

Leadership Mission to Egypt February 20-27, 2005

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Our Thanks

The World Affairs Councils of America wishes to express our deepest gratitude to First Lady Suzanne Mubarak, Abercrombie & Kent, and People to People International, for arranging one of the most comprehensive, informative, and productive missions that WACA has ever undertaken. We would also like to thank Mr. Amr Badr who worked so hard on our behalf and was absolutely magnificent in organizing the trip.

Our first leadership mission to Egypt was a huge success. The breadth and depth of the meetings were beyond compare, and we very much appreciate the honesty and openness of all with whom our delegates met. We have gained a great insight to the Egyptian government's achievements and future challenges, and we look forward to deepening our relationship with long-lasting partnerships and projects for future cooperation.

It was an exciting time for our delegation to be there, as President Mubarak made his historic announcement on direct elections. And the joint meeting with First Lady Suzanne Mubarak's Women's International Peace Movement was a highlight that promises a continued relationship between our organization and those dear to the First Lady's heart that are dedicated to peace, education and mutual understanding.

The members of our delegation have pledged to disseminate locally what they have learned, to try to return to Egypt either as another high-level delegation or as individuals in the future, to encourage follow-on trips to Egypt by our 86 world affairs councils around the country, and to seek to raise the level of programming on Egypt throughout the world affairs council system.

They are pleased to put forward this trip report as a statement of thanks to the sponsors of this trip. Many thanks!

Jerry W. Leach
President
World Affairs Councils of America

WORLD AFFAIRS COUNCILS OF AMERICA

Engaging Grassroots America in World Affairs

Council System

World affairs councils are non-profit, non-partisan organizations open to all who wish to join. Started in 1918, the current system has 86 councils and 28 affiliated organizations. The council system has 484,000 participants: 84,000 are dues-paying members; 350,000 are in the nationwide foreign policy discussion program *Great Decisions*; and 50,000 are teachers. Councils run on membership dues, corporate sponsorships, grants, in-kind donations, fund-raising events, and fee-for-service activities. Over 2,000 corporations and organizations financially support council work.

The council system has the biggest international affairs speakers' program in the country with over 2,500 events each year. Councils also run international exchanges, school programs, teacher workshops, model UNs, foreign policy discussions, national opinion polls, travel programs, young professionals' programs, conferences, corporate programs, journals, newspaper columns, and local radio and television programs. The system has four flagship programs: *World in Transition*, *Great Decisions*, the NPR radio program *It's Your World*, and *WorldQuest*.

The national office organizes an annual conference, leadership missions overseas, a speaker referral system, international speaker exchanges, people-to-people diplomacy missions, educational workshops, book tours, subscription discounts, operations workshops, research papers, and national publications. It also runs nationwide program series such as State Department Town Meetings, World Bank Town Meetings, Contemporary Europe, Mexican Migration, Environmental Issues, the Two Koreas, American Diplomacy, Russia, the Western Hemisphere, Human Rights and Democracy Worldwide, the EU, Rising Anti-Americanism, How Secure Are We, and Weapons in Space.

The 2006 national conference will be in Washington January 18-21 on *Emerging World Powers*. The 2005 conference was on *Tackling the World's Toughest Issues* and 2004 on *The US and Europe: Rivals or Partners?* The council system holds a national high school world affairs knowledge competition called *Academic WorldQuest* every year in the spring in Washington. As a part of the World Affairs Journalism Fellowship Program, the council system sends journalists abroad each year to do investigative reporting on the international context of important local issues. Councils annually reach over 20 million people with their programs.

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World Affairs Councils of America

Leadership Missions

What is a leadership mission?

A leadership mission is an overseas fact-finding visit to a city, country, or international organization by a national leadership delegation of the World Affairs Council movement.

The World Affairs Councils of America is the largest non-profit international affairs organization in the United States with 85 councils around the country, 28 national and international affiliates, and 484,000 members and participants.

What is the purpose?

The main purposes are to get to know the people, the issues, and the problems of the city, the country or the organization first-hand and to establish a much greater connection between the country and a well-informed and influential part of the American public. These trips are for meeting and discussion purposes, not for sightseeing.

Better knowledge of the host country and its issues means better programs back home at the local council level. These include country-specific information channeled through more speaker invitations, radio and television programs, council publications, curriculum materials, teachers' workshops, business roundtables, conferences, and travel programs.

