

Egypt 1952 & 2011: Reflections on Two Revolutions

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Interpreting a revolutionary event is a contentious undertaking. Why it began, how it unfolded, to whom its legacy belongs — these are questions of enduring debate. The mass protests in Egypt that deposed Husni Mubarak and continued for months in 2011-2012 still generate divergent narratives and competing claims. In the struggle over meaning, reality and possibility are continuously measured against one another. Questions abound as to how much the country should change, and how much it actually has. A tension between continuity and change occupies a central place in political discourse and is manifest in the simple use of language. Since January 2011, commentators from across the Egyptian political spectrum have developed a vocabulary that borrows from the lexicon of the French Revolution — phrases like *ancien regime*, *counterrevolution* and *Second Republic* — suggesting that the events of 2011-2012 mark a fresh page in Egyptian history. Such rhetorical embellishments evoke Hannah Arendt's observation half a century ago that the modern concept of revolution is "inextricably bound up with the notion that the course of history suddenly begins anew, that an entirely new story, a story never known or told before, is about to unfold." [\[1\]](#)

As many Egyptians know too well, the events of 2011-2012 belie such myths of historical rupture. What they have unleashed is a complex set of reconfigurations and reinventions that are likely to yield an untidy blend of old and new. How the emergent order in Egypt will eventually look, and how much of the past it will retain or abandon, are matters that remain to be worked out. Since coming to power, the Muslim Brothers have engaged in a delicate balancing act: maintaining enough continuity to win international acceptance and protect their ruling coalition, while projecting enough change to give credence to their promise of a new Egypt. The result is an emerging leadership of reluctant revolutionaries: They tread carefully, keeping stability a top priority and steering clear of dramatic policy changes, while boasting of being Egypt's first democratically elected rulers.

History is replete with examples of political groups that seize power on a wave of mass mobilization, only to revert to a politics of pragmatism under the mantle of revolutionary ideals. Egyptians need not search beyond their own collective past for an example: the Free Officers. The sixtieth anniversary of the 1952 coup that brought the Free Officers to power offered an occasion to contemplate their legacy. On Internet forums and in the press, Egyptians asked simple but vital questions. Was January 25, 2011 a revolt against July 23, 1952? Or do they complement each other? Did the revolutionary events that toppled Mubarak really break with the past? Or are they to be read as unfolding on a single historical continuum?

Among revolutionary activists it is common to hear the 2011 uprising described as being against the

“July regime,” in other words, against the security state established by Gamal Abdel Nasser and his cohorts, against paternalism and the notion of providential leaders, and against the military’s domination of politics. For them the old formulas of power — whereby Egyptians sacrificed political freedom for social welfare, democratic representation for corporatism and popular participation for technocracy — are no longer valid. As July 23, 2012 approached, Ahmad Mahir, founder of the April 6 Youth movement, said that protests would be more fitting than celebrations for the sixtieth birthday of military rule. Adopting a more cautious tone, the newly elected President Muhammad Mursi praised some of the accomplishments of 1952 but underlined the coup’s failure to bring about democracy, saying that January 25 was a corrective. [2]

Coming at a time when the Supreme Council of the Armed Forces (SCAF) was still in power, the indictments of 1952 by Mahir and others drew immediate rebukes. Both partisans and critics of the SCAF defended the gains of independence. The state-run al-Ahram marked the anniversary with an appendix titled “January 25 Bolsters July 23.” A pro-SCAF Facebook page congratulated Egyptians on the occasion and warned that there is no future for a nation that erases its history. [3] Prominent engineer and Nasser enthusiast Mamdouh Hamza tweeted, “Unfortunately, the January revolution has made some ignorant people insult the glorious July revolution, without which they would not have been educated in the first place.” More careful commentators suggested a distinction between the noble ideals of the 1952 revolution and the realpolitik of the Free Officers’ regime. [4]

The debates revealed profound divisions over the meaning of January 25, as well as the legacy of 1952. They were largely framed around the Free Officers’ deeds and misdeeds, their achievements and failures. Lost in the appraisals was a deeper reflection upon the nature of the July regime’s power and how it contrasts with the present.

Anti-Hegemony and the Arab Uprisings

The political landscape brought about by the Arab uprisings has been marked by a conspicuous absence of hegemony. In each of the Arab countries shaken by revolt, no single force has fully appropriated the revolutionary momentum and claimed it as its own. The tide of history is neither with the bourgeoisie, nor the proletariat, nor any other agent of unambiguous progress. Amidst the ensuing struggles, coalition politics have also failed to produce a political order based on broad alliances and a ruling ideology. In Egypt, the Muslim Brothers have been successful at competitive elections and high-level political maneuver, but less so at building partnerships and presenting themselves as leaders for all Egyptians, a force transcending partisan concerns and representing the public interest.

