

RELEASE IN FULL

CONFIDENTIAL

December 6, 2011

For: HRC
From: Sid
Re: Egyptian politics

SOURCE: Sources with access to the highest levels of the Muslim Brotherhood in Egypt, The Supreme Council of the Armed Forces, and Western intelligence and security services.

1. On December 4, 2011, Field Marshall Mohammed Hussein Tantawi , the chairman of Egypt's ruling Supreme Council of the Armed Forces (SCAF), and interim head of state, instructed senior military officers to meet discreetly with their clandestine contacts in the Moslem Brotherhood (MB), sending a clear message to Supreme Guide Mohamed Badie regarding the results of recent elections, and reminding him of his secret agreement to work with the SCAF to ensure an orderly transition to an elected government. Tantawi instructed that there must be no chance for a misunderstanding on Badie's part, and that the Army would react with all necessary force to maintain control of the interim government and insure stability throughout the country.

2. According to extremely sensitive sources, Tantawi and his advisors are concerned that the some in the MB leadership will be tempted to work with the conservative Salafist al Nour party in an effort to move toward civilian rule at a faster pace. This step would place the MB in an overwhelmingly strong position as the senior partner in a coalition controlling a substantial majority of seats selected during the first round of parliamentary elections. This source notes that the MB's Freedom and Justice Party (FJP) won approximately 37 percent of the first round seats in the lower house of parliament, with its smaller allied parties in the new parliament gaining an additional ten percent of the seats. At the same time al Nour took 24 percent of the seats. Accordingly, as matters stand at this time, a pan-islamist coalition would be in a position to demand the right to immediately form an interim government, under a prime minister of their choosing. Al Nour leader Emad Abdel Ghafour is known to SCAF sources to be particularly interested in pursuing this course. For its part the MB, largely through FJP leader Mohamed Mursi, have held al Nour at arm's length, although Mursi has said on several occasions that the new parliament should form the interim government, rather than the SCAF.

3. (Source Comment: Tantawi is not as pessimistic as some of his advisors regarding the MB, including the leadership of Egyptian General Intelligence Directorate (GID) and Military Police commanders. The Field Marshall continues to believe that Badie understands that the Army will not waiver from its intention to administer the country until presidential elections are held in June/July 2012. He realizes that this is an arrangement of convenience for the MB and that at some point the two sides will end up in a degree of conflict. That said, he also believes that Badie and his closest advisors are sophisticated politicians and realize that the SCAF will not hesitate to use extreme force to maintain the stability of the country. Tantawi pointed out to one contact that the MB was holding to their part of the agreement by working to lower the level of violence in the pro-democracy demonstrations. He added that the MB was a large organization and that it would be unusual if they were not looking at all available options. He repeated, however, that there must be no confusion on Badie's part that the Army would move against the MB if they supported any efforts by al Nour, or any other party, to usurp, the position of the SCAF. Accordingly, he ordered that SCAF officers use their MB contacts to remind their leaders of the potential consequences of any missteps. Tantawi dismisses Mursi's statements regarding a rapid move to civilian rule as political posturing and expediency.)

4. At the same time, sources with access to the leadership of the MB stated confidentially that Badie and the other leaders were uncomfortable with al Nour, and particularly with Ghafour. Their concerns revolve around the possibility of military action against all of the Islamist parties if the SCAF believe that their position is threatened. At the same time, Mursi has pressed the point that the MB position, while Islamist, was not radical in nature and an MB/FJP government would work to create a good working environment for foreign firms, including the implementation of Sharia banking procedures, working in parallel with a system that accommodates cooperation with Western banks. Mursi told senior MB officials that al Nour strongly supports the application of an inflexible version of Sharia, and any indication that this policy was being put into place would both provoke the Army to action and frighten off foreign businesses and investors. Mursi did note that one area of agreement among all parties was the need to establish a foreign and security policy that does not support Israel in anyway.

5. (Source Comment: The MB leaders were particularly pleased with the performance of their political operatives in the first round of elections and expect continued success in the next elections, scheduled for December 14/15. They found that their exit polling was particularly valuable, and will give them an advantage over their political competitors in the remainder of the parliamentary elections, the drafting and approval of a new constitution, and finally, the presidential elections in mid-2012. These leaders also believe that the approximately 47 percent of seats won by the FJP and allied smaller parties would increase in the next rounds. As a contingency, failing this increased success, these MB/FJP officials believe that enough votes could be gained from the non-religious Liberal parties to give them a majority in the new parliament.)

6. In discussing the future relationship between the electoral process and the confidence of the foreign business community, an advisor to Badie stated in confidence that an area of particular interest was the oil services industry, much of which will be focused on Libyan oil production. This individual stated in confidence that the fact that both Libyan Prime Minister Abdurrahim el-Keib and President Mustafa Abdel Jalil were associated with the MB during their

student days in Egypt would allow the MB and the new civilian government they hope to form in mid-2012 to have a great deal of influence with the new Libyan regime. Badie believes that this oil support industry will be of great value to the country, once the new Egyptian government is formed in mid-2012.