The world affairs council movement prides itself on independence. It wishes to confront the world's issues directly, not through the prisms of official foreign policy, interest group ideology, or the national media. The movement strongly believes in people-to-people diplomacy and is one of the preeminent organizations of its kind in the United States.

Who goes?

Delegations are made up of generally 10 national leaders of the council system, i.e. presidents of councils, national board members, local chairpersons, program directors, and local board members. Trips usually last between 7-10 days.

Who pays?

The host government or organization covers the expenses inside the country. The hosts sometimes pay the international airfare to the country as well. Hosts have been the ministry of foreign affairs, the national information service, local foundations, or local non-profit organizations.

What do the delegations do?

Delegations hold a wide variety of discussions and make numerous site visits. Typically, discussions include a session at the foreign ministry and also often with defense, education, economics, privatization, and other field experts. Commonly, delegations meet with the media, business associations, think tanks, foundations, and universities as well. Sessions are largely short briefings followed by extensive question-and-answer periods.

Site visits often include industrial facilities, military installations, development projects, and rural settings. Delegations are usually hosted once by the American Embassy and sometimes pay a courtesy call on the national president.

How do the hosts benefit?

What the delegation learns is communicated to the members throughout the United States through a trip report, local programming, and council conferences and workshops.

Local programming on the host country has increased through 80 world affairs councils as a result of each tour. Perspectives gained on tours appear in publications, on radio and television, at conferences, in national foreign policy discussion publications, and in educational materials which we prepare for classrooms.

These visits also lead to the development of long-term working relationships between counterpart organizations in the host country and the World Affairs Councils. The working relationships produce joint projects, conferences, professional exchanges, speakers' visits to the United States, intern exchanges, publications, or the like. The tours sometimes lead to increased business interest from some of the 2,000 corporations that financially support the world affairs council movement around the country.

National delegation visits often then lead to follow-up by local councils. Many local councils have educational travel programs for their members. Leadership missions often start a series of trips from around the council world. For local trips, the travelers normally are paying their own way.

What countries or organizations have hosted study tours?

Over the last ten years, the world affairs council system has taken leadership delegations to China, Japan, Korea, Taiwan, Hong Kong, Vietnam, Singapore, the Philippines, India, Turkey, Jordan, Syria, Saudi Arabia, Israel, Morocco, Lebanon, Brazil, Canada, NATO, the European Union, Poland, Kuwait, and Egypt. Several countries have issued repeat invitations.

**WORLD AFFAIRS COUNCILS OF AMERICA
LEADERSHIP MISSION TO EGYPT: DELEGATION LIST**

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SCHEDULE OF EVENTS

Sunday, February 20

All Day: Arrivals

Monday, February 21

- 8:30 Briefing Breakfast at Cairo Sheraton by Amr Badr
- 11:00 Meeting with the Minister of Foreign Affairs, Ahmed About Gheit
- 1:00 Meeting with Amb. Abdel Raouf El Reedy, Egyptian Council for Foreign Affairs
- 4:00 Meeting with Dr. Mahmoud A. Abu-Zeid, Minister of Water Resources and Irrigation
- 7:30 Meeting with His Holiness Pope Shenouda III

Tuesday, February 22

- 8:30 Meeting with Grand Imam Mohamed Sayed Tantawyi, Al Azhar al-Sharif
- 1:00 Meeting with Dr. Abdel Monem Said Aly, Director, Al-Ahram Center for Political and Strategic Studies
- 4:00 Meeting with President David Arnold & Provost Tim Sullivan, The American University in Cairo
- 7:30 Meeting with Amr Moussa, Secretary-General of the League of Arab States

Wednesday, February 23

- 8:30 Meeting with US Ambassador to Egypt C. David Welch
- 11:00 Meeting with Dr. Mohammed Mamdouh El-Beltagui, Minister of Youth and Sports
- 1:30 Meeting with the Reform Committee of the National Democratic Party
- 4:00 Meeting with Minister of Finance, His Excellency Youssef Boutros-Ghali
- 6:30 Meeting with H.E. First Lady of Egypt Suzanne Mubarak

Thursday, February 24

- 9:30 Breakfast with Osama El Baz, Political Advisor to President Mubarak
- 11:00 Meeting with Minister of Trade and Industry, Mohamed Rachid
- 12:30 National Council for Human Rights
- 2:00 Meeting with Dr. Leila Ibrahim Tekkla, National Council for Women
- 4:00 Meeting with Ahmed El Maghraby, Minister of Tourism
- 5:30 Meeting with Mr. Adel Hammouda, Editor-in-Chief, *Sawt El Umma*

