MORE THAN A RESPONSE TO ISLAMISM:  
THE POLITICAL DELIBERALIZATION OF  
EGYPT IN THE 1990s

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Since the early 1990s, Egypt has experienced a substantial degree of political deliberalization which defies the notion of a blocked transition to democracy. Repressive amendments to the penal code and to legislation governing professional syndicates and trade unions as well as unprecedented electoral fraud are only some of the indicators. Though related to the conflict between the regime and armed Islamist groups, the erosion of political participation and liberties also reflects other factors, including attempts to contain opposition to economic liberalization under the current reform program.

Compared to most Arab states, Egypt continues to be seen as a relatively liberal polity. The infitah (opening) of the 1970s and the more far-reaching measures of economic liberalization in and after the late 1980s reinforced property rights and reduced restrictions on private economic activities. More importantly, Egyptians appear to be enjoying many of the civil and political rights which ultimately define a liberal polity. In the eyes of many observers, Egypt remains a country in transition to democracy, even though some of them acknowledge that this process has temporarily run into trouble in the 1990s.

Looked at more closely, the notion of a blocked transition to democracy misrepre-
sents the recent developments in Egypt. The opportunities for formal representation and participation through elections have been restricted rather than simply stopped from expanding. One of the better known examples is that of the parliamentary elections of 1995. After unprecedented violence and interference, the largest number ever of candidates belonging to the regime party were declared victorious. More than 94 percent of the parliamentary seats went to members of the National Democratic Party (NDP), compared to 79 percent in the 1990 elections.\(^1\) Thus, an already overwhelming majority was not simply preserved but further strengthened. Earlier, in 1993, legislation was passed that gave the regime greater powers to invalidate elections in the professional syndicates. Meanwhile, other guarantees and freedoms characteristic of liberal polities have been restricted. Most notably, an increasing number of civilians has been tried in military tribunals, which like other special courts, handed down an increasing number of death sentences.

This article seeks to explain the process of deliberalization which has marked Egyptian politics in the 1990s. This process has affected a polity which was never as liberal as has been depicted. Ever since Egyptian president Anwar al-Sadat officially dissolved in 1977 the Arab Socialist Union (ASU), the single party formed under Jamal 'Abd al-Nasir, elections have been conducted in ways that ensure large parliamentary majorities for the NDP, the ASU’s successor organization. The presidential candidate of the NDP has always stood unopposed. The activities of other political parties have remained circumscribed to their headquarters, offices and papers. These parties have had to operate under numerous restrictions, and have been relegated to a playing ground demarcated by the regime and insulated from decision-making with an efficiency that can hardly be found elsewhere in the world. The state of emergency has been in force continuously since Sadat was assassinated in 1981; and though invisible on the stage, the military has always remained present in the wings. Rather than destroying a liberal polity, the process of deliberalization has reversed the relative expansion of liberties in the early 1980s, which many interpreted as a transition to democracy.

For the majority of Egyptians this process has led to the erosion of positive and negative liberties alike.\(^2\) *Stricto sensu* positive liberties are liberties to participate in the selection of the rulers and in the making of policies. In contemporary Egypt, however, political participation of the majority has been restricted to more or less limited representation in parliament and its “trickle-up effects” into the higher spheres of decision-making. Thus the notion of positive liberties will include the opportunities of such representation, even though they may not even entail informal participation, which in all issues of substance, is the privilege of a small minority. The notion will also include the freedom to select representatives at lower levels, such as trade union leaders, who are invested with some powers affecting the negative liberties of others. Defined as liberties

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1. These and subsequent percentage figures were calculated on the basis of the elected deputies, the number of whom was 444 in 1990 and 1995; they do not include the additional ten deputies nominated by the president of the republic.

from the interference of rulers, the latter comprise freedoms often referred to as civil rights, as well as human rights more generally.

If at all, restrictions of liberties in Egypt in the 1990s have been viewed largely as the effects of the conflict between the regime and armed Islamist groups such as the Jama'at Islamiyya (Islamic Groups), which turned increasingly violent in 1991–92 and enabled the regime to categorize all Islamist opposition forces as “terrorists” (Islamists loyal to the regime were not affected—a fact which points to the non-ideological character of the confrontation).

This article argues that although this explanation is valid in part, the non-political return to authoritarianism in Egypt is linked to two other factors as well: It is to some extent the largely unintended consequence of the new voting arrangements for parliament adopted in 1990 to end a major constitutional crisis. In many respects it is, however, the corollary of the economic crisis which hit Egypt in the mid-1980s, and of the economic reforms which were initiated to overcome that crisis. Under the prevailing conditions, macroeconomic stabilization and structural adjustment, notwithstanding their potential long term merits, initially had to, and did, entail for numerous Egyptians, material losses that were added to those already caused by the economic crisis itself. This does not mean, however, that the absence of reform would not have entailed similar losses or worse.