In the absence of this kind of politics, Egypt has seen a continuing tendency toward what might be called anti-hegemony: a mood whereby people refuse to identify with the programs of the ruling elites. This attitude is discernible in a deep distrust of institutions of power; a conviction that elites are driven by narrow or personal motives; an instinct that the majority is being hoodwinked by a small clique of corrupt, dishonest leaders; and, occasionally, a sense of irredeemable failure and a belief that all attempts at change are futile. Anti-hegemony results from more than the lack of visionary leadership that some observers have noted in the Arab revolts. [5] Its roots go further back in time. The malaise can be traced partly to the state itself, and the feeling that it never gets things right. It reflects not only the shortcomings of individuals, but of policies, practices and institutions — in short, a system of authority losing legitimacy.

In the waning years of Mubarak’s rule, lamenting the deterioration of society amidst the neglectfulness of those in power became something of a zeitgeist. A leading commentator lambasted

the declining professionalism and efficiency of state institutions, warning that Egypt was closer to being a failed state than at any time in its modern history. [6] The hollow “reformspeak” of younger, Western-educated officials was gaining few converts. In cinema and literature, social criticism found widespread success, with films and novels painting unflattering portraits of an Egypt in decay.

The 18 days of protest that toppled Mubarak ruptured this despondency and offered a glimpse of what a different society could look like. In the aftermath of the uprising, however, the disenchantment with the status quo lingered. On February 11, 2011, Egypt’s top generals took over the state and with it the Mubarak regime’s obsolete style of politics, a style marked by habit rather than inventiveness, stubbornness rather than generosity of spirit, complacency even as the country was being transformed. Not surprisingly, the SCAF found post-Mubarak Egypt to be a difficult place to govern.

Perhaps the starkest disconnect concerned the question of how thoroughly Egypt should break with its past. The weeks that followed Mubarak’s departure saw hundreds of protests against bosses, ministers and governors associated with the ills of the former regime. Not since the end of colonialism had there been such a sweeping desire, expressed through grassroots mobilization, to start afresh. Post-independence nationalist leaders were adept at channeling these aspirations into their own political projects, in the process staving off the possibility that independent initiatives would challenge the established order. In 2011, however, the authorities did not let these sentiments develop or take on a national character, seeing them as a threat rather than an opportunity. The generals, backed by many in the intelligentsia and political elite, quickly ostracized the protesters — for workplace justice, or safe places to live or decent treatment by police — and branded them agitators with ill-timed “sectional demands” that imperiled the national interest. To those who felt menaced by the prospect of too much change too soon, the military’s line was comforting.

The first round of the presidential election in the summer of 2012 exposed deep rifts in the Egyptian polity — between organized Islamists, supporters of the old order and “stability,” and an amorphous “third bloc” desiring systemic change. There was, moreover, a visible lack of enthusiasm for the process. Despite state outreach efforts, voter turnout dropped from that in the first post-Mubarak elections, those for Parliament, six months earlier. In the second round, among the 52 percent of eligible voters who did cast a ballot, loyalty to either candidate seemed weak outside the organized camps of each. Islam Lutfi, a young activist expelled from the Muslim Brothers in 2011, captured the moment nicely in a tweet after the announcement of Mursi’s victory: “It’s the first time a candidate grudgingly enters an election, and we grudgingly vote for him, and the powers that be grudgingly accept the outcome.”

The pervasive sense of ennui across vast segments of Egyptian society is hardly startling given the steady erosion of the ruling elites’ ability to build large and diverse bases of support. It evokes a contrast with a different moment in Arab history sixty-odd years ago.

Republics in Revolt

Many observers have tried to make sense of why the Arab revolts happened where they did, stressing factors like economics, technology and demography. Another dimension to consider is history. Pithy facts about poverty and unemployment, access to social media, and youth bulges convey only partial understandings of the complex transformations that these countries witnessed over the past decades. “The 2011 revolts mark the true end of colonialism in the Arab world,” one activist in Benghazi told me at the start of the Libyan uprising. Indeed, the most sustained Arab revolts (except Bahrain’s) happened in republics whose modern histories were shaped by colonial

rule and the forms of mass politics it engendered. The republics that saw no such rebellions — Algeria, Iraq, Lebanon and Sudan — are haunted by raw memories of war, occupation and civil conflict.

