

**RELEASE IN FULL**

CONFIDENTIAL

February 10, 2011

For: Hillary  
From: Sid  
Re: Behind Mubarak's speech

Latest intelligence from sources with extraordinary access on the ground in Egypt:

Mubarak's conflict with the Supreme Council of the Egyptian army delayed the delivery of his speech. Mubarak is demanding guarantees regarding his possessions and honor once he has left office. Since his son Gamal cannot now replace him Mubarak is insisting that Gen. Omar Suleiman must follow him in power. But Gen. Hassan al-Roueini, the military commander for the Cairo area and Field Marshall Hussein Tatawi are opposed to Suleiman, who comes from the air force and intelligence, not from the army, and see Suleiman as an extension of the discredited Mubarak. Above all, these commanders want to preserve the institution and reputation of the army. They wish to avoid bloodshed and are inclined to lift the state of emergency, another sticking point. The commanders want Mubarak to devolve power in the transition to the Supreme Council, not Suleiman. The conflict between Mubarak and powerful army figures has been momentarily stalemated by Armed Forces Chief of Staff Lt. Gen. Sami Annan, who appears to accept Suleiman for the time being. Annan is continuing to work with Mubarak regarding how to proceed and has stated privately that he is warning the President's advisors that extreme violence may result from the confusion that will arise from vague announcements (Mubarak's speech). Annan has added that the government must act to clarify the situation, and Mubarak should not count on the army firing on demonstrators for any extended period of time. Annan reportedly believes that Mubarak cannot bring himself to say that he has given in to pressure. Annan is concerned that if the situation spirals out of control the army may have to act to move Mubarak out, a step he does not want to have to take.

Both President Obama's speech today discussing Egypt and CIA Director Panetta's testimony predicting Mubarak's departure were poorly received all around and judged seriously unhelpful.