A number of restrictions on liberties have served, and sometimes been intended, to facilitate such reforms, or at least to contain or preempt popular apprehension about the reforms’ actual, potential, or perceived consequences for the redistribution of wealth. Thus, to a significant degree political deliberalization was the immediate corollary of reforms that were meant to enhance property rights, increase private sector growth, and otherwise liberalize the economy. Whether the social fall-out from the economic crisis and the reforms was also at the root of the growing Islamist militancy, and the restrictions on liberties linked to such militancy, is a question that cannot be addressed in the present context.

THE EROSION OF NEGATIVE LIBERTIES

The beginning of the erosion of negative liberties may be dated to July 1992. It was then that in a climate of increasing political violence, parliament, dominated by NDP deputies, amended the penal code and the law concerning the Supreme State Security Courts.3 Far stiffer penalties were introduced for belonging to organizations considered to be undermining social peace or the rule of law, or for advocating the aims of these groups, or obstructing the application of the law, or preventing law enforcement officers from performing their duties, etc. Prison terms were replaced with forced labor, temporary sentences with life sentences, and life sentences with the death penalty. Theoretically, all crimes against the security of the state and the public were to come under the sole

3. Both laws were amended by Law no. 97/1992. See Al-Jarida al-Rasmiyya (Cairo) (the official gazette of Egypt), no. 29 (mukarrar/supplement), 18 July 1992. These courts are special tribunals already established under Sadat.
jurisdiction of the Supreme State Security Courts, the verdicts of which could not be appealed except on procedural grounds.

Particularly harsh penalties befall the perpetrators of “terrorist” acts, a vague term which was newly introduced into the penal code. Provided force or even the threat of force were used to disrupt public order, any act which actually or potentially harmed individuals, or damaged the environment, financial assets, transport or communications, or which involved the physical occupation of sites and places, or obstructed the application of the law, could now be considered as terrorist.4

Although judges sitting on Supreme State Security Courts are hand-picked by the government and may easily be moved to other jurisdictions, civilians, from 1992 onwards, were increasingly referred to military courts. While in the past such cases were exceptions, the number of civilians tried in military courts rose from 48 in 1992 to 312 in 1993. The number fell to 65 in 1994, then rose again to 143 in 1995, and fell to 70 in 1996.5 Unlike their counterparts on Supreme State Security Courts, judges in military courts are military officers and, therefore, subject to orders from their superiors. They have little legal training and their appointment and tenure are entirely at the discretion of the regime.

The respect of law enforcement agencies for the life, personal freedom and physical integrity of citizens has generally declined during the 1990s. The number of death sentences passed on civilians by military courts alone rose from 8 in 1992 to 31 in 1993. Between 1992 and the end of 1996, a total of 74 civilians were sentenced to death by military judges.6 Since at least 1993, the number of political detainees, mostly held under emergency powers, has exceeded 10,000 and according to some sources amounted to more than 16,000 in 1996. The former minister of the interior, Hasan Ali, himself put the number at “less than 10,000.”7 Reports of torture abound, although they are regularly denied by the regime and its representatives.8

Amendments to the party law, voted in December 1992, have eroded negative as well as positive liberties.9 Under the revised law the founders of new parties are barred from accepting foreign funds and from conducting any political activity in the name of their party before it is officially recognized. The effect of this is not negligible since the legalization of parties remains a lengthy process. In the first instance, legalization depends on a government commission which, among other things, needs to be convinced that the

4. Law no. 97/1992, article 2 adding to the penal code the new article 86, which defines terrorism. See Al-Jarida al-Rasmiyya, no. 29.
program of the new party is different from those of existing parties and yet in line with the stringent requirements of the party law and the constitution. Applications rejected by the commission may be taken to an administrative court, which tends to look at them with greater sympathy but not speed. Reflecting the very spirit which inspired the new legal provisions, the commission has not accepted any application since 1990. The seven new parties created after 1990 were all legalized by the competent court.

The most far-reaching attempt to restrict negative liberties was the passing, at the end of May 1995, of the so-called press law. The law, which in fact largely consisted of additional repressive amendments to the penal code, imposed heavy sentences on "publication crimes" such as the printing of "mendacious information," "false rumors," or "defamations," in particular if these were directed against the state, its representatives and its economic interests, or if they endangered public order. Whereas in the past such acts were largely punishable with modest fines, they now carried sentences of up to five years' imprisonment and the payment of exceedingly high fines. One year after the enactment of the law, 99 journalists and editors, many of them from the official press, had been interrogated, charged, and in some cases sentenced by lower courts. Even Ibrahim Nafi', chairman of the board of the pro-government daily Al-Ahram, and then chairman of the professional syndicate of journalists, was taken to court. After a year of unabated protests, the law was abrogated in June 1996. To date it remains the only measure of political deliberation that has been abolished.