The Arab republics in revolt share similar trajectories. In their early years, these states appropriated the nationalism, Islamic modernism and social reformism that had emerged in response to the problems of colonial modernity — uneven integration into the world economy, the centralization of state power, and questions of identity and cultural difference. Relying on a blend of these ideologies, the new regimes succeeded in fashioning a revolutionary political imagination with broad popular appeal. Their first leaders were secular nationalists who anchored their legitimacy in programs of economic development, social justice and anti-imperialism. But from the start the vision was an imperfect one, marred by repressive security practices seen as necessary for uprooting counter-revolutionary elements. The Arab republics soon devolved into dictatorships whose lofty rhetoric fell into rote, meaningless sloganeering. The failure of these grand statist projects to deliver on their promises is a defining legacy of the Arab republics. Another is a collective memory of mass political mobilization against colonialism. The republics' national narratives often celebrate the heroism of popular resistance to foreign aggression. Revolution, in the glossary of these post-colonial states, was hardly a bad word.

In Egypt, the Free Officers' regime emerged out of the crisis-ridden 1940s, where political struggles were deeply rooted in social conflicts over wealth distribution and property relations. In the years prior to 1952, there was a growing awareness among civilian political leaders that glaring disparities in landownership were hampering nationalist priorities for economic development. The discourse of "social reform" became fashionable. All the major opposition parties and movements — from the ultra-nationalist Young Egypt to the Islamist Society of Muslim Brothers to the more radical leftists and communists — had positions on agrarian reform and other pressing social issues, even if the government and the landholding elite did not endorse them.

The 1952 revolt did not belong to any single party or class; it was the outcome of a variety of mobilizations that expressed multiple grievances and aspirations. To give coherence to this array of interests, the Free Officers and their intellectual supporters portrayed a state that possessed a legitimate title to speak for the whole of society. Historian Sherif Younis has described how the 1952 regime instantiated an idealized notion of "the people" that effaced social and political differences and raised Nasser to the status of undisputed spokesman. [7] In this rendering, the officers' state stood above the special interests of any group or class and represented the will of the nation.

Though the officers came to power without a clear plan, they were soon able to embrace existing models and make them their own. Their relationship to the popular classes would be shaped by a commitment to industrial development and social welfare — a creed that, in its heyday, was shared by nationalist governments, global powers, and international donors and experts. Theirs was not a regime motivated by ideological purity. Early in his political life, Nasser was reported to have antipathy for socialism, seeing in the doctrine of class struggle nothing more than a sanctimonious cover-up of political intrigues. [8] Much more important to the officers was stability through coalition building. The regime's partnerships with various fragments of society proved crucial at times to its survival. It was a transport workers' strike, for example, that gave Nasser critical support during the March 1954 standoff with his opponents in the Revolutionary Command Council. The distribution of patronage and social benefits would be key to maintaining order and authority. Through state-run organizations, like the Egyptian Trade Union Federation (ETUF), the regime offered workers corporatist representation, but silenced radical voices of dissent and outlawed any independent political initiatives. A sequence of progressive reforms — land redistribution, rent controls, labor regulations, subsidies, and education and job guarantees — created a degree of social mobility and helped to contain the potential for social antagonism.

More importantly, the regime captivated the minds of many Egyptians by portraying these policies as part of a larger project of national awakening. Glowing paeans from artists and intellectuals, filmmakers and singers, journalists and poets wrote the project into cultural life and aroused a sense of collective agency and achievement. Egypt's march to modernity was not simply a state ploy to dupe the masses; many genuinely believed that independence would usher in an era of unprecedented progress.

The late Anouar Abdel-Malek called the regime “nationalitarian”: a system that defied neat labels, like capitalism and socialism, and where the state acted as the representative of all “popular forces” and independence was a central objective. [9] But behind the slogans of national unity lay a complex assemblage of forces. Throughout the 1950s and 1960s, the officers built a state that embodied an alliance between the military and state technocrats, with support from select private businessmen and wide segments of the agrarian middle class and organized labor. The economic backbone of the regime became what critical observers called the state bourgeoisie. [10] Drawn largely from the urban middle classes, these managerial officials — in ministries, public-sector companies, and general organizations and authorities — were the executants of government planning. By fostering its own layer of elites, the Nasserist state avoided domination by any single social group. Instead, the regime managed class interests through the bureaucracy. It used social policies and corporatist inclusion to win the support of different segments of society, but not to the point where its survival depended on any one of them. State autonomy and social peace went hand in hand.