Friday, February 25

- 8:30 Tour of Cairo and the Pyramids

Saturday, February 26

- 10:45 Meeting with M. General M. El-Assar, Advisor to the Minister of Defense
- 12:00 Meeting with Mr. Omar Soliman, Director of Egyptian General Intelligence
- 1:30 Meeting With Dr. Mostafa El Feki, Chairman, Foreign Affairs Committee, People's Assembly
- 8:15 Meeting with Prime Minister Ahmed Nazif

Sunday, February 27

All Day: Departure

Overview Essay

Maria Zammit

It was an exciting time to be in Egypt – unexpectedly as it turned out, during President Mubarak’s historic political announcement. We already knew about the government’s dynamic economic reforms, which we were able to witness first hand. But during the highlight of our week in Egypt -- a joint meeting of the board of Mrs. Mubarak’s Women’s International Peace Movement and our Leadership Mission delegation -- Her Excellency First Lady Suzanne Mubarak hinted that something was in the air. Sure enough, two days later, President Mubarak announced direct presidential elections for the October elections – the first in Egypt’s history.

As one of our delegates put it, “Egypt has thrown out the rear-view mirror and is moving -- and looking -- full speed ahead.” The economic reforms, described in greater detail later in this report, represent the efforts of comparatively young, reform-minded officials who are shaking up Egypt’s bureaucracy and making the economy a top priority. Previously hailing from the private sector and graduates of top US educational institutions, Egypt’s reformers know that the country’s demographics demand economic opportunities for its growing population and underemployed trained work force. So tax reform, subsidy reform, education reform, free-trade agreements, small business incentives, accountability and transparency are all underway.

Along with the economy, however, there are other, equally demanding issues vying for Egypt’s attention: regional conflict, internal political strains, and a key bilateral relationship with a partner (the US) who doesn’t seem to understand Egypt’s need to tread carefully as it navigates through the turmoil. As more than one official told us, a 7000-year old civilization doesn’t change overnight.

If reform was one key theme of our visit, a plea for improved relations with the US was the other. Although Egypt is a key ally in the Middle East, over and over we heard how the US seemingly fails to understand Egypt’s own delicate balancing act and its need to change, yes, but with an eye toward its history and, above all, toward its stability. While American culture likes and accepts change, this is not the case in Egypt, where change needs to come gradually and within its own cultural context.

Other issues are contributing to fault lines in an otherwise close alliance. True of most of our Arab allies in the region, the US role in the Arab-Israeli crisis is a problem not only for the Egyptian street, but also for the Egyptian government. After four years of not playing an active part in the dispute and seemingly giving a green light to Israeli Prime Minister Sharon, the US is only now providing some hope to our Arab allies. The confluence of Sharon’s stated pull-out from Gaza, the succession of Abu Mazen as the Palestinian leader, and President Bush’s recent call for a viable and contiguous Palestinian state finally seems to have broken the deadly stalemate. As Presidential adviser Osama El Baz, who has been directly involved in peace process for decades, says “The chances for peace are now better than ever.”

All agree that Egypt has been a major force for peace in the region – not only by taking a lead role in the Palestinian-Israeli crisis but also in providing key assistance to the US in its efforts in Iraq, both now and in 1991. But there is frustration in Egypt that, regardless of its history and complexity, the Arab-Israeli crisis too often dominates the relationship. For example, in a recent meeting between President George W. Bush and President Mubarak, 70% of their time together was spent on that one issue.

The continuing flap over opposition party member, Ayman Nour, is another irritant in bilateral relations. While the US government and news media have portrayed the case solely as a political one – Mubarak’s heavy-handed attempts to stifle potential threats to his continued rule – we heard another side to the story in Cairo. Over and over during our stay, people would ask how Ayman Nour became such a cause celebre in the US? As we would hear from many Egyptians, 40 politicians have been recently arrested for one reason or another, 37 of whom are members of the ruling National Democratic Party. So why has Nour been singled out, when he has been indicted for the criminal – not political – offense of forging election petitions? Should they suspend their own laws to satisfy what they consider to be trumped-up human-rights violations?