THE EROSION OF POSITIVE LIBERTIES

The erosion of positive liberties began before that of negative liberties and preceded the increase in political violence, which therefore cannot easily explain it. Its first major restriction was the very event which many Egyptians had hoped would inaugurate a period of improved participation in politics. This was the early elections which the regime called in 1990, two years before the mandate of the parliament elected in 1987 was due to expire. The regime thus bowed to a ruling by the Supreme Constitutional Court, which had declared unconstitutional the provisions under which the sitting legislature had been elected.

10. For the provisions governing the creation and activities of political parties, see the Egyptian constitution of 1971 as amended in 1980, Article 5, Jumhuriyat Misr al-'Arabiyya, Dusr Jumhuriyat Misr al-'Arabiyya wa al-Qawainin al-Asassiyya al-Mukamilla lahu (The Constitution of the Arab Republic of Egypt and the Principal Laws that are Appended to it) (Cairo: Al-Hay'at al-'Amma li-Shu'un al-Matabi' al-Amiriyya, 1995); Law no. 40/1977, in Al-Jarida al-Rasmiyya, no. 27, 7 July 1977 and amendments referred to above.
14. For details, see Richard Jacquemond, "Dix ans de justice constitutionnelle en Egypte (1979–1990)" (Ten Years of Constitutional Justice in Egypt [1979–1990]) in Centre d'études et de documentation économique,
Parliamentary Elections of 1990 and 1995

Already, the preparations for the elections did not bode well. Although the Supreme Constitutional Court had issued its ruling on 19 May 1990, the ruling was not promulgated until 29 September, only two months before the vote was to take place. Opposition parties were not even consulted by the regime. Following partial modifications after an earlier ruling by the same court, party lists were now entirely replaced with a two-round majority-poll in which, technically, votes were cast for candidates, not for parties. Each constituency was to elect two deputies, one of whom, in line with constitutional requirements, had to be a worker or a peasant. The regime also fixed the new constituencies’ boundaries even later, on 2 October, and again without consultation with opposition parties. Under these circumstances, and in order to campaign successfully, candidates needed the backing of a major organization. The procedure was thus biased in favor of members of the NDP, who could rely not only on the only party machine worth mentioning but also on other types of regime support.

In the event, the 1990 elections, instead of broadening the spectrum of political forces represented in the Egyptian parliament, resulted in a larger majority for the NDP than the party had had in 1987. Candidates who were members of the NDP obtained 79 percent of the seats in the new parliament, compared to 68 percent in the outgoing one. Elected during a period of relative political openness, the 1987 parliament had included the largest number of opposition deputies since the dissolution of the single party system in 1976–77. The NDP parliamentary majority in 1990, however, did not reach its earlier levels of 87 percent in 1984 and more than 88 percent in 1979. Taking advantage of the new electoral arrangements, numerous NDP candidates ran as independents against the candidates officially supported by their own party, but once declared elected they rapidly joined the NDP parliamentary group.

Undoubtedly the results of the 1990 elections were influenced by the decision of most opposition parties to boycott the elections. According to their own declarations, they sought to protest against gerrymandering and insufficient guarantees of fairness at the poll. Officially, only Hizb al-Tajammu’ (the Tajammu’ Party) and Hizb al-Umma (the Umma Party) participated. However, numerous members of Hizb al-Wafîd (the Wafîd Party), Hizb al-’Amal (the Labor Party), Hizb al-Ahrar (the Liberals’ Party), and members of the ’Ikhwan al-Mus’limin (the Muslim Brotherhood) did not respect the boycott and ran as independent candidates. The boycott may in part have been an easy way out for parties...
that realized that the electoral reform would not necessarily cater to their interests, but it was also a protest against attempts by the regime to prevent the ruling by the Supreme Constitutional Court from having any practical effect.

Yet equally important to the outcome of the elections were the interferences and fraudulent acts during the campaign, the election itself, and the counting of the votes by candidates’ parties and the regime. Thanks to their links with the regime, the NDP and its candidates inevitably had the upper hand.

As the regime party, the NDP also found itself in a particularly good position to field candidates able to influence the vote in their own interest and that of the regime. It attracted financially resourceful candidates who considered a seat in parliament an investment for the future. In spite of the economic crisis and growing pressures on the public purse, resources controlled by the regime were by no means negligible. If official endorsement helped these individuals realize their ambitions, they in turn spared no expense to be elected. Thus the NDP could rely on candidates who were able to outbid their competitors whenever electoral success came to depend on money. The regime not only condoned and encouraged those candidates’ efforts but also supported them with schemes of its own to ensure their electoral victory. Although present in all previous elections, regime interferences increased in 1990 even though the partial boycott of that election by opposition forces appeared to make such interferences unnecessary.

