's been in the opposition for, I don't know, eight decades. So in that respect, they've never thought seriously about what they want to do when they are in a position to govern. They don't know what that would look like. They have trouble visualizing it and that's why I think this experiment, if you want to call it that, will be so important because finally the Brotherhood will have to shift from being pure opposition to thinking about governance in a very difficult domestic and regional context.

Question Four:

Firstly, is there a possibility that the demonization of the Muslim Brotherhood and Islamism in general in the West could push more people in the Middle East towards such groups and towards more hard lined versions of such grounds, given the West is not recognizing the strong Islamist voice in the reason? The second question is, from what you've seen of western analysis here and from Egypt and the wider region, is there a tendency to analyze what is happening in the context of what's good for the West? What's good for Israel? What's good for commerce? What's good for western interests? Rather than what's good for Egyptians and Arabs in general? Is that feeling kind of filtering through to the Arab street and perhaps causing some resentment?

Sir Richard Dalton:

I think if the Ikhwan has disagreements amongst themselves I think those who analyze Ikhwan in the west also disagree. A great many of us do not demonize the Ikhwan.

Shadi Hamid:

Sure. On your first point, Al Qaeda. Here's the thing – when these societies become more open, I think our automatic assumption in the West is that the Brotherhood gets weaker, and liberals and leftists become stronger. I think that's a very serious misconception. The Brotherhood in many ways is more concerned with its left flank and not its right flank. The emergence of Salafis who have grown considerably stronger in recent years is something the Brotherhood is very concerned about. So what happens when Egypt becomes democratic? Do we have Salafi political parties? What do Salafi political parties want? How do they feel about certain issues? So it's not just – if we don't like the Brotherhood, let's be careful what we wish for because the alternative might be considerably worse.

As for your second concern, do we see this from a western prism? I think you are right and maybe that's been reflected in my own comments. Here's the thing. I think it's difficult to make the case to American policy-makers to care about Egyptian democracy because it's the right thing to do, because there is a moral obligation. I'm sympathetic to doing it that way, but unfortunately, that doesn't go very far because in the end, US policy-makers – and presumably UK policy-makers are similar – care about national security interests and that's what we've seen for the last couple of decades.

Questioner Four:

But would that cause resentment on the Arab street and push people towards the kind of people that the West doesn't like?

Shadi Hamid:

Yeah, I don't know how closely they are following the statements of US policy makers, but yeah if they do get that perception. But I think we are starting to see a marriage of interest and ideals. I think it's in the US' long-term interests to support democracy in Egypt because it's happening either way. The Muslim Brotherhood is going to be part of the future either way, so I think now there is way to integrate those concerns and make it part of an overarching narrative on the part of western countries.

Question Five:

With regards to Yemen, I wanted to ask if the protest were to gain true significance in Yemen, do you think this will only spur the separatist movement even further? Do you think that if they were to ask President Saleh and they wanted a new government, then maybe the separatists in the south would call for a definite self of Yemen on the agenda?

Ginny Hill:

At the moment, I don't think that the southerners really see very much common cause with the resentment against the President in the capital and, until that changes, I can't see the opposition movements really coordinating themselves. If Saleh were to go and there were a new president who positioned himself as someone in control of a kind of umbrella coalition and that would allow some kind of devolution – a generous amount of devolution under a federal structure – I think the southerners might feel that there was something in it for them. But at the moment, they feel that the north is not their problem. It's up to the northerners to sort out who they want their president to be and a lot of them don't feel any sense of identification with what's happening in Sana'a so I think that may change, but at the moment, I don't see much sense of identification there.

Question Six:

In the spirit of asking questions through a western prism, I just wonder whether you would extend your analysis that even the Arab monarchies are no longer immune to stability to Saudi Arabia and the other Gulf states?

Shadi Hamid:

I think the Gulf is more immune and there's a reason that we haven't seen the same kind of unrest in those countries yet. The key word is *yet* and, again, I think one lesson we should all take from events over the last couple of months is that it's very difficult to predict revolutions before they happen. None of us – I'm not actually aware of one Middle East analyst in the world, please, someone feel free to correct me if I am wrong – who predicted Tunisia. So just because we don't expect Saudi Arabia to have problems doesn't mean it won't. That said, I think the structural factors there are not as conducive to this kind of uprising, partly due to economic factors. Saudi Arabia is considerably more well off than say Egypt is and that's even more the case for the UAE and Qatar and also Bahrain. Bahrain actually, Bahrain and Kuwait are two countries I do think are worth looking at not because of who they are affected by Tunisia or Egypt, but because these are countries which have seen a history of political activism, of strong oppositions, of confrontation between oppositions and the regime. So that's already been going on for long time in Kuwait and Kuwait is probably the most democratic country in the Arab world with probably one or two exceptions.