We were frequently reminded of Egypt’s free press, which boasts 19 opposition papers. Satellite dishes and cell phones are everywhere in evidence, as are computers and internet links. Given this relative openness, President Bush’s comparison of Egypt and Saudi Arabia in his State of the Union address did not play well here. The women we met in Cairo were particularly offended, given their active participation and high degree of achievement in every aspect of Egyptian life, including political office.

Egyptians also expressed great concern over how Islam is portrayed in America and worried that their religion was viewed as violent and intolerant. We met with the Grand Imam, Sheikh Mohamed Sayed Tantawy, the head of al-Azhar Institution -- the center of Islamic study in the Middle East -- and his message was a far cry from the Islam portrayed in our nightly news. To that end, our delegation strongly recommended Egypt’s sending Imams to speak to our World Affairs Councils around the country and helping to dispel the negative views of Islam resulting from 9/11.

Another great cause for concern is the US’s new, overly restrictive visa policy. The best and brightest of Egypt’s students are forced to look elsewhere for their training, and that’s a loss not only for Egypt but especially for us. Most of Egypt’s new reform Cabinet received training in the US; that makes not only for a greater understanding between our countries at the highest levels but gives us a common technical basis as well. Friendships made during time spent in the US have given us a measure of good will in the region that will evaporate by the next generation unless the US revamps its policy.

But though these fault lines exist and some relationship-mending will be necessary, there are many positive aspects to build upon. The QIZ agreement is one of them (further described below), so popular that Egyptians rioted in areas NOT included in the three-way trade agreement with Egypt, Israel and the US. A free-trade agreement with the US would be another, currently under negotiation. Economic investment and trade are imperative for Egypt and its reform-minded cabinet to succeed in expanding the economy and providing jobs for its fast-growing

population. The lure of religious extremists – always of paramount concern in the region -- decreases substantially when opportunity and economic advancement are readily available.

Our military relationship also remains strong, as does Egypt's cultural appeal to Americans. The upcoming touring King Tut exhibit should again stimulate needed tourism to Egypt – an underpinning of its economy.

In short, Egypt would like to see more recognition for all that it is doing in the Middle East -- its leadership role in the Palestinian-Israeli crisis, its economic and political reforms, and its ongoing role against terrorism long before 9/11 – and not just a steady drumbeat of criticism. We saw a talented, vibrant society who is recognizing its shortcomings and working hard on reforms and establishing civil institutions. As Egyptian Ambassador A.R. Reedy noted, "There is a great deal of similarity between Egyptians and Americans: they are warm, good-natured, optimistic and well intentioned." Hopefully we can employ those traits to our mutual advantage.

Meeting with Minister of Foreign Affairs Ahmed Aboul Gheit
Monday, February 21, 2005
11:00 a.m.

Rapporteur: Ms. Mimi Gregory

Our delegation's first meeting was an introduction to the energy, humor and passion that Minister Aboul Gheit feels for his country. A seasoned diplomat, he has served as his country's Ambassador to Rome; as Egypt's permanent representative to the United Nations from 1999 to 2004; in many positions within his ministry prior to becoming chief; and, for the past three years, has worked very closely with President Hosni Mubarak.

Minister Aboul Gheit began by explaining his view of schedules as expressions of hope, i.e. "I hope I can finish everything today" and then proceeded to spend a generous amount of his time with all of us.

He described Egypt as a mixture of cultures -- Pharaohnic, Coptic, and Islamic – and contradictions: strong, yet weak; rich and poor. It is an entity of 6,000 to 7,000 years of age, with a central government for more than 5,000 years. While Egypt is a blend of old and modern Middle East, it is a "can do" country. Harnessing the energy of the Nile, it is the heart and mind of the Muslim world and the Middle East.

Egypt's decisions influence the region. It has worked diligently for 25 years to achieve peace and stability in the region, but in a conservative and measured way in order to achieve a lasting peace. In what was to be a major theme in all of our briefings, Egypt's focus today is the ever-present problem of Israel and Palestine. In Minister Gheit's view, two tenets are paramount: security and justice for the Palestinians that needs to include territory.

Minister Gheit spoke of Egypt's relationship with the US, which has endured since 1830. American support for Israel continues to be a problem, however, that reflects negatively on the US in the region. That, and visa requirements, are sending Egyptian youth to other countries for education. But, he is hopeful that President Bush's new Middle East initiative will be fruitful.