From a critical standpoint, Nasser's “passive revolution” was an unnerving triumph for political stability, posing serious challenges to any adversary who wanted more thoroughgoing progress toward democracy and social equality. When it came to coopting potential sources of opposition, Nasser's regime was better than its successors, partly because of his populist speeches and appeals to national unity and partly because of his redistributive policies. Dissenters who refused to conform — whether communists, Islamists or others — were brutally repressed.

Ultimately, the program of national independence and state-led development was brought to a halt by a balance of payments crisis and military defeat. The economic change of course that began in the mid-1970s and accelerated with successive neoliberal reforms — the lifting of protectionist and other regulatory measures, the reversal of agrarian reforms and centrally planned industrialization, the dismantling of state monopolies, the entry of foreign capital and consumer goods, and the opening up of new sectors of the economy to private enterprise — gradually transformed the class coalition that underpinned Egypt's post-independence social order. These transformations shifted economic power to new actors: foreign investors, private business groups and speculators, global financial institutions, resurgent landowners and state elites that had adapted to the changing environment.

The Egyptian state in 2011 was a patchwork of its own histories. It had reversed many of its commitments to economic planning and social welfare, but retained key political hallmarks of the 1950s and 1960s, like a strong military and intelligence apparatus and tightly controlled civil society groups, unions and student organizations. Many official institutions still represented older Nasserist ideas of a national coalition; state-run trade unions and parliamentary quotas for workers and peasants continued to exist, though they hardly served those for whom they were ostensibly created. The state's budget reflected overlapping legacies. Nearly 75 percent of public spending was divided between three items: salaries for a mammoth bureaucracy inherited from the Nasser era, subsidies that expanded in the 1970s with the oil boom and rising global food prices, and debt service payments that had accumulated since the 1990s. Contrary to prevailing wisdom that neoliberal globalization would eventually erode residues of étatism, Egypt under Mubarak proved remarkably capable of embodying multiple trends at once.

Mubarak was the last Egyptian president to derive his legitimacy from 1952. But with stability as his *raison d'être*, he could neither create a large and diverse constituency of supporters nor present himself as the champion of a cause in the way that Nasser did. The eminent judge and regime critic, Tariq al-Bishri, called Mubarak's state "personalized" — a form of rule where the ruler did not represent any core support base and alienated most segments of society. [11] The regime failed to offer a compelling narrative through which Egyptians could buy into the political world they inhabited. Mubarak's graceless spectacles of populism — from having cheerleaders at presidential speeches to indulging in the pretense of defending national sovereignty — had little resonance beyond the ranks of ruling-party minions. Anachronistic efforts to portray the leader as a friend of the people were nothing more than, borrowing Fanon's phrase, sterile formalisms. Under Mubarak, the era of grand ideologies driving state programs was over. Instead, the traditional currents of Islamism, Arab nationalism and socialism became largely the domain of private groups — religious movements, opposition parties and political organizations. With no serious effort to forge a guiding vision for society, the regime often resorted to short-term fixes to preserve the status quo, vacillating between piecemeal compromise and heavy-handed repression.

The Quest for Stability

In the wake of the uprising, it has been difficult to consolidate power of the sort achieved by the early post-colonial regimes. In 1954, most of the Free Officers recoiled at the thought of elections, believing that a return to parliamentary democracy could expose them to defeat by their moneyed opponents, the big landowners. [12] But they had fewer misgivings about seizing the state and fashioning its institutions and policies to rally their supporters and secure the new regime. The Muslim Brothers, with their experienced political machine, see things the other way around. They are always eager for a contest at the ballot box, but less confident about what to do once they have captured state power. Part of the reason is that state institutions are much larger in 2012, and are themselves entrenched interests that have to be carefully negotiated with.

Since the start of the uprising, Egypt's largest and most organized political group has fought successfully for inclusion within the ruling coalition. It is unlikely that Egypt will soon revert to the manner of its rule in the last 60 years: by a centralized executive with power concentrated in the presidency. Having won the coveted presidency, the Brothers now have to share power with the military and security establishments, the judiciary and tenacious civilian bureaucracies. The dismissal of Mubarak-era holdovers from top army posts in August was a turning point that set the stage for a deal to end the military domination of politics in place since 1952: The generals ceded power to a civilian leadership and, in return, got reassurance that military prerogatives would be shielded from democratic oversight in the new constitution. The political wrangling with institutions like the judiciary, some of whom have refused to cooperate with the new leadership, is ongoing. On November 22, Mursi claimed almost all sovereign powers for himself as a way of sidestepping these battles. With Mursi's decree, the Brothers attempted a more naked consolidation of state power in the name of "protecting the revolution" from the dregs of the old regime, like senior judges and the former prosecutor-general. They might have succeeded in isolating some of these adversaries, but the explosion of protests in response to the decree exposed their failure to win over Egyptians with such stale formulations.