Technically, interferences in the 1990 polls were not unlike those that took place in the 1995 elections, which this author was able to follow closely in a number of constituencies. In terms of the scope and violence, however, the 1990 events were only a prelude to those that surrounded and perverted the elections in 1995. The latter are the most conspicuous illustration of the erosion of positive liberties so far, combining direct interference by the regime, fraud by NDP candidates, and impunity for them at unprecedented levels.

In 1990 and in 1995, candidates officially belonging to the NDP could ignore the many legal restrictions and harassments to which their competitors were subjected. Instead, they could rely on official support, ranging from the use of public sector vehicles to the collusion of state officials appointed to run the polling stations. Unlike their competitors, they could put up posters and banderoles before the official beginning of the election campaign. And unlike opposition candidates, they did not have their campaign furniture removed at night. Regime agencies only interfered against individual NDP


candidates where key opposition candidates had to win in order to guarantee a minimum semblance of pluralism, or where one NDP candidate opposed another NDP candidate.21

Electoral registers were frequently rigged in favor of NDP candidates and sometimes even on the latter’s initiative. News bulletins on state-controlled television left Egyptians with the impression that the NDP was the only party running. Opposition parties were only granted a few short slots for campaign statements, which were also granted to the NDP. Even the judges who were supposed to supervise the elections were chosen by the minister of the interior. Their presence was, in any case, no more than a fictitious guarantee of the fairness of the elections, as a single judge could not supervise the chaotic counting by dozens of officials of all the votes cast in a constituency.22

In the 1995 elections, interferences and fraud were developed and used to an unprecedented degree.23 In the Cairo suburb of Madinat Nasr, for instance, the official NDP candidate got more than 10,000 nonexistent or non-resident names added to the voters’ register. Just before the beginning of the campaign, the regime referred to a military court several prominent members of the Muslim Brotherhood whom it accused of belonging to an illegal organization. Officially banned, the Muslim Brotherhood was generally tolerated but also regularly harassed. This time the choice of the court was no less significant than the timing of the charges, as hitherto only alleged members of armed Islamist groups had been tried by military tribunals.24 The trial was, on the one hand, a financial blow as well as a warning to the Muslim Brothers; on the other hand, it was meant to demonstrate to the voters that votes cast for the Brotherhood’s candidates would probably be lost votes. Their organization being banned, Muslim Brothers could, of course, run only as independents.

On the eve of the first round of elections, more than 1,000 members and sympathizers of the Brotherhood were arrested. Most of them were campaign workers or representatives of candidates, who by law were entitled to observe the voting in polling stations, as well as the subsequent counting of the vote. Representatives of other opposition candidates were also expelled or turned away from polling stations, where ballot boxes arrived stuffed with voting papers or else disappeared prior to the count. Numerous polling stations were ransacked by paid thugs, and several opposition candidates were prevented from voting while the police stood by. Finally, candidates were declared elected by the minister of the interior without any indication of the number or percentage of votes they had obtained. Following some 900 appeals, the Court of Cassation recommended that the election of

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21. Examples are numerous. They range from public sector or government officials manning the polling stations, to the police taking ballot boxes to the centers where the vote was counted, to the interior ministry which announced the results.


24. Based on author’s own research.
more than 200 deputies out of a total of 444 be invalidated. The newly elected parliament that included the 200 deputies concerned, refused to follow these recommendations.25

Partly through direct interference and partly by condoning the activities of NDP candidates, the regime managed to get a parliament elected in which its own party obtained 94 percent of the seats, and indeed its largest majority ever. It is true that the opposition parties suffered from numerous weaknesses, ranging from material shortages to leaders and programs that failed to appeal to the voters. None of these weaknesses, however, was as crucial as their lack of a special relationship with the regime.

**Participation Beyond Parliamentary Elections**

Political participation was eroded not only at the national electoral level, but also at a more grassroots level. In the 1991 trade union elections, the regime had the casting vote, and had unwelcome candidates discarded by the Socialist prosecutor, an office established by Sadat to keep in check unwelcome critics and oppositional forces. As a result and despite the widespread discontent of workers, the overwhelming majority of NDP representatives at all levels of the pyramid-like structure of Al-Ittihad al-‘Am li-Niqabat al-‘Ummal (the Federation of Trade Unions) remained unchanged.

