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Egypt: What are the potential internal political affects of the Gaza wall?

By Guy Burton

In December foreign protestors travelled to Egypt with the purpose of marking the anniversary of Israel's Operation Cast Lead in Gaza, which left approximately 1400 Palestinians and thirteen Israelis dead. However, their efforts resulted in a crackdown by the authorities who sought to prevent them from crossing the Sinai Peninsula to the border crossing of Rafah.

Cairo's response was in line with its Gaza policy. The Egyptian leadership has been active in trying to insulate the situation in Gaza from spilling over domestically. To date it seems that it has largely succeeded, although it is uncertain how sustainable it will be, especially given next year's presidential election and the likelihood of the current president, Hosni Mubarak, stepping down after 30 years in power.

Under Mubarak, the Egyptian leadership sought a mediating role between Israel and Palestine, a role which is supported by Washington. Egypt's engagement has cost it regional influence, losing public Arab and Muslim support to the more confrontational Syrian and Iranian leaderships. Yet arguably Cairo's stance could not be otherwise: Israel's blockade of the Gaza Strip has put increasing pressure on Rafah as the main point of entry. Unable to meet the demand, Palestinians in Gaza have increasingly resorted to the use of underground tunnels to bring in everyday items. But it was also through these routes that weapons have been brought into Gaza, with which militias have targeted Israeli settlements on the other side.

As a result, Egypt has adopted a two-fold strategy. First, it has been involved in various negotiations between Israel and the dominant Hamas party that gained power in Gaza in 2007. Although not a supporter of Hamas, Mubarak's government has contributed to the stop-start talks over the captured Israeli soldier, Gilad Shalit, in 2006 and helped broker a ceasefire between the two parties during the first half of 2008. Second, it has responded to pressure from both the Israelis and the US to stop the use of these tunnels. Consequently, over the past three years it has stepped up security measures and surveillance along the border, bringing the level of smuggling down from its peak in 2008.

Even though Egypt has received regional opprobrium for its stance, the policy has yet to compromise the regime domestically. Although there were several attacks in Cairo in the months following the Israel-Gaza conflict, including the bombing of the Khan el-Khalili market which left one foreign tourist dead, they were soon discounted as the harbinger of a more organised campaign against the government.

Although the most visible demonstrations over Gaza have come from the main opposition, the Muslim Brotherhood, its capacity to destabilise the regime remains severely constrained. Not only is its level of support modest, it is unable to project itself sufficiently to challenge the regime. The government's use of legal constraints prevents the Muslim Brotherhood from organising as a political party, thereby forcing its candidates to stand as independents and excluding it from running for the presidency.

That the regime is so dominant demonstrates the manner in which it has controlled the political process in Egypt. Despite a process of economic and political liberalisation (during which state participation in the economy has declined and the number of civil society organisations has grown), the leadership continues to count on both the support of key actors (i.e. big business, the military, internal security forces and the bureaucracy) and various forms of coercion. This helped maintain a weak opposition in both political and civil society, the Brotherhood excepted. Consequently Mubarak's successor – if it is not his son, Gamal – will most likely emerge from within the regime.

Similarly, the regime has avoided any fallout from the global financial crisis. With an economy dominated by tourism, exports, and revenues from the Suez Canal, there was concern in late 2008. Figures from the first quarter of 2009 reinforced those fears: GDP fell by 4% and unemployment rose above 9%. Meanwhile, poverty levels increased from 19% to 21%. However, last month the IMF reported that Egypt's economy had been insulated by its lack of exposure to financial markets and structured products. The Prime Minister, Ahmed Nazif, reported that while the unemployment level remains stable at the current rate, the economy is now projected to grow by 5% this year.

However, that the regime appears securely in control does not mean that a smooth transition of power or policy continuity is assured next year. On one hand, risk may emerge from the presidential election itself, especially if the government candidate beats an independent candidate who has done well enough to arouse suspicion about the result. Like Iran last year and Mexico in 2006 (which like Egypt was dominated by one party until 2000), should this happen, then a 'stolen election' could act as an issue around which the domestic opposition could coalesce and grow. On the other hand, Mubarak's successor will have to contend with Egypt's declining regional credibility as an international mediator. This may encourage the new president to recalibrate policy strategy in relation to Gaza to conciliate Hamas and its supporters in Egypt.

But for either threat to emerge will depend on the salience of certain issues over the next 18 months. Among these factors will include whether economic recovery proves sustainable and the amount of domestic sympathy towards Gaza. The latter will be especially tested if public opinion increasingly sees the government's Gaza policy as little different to that of Israel's. Indeed, matters may not be helped by Egypt's near completion of a controversial construction of a 10km long, 30m high steel wall on the Gaza border. Although it has been built to discourage smuggling through the tunnels, it may be seen as resembling the Separation Wall that Israel is building between itself and the Palestinians in the West Bank.

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