Sir Richard Dalton:

And the 14th of February is Bahrain's 'day of rage'. A quick comment form Maha and then I'm afraid we have time for only one more question.

Maha Azzam:

In relation to the Gulf state and Saudi Arabia, I actually predict that the call for political reform is going to increase. We may not see a replica of what we've seen lately, but if anything, what these protests have told us is that it's not only about economic conditions, but the urge in the Arab world is for political participation and accountability and that's something that I believe we are going to see a lot more of even in a country like Saudi Arabia.

Sir Richard Dalton:

As a little footnote, there was a moment in 1980 when the British, who were rather more influential in the Gulf then than they are now, sought to encourage the Gulf rulers to rule in the direction of representative government and more accountable government given what had happened in Tehran. The rulers politely told the British to mind their own business.

Question Eight:

We've heard about Twitter and about Facebook, but what we haven't heard about is the effect of satellite Arabic networks, especially Al Jazeera which has been a vociferous cheerleader both for Tunisian and the Egyptian revolutions. How do you assess their power on the people in the streets and how important is that as a sign of things to come in the future? Also one question, perhaps to Maha – We heard yesterday about the revelations concerning the fortunes amassed by Mubarak and his family. How much has that gained traction within the opposition in Egypt? How much more difficult will it then become for them to accept the continuation of Mubarak's rule?

Maha Azzam:

On that last point, just anecdotally, one of the slogans when I was there was very much for questioning where the money has gone –'Bring it back, Suzanne, what have you done with our money?' So there's a great awareness I think just at the street level of the level of corruption and the fact that very exaggerated maybe numbers - 70 billion in terms of fortune and so on is outside Egypt and even talk that if the economic situation is so bad why don't we bring the money back and straighten things out? So I think that is going to roll and roll and it's going to increasingly difficult for the opposition to ignore that.

I think on the role of Al Jazeera and the satellite – Al Jazeera has played a very important role and I think it's important to also remember for many Egyptians, we talk about the Facebook generation – but many of the protestors in Tahrir Square are not linked up to the internet. A large number of those there, maybe the majority there now, may not even have mobile phones. So satellite TV is important, but I would add even more so that many of these protestors will not even watch Al Jazeera or BBC Arabic. That's a middle class phenomenon. Many of the protestors protesting in Tahrir Square will still watch state TV. The question then arises have these protestors come out while hearing of something happening in Tahrir Square? But many of the people in Tahrir Square now are just not linked in and would prefer to watch Egyptian TV – maybe satellite Egyptian TV – than Al Jazeera or BBC Arabic which is definitely watched by the middle classes.

Ginny Hill:

Just briefly on the Al Jazeera phenomenon, President Saleh rang the Emir of Qatar and complained about the coverage, saying that Al Jazeera was exaggerating the number of people who were taking part in the demonstrations in Yemen. But also criticizing him much more broadly for the coverage in the region – that it was unhelpful, that it was stoking up opposition, that it was advancing the causes of the enemies of the Arabs. There is great sensitivity I think.

Maha Azzam:

Yes and Omar Suleiman did the same with his speech last week. He said it was surprising from a friendly country.

Sir Richard Dalton:

Three cheers for Al Jazeera.

Shadi Hamid:

On the Al Jazeera point, when President Ben Ali gave his final speech where he tried to make some last ditch efforts to stay in power, millions of people throughout the region saw that and that breaks the barrier of fear. I think that it's important to look at it in a regional context, that Al Jazeera is still the number one station that people watch. So we are talking about an audience of tens of millions and they are seeing images that have direct inspiration for their own challenges in their own countries. So we can't underestimate the influence here and also, Al Jazeera, I think was very smart. It got out in front of this. It saw that something new and unprecedented was happening and they got their people out to Tunisia. They got their people out to Egypt. They saw what was happening before it happened. And Al Jazeera has always been good at that in terms of framing, in terms of having the pulse of the Arab public and no one does it better than them. That's really the key to their success and I think we will continue to see Al Jazeera playing a very important role in possibly the revolutions to come.

Sir Richard Dalton:

Thank you very much indeed. I'm sorry to close off the questions at this point in what has been an absolutely thrilling discussion. I'm enormously grateful as I'm sure you are to three outstanding contributors.