The strong, paternalistic state — the July regime's recipe for managing political and social differences — is beginning to weaken. That politics is becoming more open to contestation can be observed in the changing size and composition of the political class. New forces from outside the military and security establishments and the old business elite are searching for a voice in the political process, and for the first time meeting with some success. The post-January 25

politicization, especially among the urban middle classes, is spawning a new stratum of actors — party figures, public intellectuals, policy experts, labor leaders and rights activists — or empowering others who languished under the strictures of the Mubarak regime. People who were far removed from the corridors of power are being drawn into the political sphere, whether or not they end up in government. The Muslim Brothers and the army, however, continue to fear too much popular participation in politics. Instead, they prefer to limit public involvement in state affairs to a critical mass of voices they see as necessary for the functioning of a stable political system.

The December crisis over the constitution has exemplified this mentality. Mursi's November 22 decree granted unchecked powers to the president and immunity from judicial rulings to a controversial, Islamist-dominated Constituent Assembly. One week later, the Assembly rushed to complete a draft of the constitution in a marathon session. The result was a text that does not reflect a democratic consensus. Instead, it balances the interests of major power brokers: the Muslim Brothers, the army and the conservative salafis. The constitution was approved by a majority in a controversial referendum that saw the lowest turnout (32 percent) of any post-Mubarak poll. The Brothers may have gotten what they wanted, but the process has shown them to be unable to negotiate in good faith with opponents.

In the realm of social and economic policy, the search for quick-fix stability may be even more elusive. For all their shortcomings, the Free Officers were fortunate to have the weight of history behind them. They took power in a high modernist epoch when the state was celebrated as an instrument of progress, a panacea for the deficiencies of liberal parliamentarianism and the ills of unregulated capitalism. The policies they brought to fruition had been debated in Egypt for at least a decade, in many cases culminating in tamer reforms than those that were proposed prior to 1952. In a world that had emerged out of the Great Depression, where elites in industrialized and developing countries were embracing state-led development as a model for economic growth and prosperity, the Free Officers could readily adopt statist policies from a pre-existing global repertoire and link them to a bigger project for social transformation.

In the years before 2011, no clear alternative to the ravages of neoliberalism had attained the status of orthodoxy — neither in Egypt nor around the world. Unlike the Eastern European revolts of 1989, from which new states emerged into a world defined by American hegemony and the triumph of free-market principles, the Arab revolts broke out in a changing global landscape where such certainties are being shaken. Short of a return to some form of Keynesianism, few serious solutions to the global economic crisis have been proposed by the world's policy elites, leaving Egypt's fate very much tied to that of the rest of the world. While it is too soon to pass down conclusive verdicts on the Freedom and Justice Party, their deeply conservative instincts at a time of profound change — locally, regionally and internationally — do not bode well for a creative response.

Indeed, the Brothers seem to lack any transformative vision for society. They are falling back on the free-market bromides of the last decade, taking comfort in the belief that restoring pre-2011 levels of investment and growth will solve problems of poverty and inequality. The cornerstone of their nebulous "Renaissance Project" is to spur economic growth by luring foreign investors, and encouraging small and medium-sized enterprise locally. Hardly a day passes without glowing news reports of promised inflows of foreign cash — loans, grants and investments — as if these injections, should they materialize, would alone improve the lives of Egyptians. (It is worth recalling that foreign direct investment in Egypt reached a peak of \$11.5 billion before the 2008 financial crisis, without delivering the prosperity that Egyptian leaders now promise. [13]) High on the government's agenda for the coming years are a series of private-public partnerships in energy, roads, ports and waste management — with 14 projects worth \$8 billion already in the works — along with fanciful megaprojects in Egypt's neglected peripheries. [14] At the Euromoney Egypt conference in October, Prime Minister Hisham Qandil summarized the hazy vision: "We want to see Egypt being the Mecca

for investors.”

The government’s pledges have reassured a cluster of investors and free-market bureaucrats, some of the most avid promoters of the policies of the last decade. For them, the economic ills of the old regime are conveniently reduced to a handful of excesses that need trimming — rampant corruption, obstructive bureaucracy and heavy-handed security — not inequalities that require structural change. The single-minded focus on attracting foreign investment comes with no assurances that this money will be spent on creating jobs and generating income that is fairly distributed across different segments of society. Asked at Euromoney Egypt about the biggest challenge Egypt faces in attracting foreign capital, Investment Minister Usama Salih responded plainly: “Labor and power.” This former chief mortgage regulator under Mubarak was referring to the ongoing labor protests and the fuel crisis. At the center of both are institutions that carry echoes of the July regime. They offer a unique glimpse into the uncertainties of the future.