Important amendments to the trade union law, which were voted in 1995, constituted another step towards the deliberabilization of union politics. The abrogation of some restrictive provisions paid only lip-service to international labor standards. At first glance, the new amendments seemed to widen participation as additional layers of high-level managers were granted the right to join the unions and thus to vote, though not to stand, in union elections. Only executives, exercising the prerogatives of employers, remained excluded from union representation. Workers employed on fixed-term contracts, however, simultaneously became ineligible to run in union elections, even though they still had the right to vote. Fixed-term contractual workers are most vulnerable in times of crisis and reform as they are the first to lose their jobs. Their numbers have been growing rapidly since the public sector stopped issuing permanent contracts. Thus, only workers and employees on permanent or open contracts were eligible to run in union elections. At the same time, the new rules allowed outgoing union leaders to stand for reelection on the sole basis of having been elected to their positions previously. They no longer needed to be reelected at their own firm before being reelected to the board of the Federation or to one of its 23 branches.26

As the drafting of the new provisions took time, union elections scheduled for 1995 were postponed to autumn 1996. The elections of 1996 duly consolidated the NDP majority obtained in 1991. While oppositional unionists again made some inroads at the


level of their firms, hardly any of them were elected to the boards of branch unions or of the Federation itself. On the board of the Federation, only five percent of the outgoing members were replaced, and only because they had left voluntarily or died; none of them was replaced with an opposition candidate.27

Deliberalization also touched the niqabat mihniyya (professional syndicates), which organize certain professions, including engineers, physicians and lawyers, represent their members' interests, cater to their material needs, and in some cases exert limited regulatory powers over the profession.28 In February 1993, the Egyptian parliament with its vast NDP majority voted a law which substantially modified the rules governing elections to the boards of these syndicates.29 Henceforth, at least 50 percent of the members needed to cast their votes for board elections to be valid. If the turnout was lower, the elections could be rerun twice, in which case a turnout of 33 percent guaranteed their validity. If this lower turnout was not achieved in the second rerun, the syndicate fell under the administration of officials appointed by the government until new elections were held. Although the law may not seem unreasonable, it ignores the fact that historically the turnout in the larger syndicates has been very low. The required turnout is even more difficult to achieve as elections cannot be held on Fridays or public holidays.

In two other domains, the election of officials has simply been replaced by appointments by the relevant state agencies. Under a new law passed in April 1994, 'umdas, who are village chiefs rather than real mayors, are no longer elected but appointed by the minister of the interior.30 Another law passed in May of the same year deprived members of university faculties of the formal means to participate in the selection of their deans. The latter are now appointed by the president of their university, who is himself appointed by the president of the republic.31

THE CONFLICT BETWEEN THE REGIME AND ISLAMIST OPPOSITION FORCES

The 1992 amendments to the penal code followed an unprecedented increase in political violence in the country. Sporadic incidents between security forces and armed Islamist groups, in the early months of 1992, rapidly led to major clashes in and around Dayrut, Asyut and Bani Swayf in Upper Egypt, as well as in Cairo. The assassination of the secular intellectual Faraj Fuda, in June 1992, was the last straw that prompted the regime to modify the law.

Repression, however, could not prevent the further increase of political violence in the country. While 30 deaths were counted in 1991—as many as in the decade since 1981—93 people were killed allegedly by Islamist groups in 1992, many of them after the amendment of the penal code. In 1993, the number of deaths rose to 208, and in 1995 to 373. The victims were mostly members of the security apparatus, but an increasing number were Copts and tourists as well. Attacks against Copts undermined national unity, while those against tourists threatened one of the country’s major sources of revenue. In fact, tourism was seriously affected after the Luxor massacre in November 1997, when more than 60 tourists were killed by armed Islamists.

Throughout the 1990s, the regime faced strong domestic challenges which undoubtedly led it to pursue more repressive policies at the level of both legislation and political practice. The rising numbers of political detainees, of civilians referred to military courts, of death sentences, and of other human rights abuses were by and large linked to the increasingly violent conflict between the regime and parts of the Islamist opposition. This conflict also prompted the modification of the party law concerning the contribution of foreign funds to domestic politics. The numerous declarations made by Alfi, the former minister of the interior, confirm that the regime sought not only to track down terrorists but also to marginalize and exclude from representation and participation those the state could present as the terrorists’ allies or sympathizers. This attempt at marginalization applied in particular to the Muslim Brothers, who were accused of creating a front organization for armed Islamist groups; it even applied to human rights organizations, which the regime repeatedly lumped together with “terrorist organizations.” Finally, also the 1993 law on elections in professional syndicates was mainly directed against Islamists, who since the mid-1980s had taken over the boards of several important syndicates, including those of the engineers, physicians, teachers, and lawyers. They had won in part because of very low turnouts, which in the elections to the board of the lawyers’ syndicate in 1992, hardly exceeded ten percent.