On Iran, Gheit stated that while he doesn't want Iran to have nuclear capability, he doesn't want Israel to have it either. In this, he sees the US as holding a double standard.

Although Minister Gheit admires America's warmth and gracious qualities, he also noted that Egypt cannot be an American model. Not only would it take the Egyptians 500 years to catch up, but Egypt also has its own culture of strong family values, honor, religion, and history. America is too impatient, he feels; Egypt wants to change but according to its own values, and stability is paramount. Absolute musts are a strong army, police force and, most important, a vibrant economy.

In summary, Minister Aboul Gheit believes that we must put 9/11 behind us, open our doors once again to the brilliant Middle Eastern students who want to attend universities in the United States, and remember that globalization affects us all.

“Try to connect with the rest of the world. Do not consider yourself an island.” – Foreign Minister Aboul Gheit making a plea to the US.

**Meeting with Amb. Abdel Raouf El Reedy, Egyptian Council for Foreign Affairs
Monday, February 21, 2005
1:00 p.m.**

Rapporteur: Dr. Esther Barazzone

Other Participants:

Dr. Osman El Ghazali Harb – Director, *International Politics* magazine

Mr. Mohamed Said Ahmed – Political Writer

Dr. Mustafa Elewy – Under-Secretary of the Minister of Culture

Mr. Nasser Farouk – Businessman

Ambassador Ahmed Abu Shady

Ambassador Amin Shalaby - Executive Director, Egyptian Council of Foreign Affairs

Ambassador Reedy explained his interest in arranging this luncheon between the Egyptian Council for Foreign Affairs and our delegation because WACA represents grass-roots America. Describing Americans as open, generous, and optimistic -- like Egyptians -- Amb. Reedy hopes to build bridges through dialog. The Foreign Affairs Council, which is about five years old, hopes to facilitate reform by providing a forum for intellectual discourse and dialog with the US.

During our luncheon, Ambassador Reedy contrasted the disagreements between the US and Egypt in 1967, when relations were broken, with the current disagreements over Iraq and Israel. In 1967, there was no problem between the people of the two countries; e.g., the American University of Cairo continued to function and tourism flourished. Currently, however, there is a new degree of antagonism due to the US occupation of Iraq and the Israeli occupation of Palestinian areas. He called the Palestinian problem the “mother of all problems,” but also emphasized other problems such as weapons of mass destruction and extremism. Above all, Reedy stated, peace in the region was necessary in dealing with other regional issues.

Stating that nothing is accomplished through occupation, Amb. Reedy called for timetables for US withdrawal from Iraq and Syrian and Israeli withdrawals from the territories they occupy. He acknowledged some encouraging developments that may represent a new “wind” in the region, i.e. Palestinian and Iraqi elections, but expressed concern that the aftermath of the vote may exacerbate divisions in civil society. Finally, Amb. Reedy expressed hope that the US would cease describing Islam as a “terrorist” religion and remember that the Muslim world welcomed Jewish refugees fleeing Europe.

Another guest, Dr. Osman El Ghazali Harb, outlined three points that he felt epitomized the US approach to the Middle East after World War II: oil for the west; protection of Israel; and prevention of communist influence in the region. With the disintegration of the traditional power blocs during the ‘80’s and ‘90’s, the US became the only superpower. Then followed the “clash of cultures” and the threat of Islamic extremism. After 9/11, and following years of supporting “stable” non-democratic governments after World War II, the US decided democracy was essential for progress in the region. However, while democracy is desired by Egypt’s civil society, the country is currently not well organized for it, and it cannot simply be mandated. The context for reform is a solution to the Arab-Israeli problem first.

A lively discussion ensued between the WACA delegates and Egypt's Council on Foreign Relations that touched on the following issues:

- How the Arab world historically has failed to make Israel feel safe but, with the passing of Arafat, perhaps there is now hope for reform; in response, the Saudi peace initiative was mentioned, which some believe fell on deaf ears.
- The role of Syria in Lebanon based on the 1989 Taif Accord and the current calls for Syrian troop withdrawal, noting that it had to be done in a way to avoid another civil war. Also, Syria is very vulnerable in the Bekaa Valley region and needs strategic support there.
- The possible leadership role of Egypt in making the region free of weapons of mass destruction and using influence over Iran. However, since Israel has nuclear weapons, the US is seen as duplicitous in pressing the issue of WMDs in Iran without first dealing with the issue in Israel.