Labor and Power

In many respects, Egypt is still governed by a matrix of institutions created during the Nasser era, including those supervising the most sensitive areas of the economy. The Egyptian General Petroleum Corporation (EGPC) is one. Established in 1956, and originally called the General Authority for Petroleum Affairs, it was among the first of many “authorities” — government bodies that oversaw public enterprises and agencies — created by the new regime to fulfill its vision of state-led industrialization. The grand design never fully materialized. The EGPC’s significance grew during the 1970s oil boom, when it became affiliated with the newly created Ministry of Petroleum. For the first time, Egypt had become a net exporter of crude oil. Over the next 30 years, as Egypt’s energy needs came to consist overwhelmingly of oil and gas, the corporation came to serve several vital functions. It continued to manage exploration and production, often through joint ventures with Western oil firms; to provide for the local market at discounted prices; and, until recently, to preside over exports, a crucial source of foreign currency earnings. It also acted as a conduit for energy imports that were becoming necessary to meet rising domestic consumption. By furnishing most of Egypt’s energy supplies, the EGPC played a crucial role in sustaining a system of unwieldy subsidies.

Under Mubarak, energy subsidies served to maintain a warped equilibrium. Subsidy spending grew immensely during the infitah — the economic liberalization of the 1970s — to mollify those (especially public-sector employees) who were becoming disenfranchised in an increasingly unequal society. The rationale, as described in a 1979 IMF report, was to “restrain inflationary expectations and, hence, moderate wage demands.” Fearful of a repeat of the 1977 bread riots, the state used its windfalls to control the prices of basic commodities, thereby keeping a lid on popular anger. Despite some gradual cuts over the next decades, supports on basic food and fuel prices remained consistent elements in the program. Together, they now dwarf spending on mobility-creating services, like education, a reversal of Nasser-era patterns of social expenditure. By the 1990s, as public enterprises were being sold off, the EGPC morphed into a mechanism for the uneven distribution of state resources and assistance. It funneled dirt-cheap fuel to well-connected oligopolists who came to dominate Egypt’s energy-intensive industries — in cement, steel, aluminum and fertilizers — while ensuring that minimal support to the poor continued. For example, the top item in the energy subsidies bill in recent years has been diesel fuel — roughly 52 percent of total expenditures — of which an estimated four fifths goes to industry. [15] In 2005 or so, the EGPC began to operate at a loss — a result of the double movement of declining oil production and growing domestic consumption. The red ink prompted the corporation to begin borrowing from local and international banks to finance its petroleum purchases from foreign companies. [16] The survival of the subsidy system depended on this cycle of turning credit into fuel allotments, the majority of which supported

those who did not need them. The EGPC became one of the country's most indebted institutions. In its transformation it embodied a crucial feature of Egypt's experience with neoliberalism: More than a retrenchment of the state, the free-market policies of the last 20 years involved a redirection of state resources and activities to serve a handful of rent seekers and crony capitalists, without going so far as to eliminate the bare minimum of sustenance to the poor that state officials thought was necessary to avoid popular unrest.

The formula was clearly a failure. With declining rents and a security apparatus that has been worn down since 2011, Mubarak's modus operandi for ensuring the success of free-market policies — minimal economic populism and heavy-handed repression — is no longer sustainable. Now inevitable, subsidy reform will be the Mursi administration's first test on economic policy. Devouring one fifth of the national budget, energy subsidies in their existing form are a wasteful expenditure the state can no longer afford. But state elites know too well from Egypt's own history that tinkering with subsidies can be a fast track to rebellion. Muhammad Gouda, head of the economic committee of the Brothers' Freedom and Justice Party (FJP), posed the dilemma as a rhetorical question to a reporter: "Previous governments have been afraid to touch energy prices, so will a new government be able to take this suicidal step?" [17] Egypt's subsidy problem is symptomatic of a metamorphosis in its state finances. Since the mid-1990s, Egypt has experienced a steady decline in oil production. By 2007, according to the US Energy Information Administration, it was a net importer of oil. As the late political economist Samer Soliman observed, Egypt has slowly moved away from being a caretaker state that relies primarily on rents — oil revenues, Suez Canal receipts and foreign aid — to a state that will depend more heavily on levying taxes. [18] This sea change will involve tough decisions about how to adjust public finances — where to cut spending and how to generate new forms of revenue — that the last regime failed to implement fully. Unlike the Free Officers, who won popular support by portraying their moderate land reform law in September 1952 as an attack on the inequities of the old "feudal" order, the Mursi government will enjoy no easy boosts of its revolutionary credibility when carrying out these decisions.