ELECTORAL MECHANICS

As far as parliament is concerned, this strategy of exclusion was not implemented as thoroughly in 1990 as it was in 1995. In the absence of large-scale political violence, Islamist opposition forces could not yet be accused of being terrorists in disguise, and many of them boycotted the elections anyway. Nor were they the only victims of electoral manipulation by the regime, either in 1990 or in 1995.

Deliberalization at the parliamentary level was primarily caused by a combination of new uncertainties resulting from the switch to majority vote, and of old constraints, which continued to premise the reproduction of the political system on large parliamentary majorities. Thus, amendments to the constitution, the (re)election of the president of the republic, and a number of other matters still necessitated two-thirds majorities, whereas the abolition of party lists put together by party hierarchs enhanced the volatility of these and, indeed, of all parliamentary majorities.

While the new voting system allowed the defeat of non-NDP candidates as easily as in the past, it did not *ipso facto* favor official NDP candidates over NDP members running as independents. Thanks to their local and regime connections, and their financial largesse, the latter could as easily as the former persuade election officials in their constituency and beyond to credit them with the largest number of votes. Party and government agencies at the local and central level were sufficiently divided to allow this to happen. 35 Even though in 1990 and in 1995 all NDP members elected as independents quickly joined their party’s parliamentary group, the very fact that they had run as independents raised doubts in the minds of regime representatives about their loyalty to the party. As deputies they might be even less reliable than those elected on a party ticket and fail even more easily to obey party orders or to show up for key votes.

Since majorities became less reliable than under the previous mode of election, they needed to be expanded well beyond the customary two-thirds. This expansion occurred first in 1990 and more significantly in 1995. The overall NDP majority of 79 percent of the parliamentary seats in 1990 remained short of a two-thirds majority if the 95 party members elected as independents were not counted. The overall majority of 94 percent of seats which the NDP obtained in 1995 finally guaranteed the regime a two-thirds majority even without its own independents, who accounted for some 20 percent of the seats. 36 The unprecedented interferences in 1995 appear to be linked more to the size of the victory than to the absence of a boycott.

One may safely assume that none of this was intended by the Supreme Constitutional


Court. It was nonetheless the consequence of its ruling in a context in which the regime was not only able but, from its point of view, forced to manage electoral mechanics.

**ECONOMIC CRISIS AND REFORM**

Important as they are, electoral mechanics and their manipulation by state agencies on the one hand, and the regime’s conflict with armed Islamist groups on the other, still fail to account for all the different aspects of political liberalization in Egypt. The erosion of liberties took place in the context of an economic crisis and subsequent reforms which, at least temporarily, had negative consequences for numerous Egyptians. Some of the restrictive measures imposed by the regime were either partly or primarily intended to prevent the losers from the crisis and the reforms from opposing the new economic policies.

On the face of it, the crisis of the mid-1980s was prompted by the effects of the fall in the price of oil, and the government’s attempts to alleviate these effects. Ultimately, however, these factors only exacerbated budgetary and external imbalances, which had been accumulating over the years because of low productivity, high consumption, and insufficient earnings from exports.

Though limited in scope, initial state measures to overcome the crisis were inspired by the International Monetary Fund (IMF) and the World Bank. As early as 1987, Egypt had reached an agreement on macroeconomic stabilization with the IMF, but had then defaulted. Reflecting the recessive effects of the crisis and those of the early economic reforms, the real growth of the GDP and of GDP per capita declined in the 1980s.

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37. In the second half of the decade the budget deficit amounted to 15 percent of Gross Domestic Product (GDP), pushing up inflation to some 20 percent. Exports were a fraction of imports, the balance of the current account was negative and foreign currency reserves were on the decline. See, for example, Louis Blin, ed., *L’économie égyptienne: libéralisation et insertion dans le marché mondial* (The Egyptian economy: liberalization and insertion into the global market) (Paris: L’Harmattan, 1993); Françoise Clément, “Vers une économie libérale? Introduction” (Towards a liberal economy? Introduction) in *Egypte/Monde arabe*, no. 9, 1er trimestre 1992, pp. 7–13; Arvind Subramanian, “The Egyptian Stabilization Experience: An Analytical Retrospective,” *Working Paper Series*, no. 18 (Cairo: The Egyptian Center for Economic Studies), October 1997.

38. For instance, total public external debt, which reached US $39.8 billion in 1986 and $45.9 billion in 1989, already stood at $27.3 billion in 1982, compared to no more than $19.1 billion in 1980. Total debt service increased from 13.4 percent of exports of goods and services in 1980 to 27.0 percent in 1986 and amounted to 23.6 percent in 1989. For recently revised World Bank figures, see The World Bank, *World Development Indicators on CD-Rom* (Washington, DC: The World Bank, 1997).