The convivial meeting and luncheon ended with plans for joint efforts between the Council and WACA in the future, particularly if some of their members would be available for a speaking tour of Councils in the US.

“The Palestinian problem is the mother of all problems.” – Ambassador A.R. El Reedy

**Meeting with Dr. Mahmoud A. Abu-Zeid, Minister of Water Resources and Irrigation
Monday, February 21, 2005
4:00 p.m.**

Rapporteur: Dr. Robert Kirk

The Ministry of Water Resources and Irrigation is responsible for the maintenance and planning of water facilities and coordinates with other ministries to supply Egypt's water needs. The Ministry of Agriculture, for example, uses 85 % of available water.

Egypt's population increase, slightly less than 2 percent per annum, presents "a serious challenge" to satisfy growing water needs. The majority of Egypt's population lives on 5% of its land. In 1959, when Egypt and its Nile Basin neighbors signed a water agreement, Egypt's population was 20 million. In 2005, it is 72 million, but Egypt's allocation remains the same.

Dr. Abu-Zeid said that without the Aswan High Dam, Egypt would have been unable to capture the water it had been allocated, and its shortage would have been critical. Moreover, Aswan filters out silt, thus providing cleaner water, and has mitigated the results of droughts and floods.

Egypt shares the Nile's waters with nine other nations -- Sudan, Ethiopia, Eritrea, Kenya, Uganda, Tanzania, Burundi, Rwanda, and the Democratic Republic of Congo. Eighty-five percent of the water comes from the Ethiopian Plateau. Unfortunately, 95% percent of the Nile's water is lost through evaporation and irrigation seepage and, although they are working toward recycling it, much of it is polluted and cannot be re-used. Tensions and fighting within the Nile Basin nations also prevent concerted action to re-capture it, the cost of which is estimated at about \$100 billion per annum.

In the Minister's words, "Water is a zero-sum game for the Middle East." As serious as Egypt's water shortages are, Dr. Abu-Zeid said Israel's capture of water before it reaches Jordan and Lebanon is a much greater problem in the Middle East. So far, the only water agreement in the region is between Israel and Jordan, and Minister Abu-Zeid believes that desalinization is the solution.

Egypt's latest water plan is (1) to use water more efficiently by reusing irrigation water; (2) to keep out pollution; (3) to work on the Nile Basin Initiative with its neighbors; and (4) to reclaim desert areas.

Although 20-25% of Egypt's GDP comes from agriculture, currently Egypt imports half of its food. By 2017, Egypt hopes to reclaim 3-4 million acres of desert through irrigation and increase the population on the land between the Nile and New Rivers from the current 5% to 25%. The Toshka Project in the south is an example, as are projects in the Sinai, areas on the Mediterranean Coast, and El Sinat in the south-west. Even when all of these projects are completed, Egypt will still need to add 150,000 acres per annum to keep up with the projected population increase.

Throughout his briefing, Dr. Abu-Zeid emphasized his priority of capacity-building (training). Currently, the core of the Ministry is composed of about 70 professionals who had trained in the United States in the 1970s. Unfortunately, the United States has shifted its focus from training to equipment, but Egypt's greater need is for training.

"Water is a zero-sum game for the Middle East." –
Minister of Irrigation Mahmoud Abu-Zeid

**Meeting with His Holiness Shenouda III
Pope of Alexandria
Monday, February 21, 2005
7:30 p.m.**

Rapporteur: Amb. Marilyn McAfee

His Holiness Pope Shenouda III, 117th Pope of Alexandria and Successor of the See of St. Mark, warmly welcomed the delegation and, at the request of the group, began by sketching the history of the Coptic Christian Church.

The words “Coptic” and “Egypt” share the same root. Copt means Egyptian; Coptic Christians are Christian Egyptians. The faith dates to the presence in Egypt of St. Mark during the 1st century CE. Egypt was the first center of the Christian faith. Many of the earliest figures in the church were from Alexandria, the site of the first theological seminary. Sunni Islam swept through Egypt in the 7th century CE, so Coptic Christians now number 20% of the population.

Moving to today’s Coptic Church, His Holiness described a period of modern revival in the Church, underscoring its work with youth. The Church has some 30,000 Sunday school teachers in Cairo alone. Growth in the Church has been both inside and outside of Egypt. “We follow immigration, not conversion,” Pope Shenouda stated, referring to the building of churches to serve the needs of Coptic Christians outside the country. Dramatizing the Church’s growth, His Holiness pointed to the US and Canada, where Coptic churches have expanded from 2 to the current 160. The Church has also grown in Australia and Africa.