Notwithstanding Mursi's rhetoric about the need to restructure subsidies to benefit the poor, the government struggles to offer novel ideas as to who will bear the burden of the cuts, including their wider inflationary effects, and in what proportion. When it comes to generating new kinds of revenue, there is an ongoing aversion to meaningful tax hikes on the rich and their business activities. Instead, the government is eager to introduce more broad-based taxation on consumer goods and services and to revive failed efforts from the early 2000s to expand the base of taxable income through formalization — compelling street vendors, itinerant peddlers and other denizens of Egypt's informal economy to register with the state and report their earnings. [19] In October, the FJP hosted Peruvian economist Hernando De Soto of the Institute for Liberty and Democracy in an effort to restart a study of the informal economy that was halted in 2004. Continuing on the path of their predecessors, the ruling Islamists lack a broad vision of the kind of social coalition they want to build. So far, their plan is to distribute the burden of fiscal restructuring as widely as possible, while keeping entrenched business interests out of harm's way. The reformist imagery of the late Mubarak years lives on. Imagination, however, remains in short supply.

In Egypt, neoliberalism could not operate without an elaborate machinery for containing the social tensions it fostered. The most brazen element was the state security apparatus. Other institutions, like the EGPC, played a subtler role by tossing morsels of assistance to the poor. Alongside the carrot and stick — subsidies and security — was another institution that subdued labor protest by appropriating the voices of workers: the Egyptian Trade Union Federation.

The ETUF counts nearly 4 million members, mostly in public-sector companies and civil service, and until the 2011 uprising, it held a virtual monopoly on worker representation. From its inception in 1957, the federation regularly undermined independent worker strikes and ensured that regime

loyalists filled top union positions. But the mounting pressures of the last 20 years — low wages, inflation and the loss of job security — triggered a wave of wildcat labor protest, the largest and most sustained social movement Egypt had witnessed in over half a century. Between 1998 and 2010, well over 2 million workers participated in strikes, sit-ins and other collective actions. [20] These mobilizations operated on two fronts: The majority protested for improved living conditions and against privatization, while a smaller group of activists fought to establish more lasting forms of independent worker organization.

A few notable victories were won in the late Mubarak years, most notably in real estate tax collection and the textile industry. But it was only after the revolt of 2011 that independent unions started to proliferate — the two most important organizations being the Egyptian Federation for Independent Trade Unions (EFITU) and the Egyptian Democratic Labor Congress (EDLC) — due to the efforts of veteran labor activists. One of their key battles is over the future of trade unionism and the fate of the state-run federation. After his November 22 decree, the first law that Mursi promulgated gave the FJP-affiliated minister of manpower, Khalid al-Azhari, the right to appoint state-run union leaders to replace those over the age of 60. As a new union law is drafted in the coming months, the independent unions and their supporters in civil society have proposed the legalization of any union with 50 or more members. The Muslim Brothers want to limit each enterprise to one union, thus keeping in place the ETUF's dominance, an advantage accrued over decades of having been the only legal organization for workers.

At stake in the dispute is the destiny of a standing relic of the July regime. Like other elements of the bureaucracy, the Brothers are loath to unsettle the ETUF establishment with whom they will have to work in the future. Equally important is the fate of Egypt's government and public-sector workers, who number roughly 5.4 million, and the entity that will come to represent them. Though the independent unions are still relatively weak and internally divided, they have made inroads among state workers — real estate tax collectors, public school teachers, transport and postal workers. Their future is cause for concern for the new leadership. In trying to inherit control over state workers, the Brothers seek to benefit from one of the symbols of Nasser-era corporatism. The ETUF will remain a crucial element in the struggle to redefine labor relations in post-Mubarak Egypt. But just as the burgeoning labor movement was a thorn in the side of the previous administration — and, by some accounts, a factor in its ultimate downfall — it will likely remain so for Egypt's new leadership. Strikes, protests and workplace mobilizations have only increased since Mubarak's ouster and seem poised to continue.