40. Real growth of GDP stood at between 7 and 11 percent per annum in the fiscal years 1980–81 through 1984–85, at between 2.1 and 2.7 percent per annum for the period comprising the fiscal years 1985–86 through 1990–91, and fell to 0.3 percent in 1991–92, compared to an annual increase of the population of 2.7 percent over this entire period. Growth of Gross National Product (GNP) per capita decreased to 0 percent in 1985, -1 percent in 1986 and -2 percent in 1990. The World Bank, *World Development Indicators on CD-Rom*. For the period starting in 1985–86, see also Gouda Abdel-Khalek, “Economic Reform or Dutch Disease: On the Macroeconomic Effects of ERSAP,” paper presented at Cairo University, June 1997, Table 2, with higher growth rates only for 1987–88 and 1988–89; and Subramanian, “The Egyptian Stabilization Experience: An Analytical Retrospective,” Table 1, referring to IMF sources. Higher figures given by the Ministry of Planning may confuse nominal with real GDP, see Arab Republic of Egypt, Council of Ministers, Office of the Minister of State,
The burden of the crisis was not borne equally by the various segments of Egyptian society. According to one of the most comprehensive and methodologically sound studies of diachronic changes in private consumption, poverty increased significantly between the fiscal years 1981–82 and 1990–91. In rural Egypt, the percentage of the poor rose from 16.1 to 28.6 percent of the total population over that period of time; while in urban areas it rose from 18.2 to 20.3 percent. Applying a higher poverty line, including those deemed moderately poor, the percentage rose from 26.9 in 1981–82 to 39.2 percent in rural areas and from 33.5 to 39 percent in urban ones. In terms of expenditure deciles, the bottom 80 percent of Egyptian society fared worse than previously, and only the top 20 percent fared better.41

Economic reforms gained momentum after March 1990, when the regime took additional measures to pave the way for a new agreement on macroeconomic stabilization with the IMF. The agreement was adopted in May 1991 and was followed in September by another agreement on structural adjustment, this time with the World Bank.42 Tight fiscal and monetary measures were introduced to reduce Egypt’s budgetary and external imbalances, and its large external debt. The liberalization of prices and of foreign trade and a reform of the public sector, followed by the privatization of several hundred of its companies, were to consolidate the economy in the longer term.

The living conditions of numerous Egyptians, however, failed to improve or continued to deteriorate under the reforms, even though inflation as well as fiscal and external imbalances were greatly reduced. Again reflecting the combined effects of crisis and reform, the real growth of the GDP failed to keep up with the population growth rate, which had declined to 2.0 percent per annum from 2.7 during the 1980s.43 According to figures released by the international financial institutions, real growth of GDP stood at 0.3 percent in the fiscal year 1991–92, and at 0.5 percent in 1992–93. Only in 1993–94, GDP began to rise to 2 or 2.9 percent, depending on the source, and at 2 or 3.2 percent in 1994–95, before rising to 5 percent in 1996–97.44

43. World Bank, World Development Indicators on CD-Rom.
Real wages, which declined during the second half of the 1980s, at least in some sectors never picked up or were even lower by the mid-1990s; in manufacturing, for instance, they fell by 40 percent between 1985 and 1995. Even allowing for diverging definitions and figures, total unemployment seems to have risen from 8.6 percent in 1990 to at least 11.3 percent in 1995. Among high school graduates it rose in the same period from 24 to 35 percent; among university graduates from 16 to 21 percent. While by 1995–96 the percentage of the poor in the total population had declined to 23.3 in rural areas, it had risen to 22.5 percent in urban areas. The percentage of moderately poor, meanwhile, had risen to 50.2 in rural areas and 45 in urban ones.

These developments were significant enough for the regime to anticipate discontent and protests from those most threatened or affected by them. The “bread riots of 1976” had not yet been forgotten. The coverage of the reforms in opposition newspapers such as the leftist Al-Ahali and the Islamist Al-Sha‘b may have further reinforced the regime’s apprehensions. Those concerns were also heightened by the beginnings of organized mobilization. Opposition parties and trade unionists, critical of regime policies, set up various committees for the defense of the public sector. Reported strikes rose from eight in 1990, to 26 in 1991, to 28 in 1992, and to 63 in 1993. In a major strike at Kafr al-Dawwar in September 1994, three people were shot dead by the police and many others were injured. Though not seriously threatening its policies, such developments were highly disconcerting for the regime.

