

RELEASE IN FULL

CONFIDENTIAL

June 14, 2012

For: Hillary

From: Sid

Re: Egypt "coup"

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 the morning of June 14, 2012, senior officials attached to the Guidance committee of the Muslim Brotherhood (MB) held emergency, secret meetings with officers of the Supreme Council of the Armed Forces (SCAF). During this session the MB was informed that Egypt's Constitutional Court had notified SCAF commander Field Marshall Mohammed Hussein Tantawi that it was preparing to deliver a ruling striking down the regulations governing the late 2011-early 2012 parliamentary elections, which saw the MB's Freedom and Justice Party (FJP) and the Salafist al Nour party gained control of more than 75 percent of the new Parliament. In addition, the Court ruling blocked attempts by the FJP to enact a law that would have eliminated former Air Force General and Prime Minister Ahmed Shafik from contesting the runoff election for President scheduled for June 16/17. In the opinion of this individual, the Presidential election between Shafik and the MB/FJP candidate Mohamed Morsi, will proceed, but the transfer to a full civilian government will be delayed as Parliament is dissolved and preparations must be made for an election under a new constitution, possibly as late as September 2012.

2. The MB officials were surprised and angered by this notice, pointing out that they worked to maintain a dialogue with the SCAF throughout the 2011 revolution against former President Hosni Mubarak and the process leading toward establishing a civilian government. In return, the SCAF officers pointed out that they have always warned the MB to maintain a low key approach to the transition process and not overplay their hand. The officers stated that recent efforts in Parliament to disqualify Shafik for his service as Prime Minister under Mubarak and the increasingly aggressive nature of Morsi's campaign raised serious questions among Tantawi's advisors regarding the ability of the MB to protect the military budget, the status of the military in general, and the Army in particular after the transition to civilian rule. They also added that the court made its ruling independent of SCAF interference. The MB officials were skeptical of this claim. The SCAF officers concluded that they were prepared for potential unrest among both MB/FJP/al Nour supporters, as well as secular/liberal groups fearing extended military rule. This individual believes the Egyptian security forces have been put on alert, particularly Special Forces, military police, and Intelligence units that are particularly loyal to the SCAF and Tantawi.

3. (Source Comment: According to a source with access to the MB leadership, Badie was extremely frustrated by these developments, and had feared that Tantawi might move to bring the nation under orderly control before any transition takes place. Badie and his closest advisors were also concerned over the delay in the opening of the Constitutional Assembly, which will now be controlled by the SCAF. Badie also warned Morsi and the FJP speaker of Parliament, Saad Al-Katany that their efforts to block Shafik, and the overall conduct of the Presidential campaign had become too aggressive, with MB personnel intimidating Shafik's supporters. Badie continues to believe that Tantawi does not want to hold on to power, but must have assurances that the SCAF will maintain a position of respect and influence in Egypt. Badie also pointed out that Shafik and Tantawi are not close. He noted that the SCAF officers agreed to maintain the secret contacts with the MB as the current crisis moves forward. He ordered MB leaders to try to maintain calm among their supporters and avoid inviting military reprisals. That said he fears that the secular/liberal elements in society will react violently to this move. Badie noted ironically that although the military has been given the power of arrest; he and Morsi had not been taken into custody, which is something positive on a bad day.)

4. Badie, Morsi, and al Katany believe that the MB/FJP/al Nour will win control of Parliament in a new election, if the SCAF does not manipulate matters. If the military does attempt to control this next election this sensitive source stated that the MB followers will react violently, possibly leading to another revolution. Badie wants to make this possibility clear in future talks with the SCAF, while avoiding, if possible, making it seem like a threat.

5. In the opinion of this source, Badie and his advisors are cautiously optimistic that Morsi will be elected President of Egypt during the balloting scheduled for June 16/17. The MB is continuing to rely on its well organized election effort, particularly the polling that is far more sophisticated than anything undertaken by Shafik. That said, according to these individuals, Badie is cautioning his advisors that the June 14 developments have created a sense of chaos throughout Egypt, and a substantial portion of the country's rural population, and the large Coptic Christian community may support Shafik out of a concern for law and order. The other MB concern is that the role of the President will not be defined until the constitution is drafted. With the SCAF now controlling the constitutional process, the MB's plan is at risk. Badie and al-Katany had hoped to have the President serve as a largely ceremonial head of state, with real power in the hands of Parliament that will elect a Prime Minister and ruling cabinet, is at risk. Morsi also warned Badie that it would now be impossible for him to reign in some of his more enthusiastic supporters from harassing Shafik's voters during the presidential election. Badie noted that if former foreign minister and Arab league Chairman Amr Moussa had placed second in the first round of presidential voting as the MB and SCAF expected, matters would have remained calm.

6. (Source Comment: Badie, Morsi, and al Katany agree that polling indicates that Morsi has been successful in settling his long standing personal differences with the leadership of the al Nour party while attracting frustrated secular/liberal voters who fear Shafik. Their hope is that the SCAF actions do not intimidate these voters, or divert their attention from the Presidential election. Morsi has gained the grudging support of the April 6 Ahmed Mahir movement, while MB polling shows that up to 35 per cent of the supporters of the April 6 Democratic Front plan to vote for Morsi, despite the call from their leaders to boycott the election. Badie strongly emphasized that the MB must avoid a violent reaction to the SCAF at this point, one which would invite sterner military action, and might lead to a new revolution, damaging the MB as much as the military, while frightening the international business community.)