A Chance

It is too early to tell whether the revolutionary events of 2011 sounded the death knell for 1952. Some features of post-independence Egypt have steadily eroded over the last four decades. Others have perdured. The public discussions that animated the sixtieth anniversary of the 1952 coup were a sign that as much as the events of 2011-2012 were about Mubarak, they were also profoundly about the Free Officers and the system they helped to forge. The deep sense of the unrepresentativeness of the state — that it does not stand for “the people” and its interests — can be traced much further back than the last 30 years. In many ways it was a consequence of the lopsided history of the July regime: the collapse of its early promises and social allegiances and the survival of its most imperious practices. However desperately Egypt's new leaders try to demonstrate that genuine change is underway, by promising an economic renaissance or vowing to wage war on corruption, the abiding legacy of anti-hegemony will be hard to undo. The last two years have been instructive. No ideology, however all-embracing, has been able to sell political scheming and conformity as revolutionary change. No leader, however grotesquely mediocre, has been able to play

a hero's part.

Only time will tell whether, for better or worse, a new political project with the ability to enlist broad-based consent is in the making. In a country with high expectations and a stiffening resolve to resist abuse, managing the myriad social and political cleavages will be no simple task. Egypt will likely remain a contentious place to govern for some time. In that ambient uncertainty lie many possibilities. The absence of a new framework of power, one that yields not just electoral victories but a mobilizing vision that cements the authority of Egypt's new leaders and neutralizes alternative visions and aspirations, leaves the political field open for many struggles to come. That is a chance that Nasser's opponents did not always have.

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P.S.

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<http://www.merip.org/mer/mer265/reflections-two-revolutions>

Footnotes

[1] Hannah Arendt, *On Revolution* (London: Penguin, 2006), pp. 18-19.

[2] Egypt Independent, July 23, 2012.

[3] The page can be viewed at:

<https://www.facebook.com/Egyptian.Armed.Forces.Admins/posts/474320752581200>.

[4] See Muhammad Saad, "Thawrat Yulyu...Naqid Thawrat Yanayir am Istimrar Laha?" (The July Revolution...Negation or Continuation of the January Revolution?), *Bawabat al-Ahram*, July 24, 2012.

[5] Thomas Friedman, "Lead, Follow or Get Out of the Way," *New York Times*, May 5, 2012.

[6] 'Amr al-Shubaki, "Al-Dimuqratiyya La Tunqidh al-Duwal al-Fashila" (Democracy Does Not Save Failed States), *al-Misri al-Yawm*, September 23, 2010.

[7] Sherif Younis, *Ism al-Sha'b: Tarikh Naqdi lil-Idiyulujiyya al-Nasiriyya* (The Name of the People: A Critical History of Nasserist Ideology) (Cairo: Dar al-Shuruq, 2012).

[8] Khalid Muhi al-Din, *Wa al-An Atakallam* (And Now I Speak) (Cairo: Markaz al-Ahram lil-Tarjama wal-Nashr, January 1992.), p. 328.

[9] Anouar Abdel-Malek, *Egypt, Military Society: The Army Regime, the Left and Social Change Under Nasser* (New York: Random House, 1968).

[10] Mahmoud Hussein, *Class Conflict in Egypt, 1945-1970* (New York: Monthly Review Press, 1973); John Waterbury, *The Egypt of Nasser and Sadat: The Political Economy of Two Regimes*

(Princeton, NJ: Princeton University Press, 1983).

[11] Tariq al-Bishri, "Shakhsanat al-Dawla" (The Personalization of the State), in *Misr bayna al-'Usyan wal-Tafakkuk* (Egypt Between Disobedience and Dissolution) (Cairo: Dar al-Shuruq, 2006), pp. 25-31.

[12] Muhi al-Din, p. 272.

[13] UN Conference on Trade and Development, *World Investment Report 2012: Towards a New Generation of Investment Policies* (2012).

[14] Reuters, September 24, 2012.

[15] 'Amr 'Adli, *Da'm al-Taqa fi al-Muwazana al-Misriyya: Namudhajan lil-Zulm al-Ijtima'i* (Energy Subsidization in the Egyptian Budget: A Model of Social Injustice) (Cairo: Egyptian Initiative for Personal Rights, January 2012).

[16] Hazem Beblawi, *Arba'at Shuhur fi Qafas al-Hukuma* (Four Months in the Cage of the Government) (Cairo: Dar al-Shuruq, 2012), pp. 91-102. According to Beblawi, the EGPC was over 60 billion pounds in debt to banks in 2011, a liability that never appeared in the state budget.

[17] Financial Times, July 9, 2012.

[18] Samer Soliman, *The Autumn of Dictatorship: Fiscal Crisis and Political Change in Egypt Under Mubarak* (trans. Peter Daniel) (Stanford, CA: Stanford University Press, 2012).

[19] Al-Shuruq, October 17, 2012.

[20] Joel Beinin, *The Rise of Egypt's Workers* (Washington, DC: Carnegie Endowment for International Peace, June 2012).