More concretely, there is a direct link between the erosion of specific liberties on the one hand, and the economic reforms on the other. Although the former may appear to be


47. Government of Egypt, Institute of National Planning, Egypt: Human Development Report 1996, pp. 29–32, 66. Most participants in a survey conducted by the authors of this report moreover responded that their living conditions had not improved or deteriorated between 1991 and 1996. The conclusions of this report, according to which in 1995–96 22.5 percent of Egyptians were to be considered as poor, are roughly confirmed by Gaurav Datt, Dean Jolliffe and Manohar Sharma who, again in terms of basic needs, consider 23.2 percent of Egyptians as poor, in “What Do We Know About Poverty in Egypt? An Analysis of Household Survey Data for 1997,” Draft Report, Food Consumption and Nutrition Division, International Food Policy Research Institute, Washington, DC, 1997.


caused primarily by electoral mechanics and the conflict between the regime and its Islamist challengers, the measures taken by the state also serve to police economic reform. The 1992 amendments to the penal code may be invoked not only against members of armed Islamist groups but also against other opponents of regime policies. The broad definition of terrorism introduced by those amendments may be applied to strikes and demonstrations of all sorts. It may also be invoked against tenant farmers who refuse to respect the provisions of the law governing owner-tenant relations. This law came into effect in October 1997, but was passed in late June 1992, three weeks before the amendments to the penal code. Under this law, tenant farmers may be asked to pay higher rent or even to leave the land they have been cultivating for decades.

Serious incidents took place in the spring of 1997 to protest this law, and hundreds of farmers were arrested, though on the basis of other legal provisions. However, in June 1997, leftist activists who supported tenant farmers against their landlords were arrested and charged under the new provisions which make it a serious crime to “obstruct the application of the law” or to resort to “terrorist means.” Thus, the amendments were used for the first time against persons who were not members of an armed Islamist group but who sought to oppose part of the economic reform program. Even though the amendments were not initially intended to cover this type of case, they were readily used for that purpose when it suited the regime.

CONCLUSION

Management from above of the general elections in 1990 and 1995 certainly aimed at excluding the Muslim Brotherhood from parliamentary representation, and at guaranteeing the self-perpetuation of the regime against all possible risks arising from an assembly which, due to the switch to majority vote, had become less reliable and more volatile. The large number of NDP parliamentarians, however, not only guaranteed the regime a two-thirds majority whenever needed, it also enabled the regime to pass more easily controversial legislation pertaining to economic reform. Those reforms were a condition for further support by the international financial institutions and for debt relief by foreign creditors. In some areas, such as taxation and public sector reform, new legislation had become a pressing issue around the time of the 1990 elections, when the agreements with the IMF and the World Bank were taking shape. Numerous other reforms needed to be legislated over the following years, and consequently a pliant legislature was needed by the regime.

The 1995 amendment of the trade union law demonstrates that economic crisis and reform were determining factors for political deliberization. The redefinition of the boundaries of participation in union elections helped to create and consolidate majorities

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50. Law no. 96/1992; for details, see Egypte/Monde arabe, no. 11, 3e trimestre 1992, pp. 259–60.
unlikely to favor aggressive union policies. The enactment of the short-lived "press law" was also connected to economic reform. New and more severe penalties were sought for "publication crimes," such as the spread of "false rumors" or "mendacious information" against public figures, their relatives and the state as such. The vast majority of the charges brought against the press, under the new provisions, referred to its allegations of corruption or embezzlement in high places. The opportunities offered by a more liberal economy indeed produced corruption on a large scale, and attempts at preventing the press from exposing it.52 Finally, provisions such as those concerning the nomination of 'umdas and deans of faculties by their hierarchical superiors, ensured the smooth running of the state apparatus, the function of which was to support economic liberalization both technically and ideologically.

The recent experience of Egypt reminds us that the political effects of economic liberalization depend on a host of factors varying from case to case. Under the conditions prevailing in Egypt in the 1990s, economic liberalization has failed to redistribute economic power significantly and to replace state hegemony with an economic polyarchy more prone to competition and more favorable to political conflict and pluralism. While "liberating" the economy to some degree from direct interference by the regime, reforms such as privatization have often transferred assets, or the control thereof, to actors and groups close to the state.53 At the same time they have entailed a redistribution of wealth which has penalized, at least temporarily, numerous individuals and groups, and thus curtailed ipso facto those of their liberties which depended on access to economic resources.

Economic liberalization is likely to produce not only winners but losers as well. From the point of view of the reformers, losers need to be excluded from the political game and removed from existing corporatist arrangements in ways similar to those described in the literature on bureaucratic authoritarianism.54 Thus the losers quickly lose more than just those liberties which directly depend on access to economic resources. The ensuing structural adjustment of liberties disadvantages the losers while favoring the winners. Where losers are many and winners are few, the general picture is one of political deliberalization.

52. See for instance Cairo Times (Cairo), no. 9, 26 June 1997, pp. 12–13.