Firmly but graciously, His Holiness eschewed any political discussions. Responding to a question about difficulties for the Church, he said that “Christianity without the cross is not Christianity.”

Concerning other faiths, he referred to active reconciliation efforts undertaken within the Eastern Orthodox Church and with the Roman Catholic Church. Although agreement has been reached on many issues, “Not all points have been reconciled.” Less forthcoming regarding Judaism, he discussed theological incongruities that he saw as undermining the legitimacy of Jews as “God’s chosen people.” For this, Pope Shenouda cited passages in the Old Testament, as he did frequently throughout our meeting.

His Holiness had high praise for the Grand Imam in Egypt, with whom he has a deep friendship. Referring to Sheikh Mohamed Sayed Tantawi, Pope Shenouda stated that “He is a noble person,” and that “The problem is not at the head, but amongst the common people who don’t understand very well.”

Asked if there isn’t one God, the same God, His Holiness pointed to problems with religions not rooted in the Old Testament and that do not believe in the Holy Trinity. Earlier he had cited Jehovah’s Witnesses and Seventh Day Adventists. He went on to mention Confucianism and Hinduism, but paused saying that he greatly admired the work of Ghandi and had prayed to God to overlook Ghandi’s “non-belief” and to help his efforts.

Meeting with Grand Imam Mohamed Sayed Tantawy Al Azhar al-Sharif
Tuesday, February 22, 2005
8:30 a.m.

Rapporteur: Dr. R. Martin Johnson

Al Azhar began 1100 years ago in 975 AD during the time of the Fatimid dynasty. Its work is to teach and spread the message of Islam. Over time, Al Azhar has added a university and K-12 school, which teaches the same curriculum as the public schools but also adds three major study programs: the Koran; Sharia, or Islamic law; and Arabic language. Al Azhar is the most influential religious institution throughout the Islamic world.

Approximately 8000 institutions, enrolling 3 million students (50% male, 50% female) throughout Egypt, are affiliated with Al Azhar. All of the sciences are taught, with degrees given in engineering, trade, medicine, law, science, etc.

During our briefing, Sheikh Tantawy emphasized a message of simplicity and building peace. He highlighted four major teachings at Al Azhar: all people are equal, male and female; Islamic Sharia is founded on tolerance, equal rights, and simple living; Islam extends its hand in peace to all who also extend peace; and different religious beliefs should not prohibit cooperation. Sheik Tantawy believes in the “cooperation of civilizations, not the clash of civilizations.”

His message to the US is that while Egypt and the US have their own unique roots, we are all brothers, and our religious differences should not stop us from working together. After 9/11, the Al Azhar board met and issued a declaration condemning the attack – the first religious institution in the world to do so. Asked about the single most important cause of extremism, Sheikh Tantawy answered ignorance of one’s religion and greed. Also, punishing those engaging in violence is important in discouraging terrorism.

Asked about jihad, the Grand Imam emphasized that jihad and terrorism are completely opposite. Terrorism is an act of evil, harming others, and totally against Islam. Jihad, on the other hand, has two legitimate purposes:

- Self defense of property, homeland and civil rights. It is a means to protect human dignity and freedom.
- Helping others who are unfairly oppressed.

When asked if Western culture threatened Islamic values, Sheikh Tantawy flatly replied “No! We have advanced more in 60 years than the last 10,000 years.”

This message of Islam, by Egypt’s leading cleric, is not the message that we often hear in the US. The delegation strongly felt that it would be to our mutual benefit to have the Imam or a representative deliver this message of tolerance and cooperation to councils and venues around the US.

**Meeting with Dr. Abdel Monem Said Aly, Director
Al-Ahram Center for Political and Strategic Studies
Tuesday, February 22, 2005
1:00 p.m.**

Rapporteur: Amb. Mark Johnson

The US-Egyptian relationship is at present an “ambivalent alliance,” according to the director of one of Egypt’s most influential think-tanks. While the alliance between Egypt is, on one level, a highly operational, strategic partnership, on the conceptual level there are strains and tensions. The Egyptian elite acknowledges the US’s superpower status, but some see the US as a kind of natural inheritor of the mantle of imperialist. Many, therefore, are skeptical of America’s intentions. The US, Dr. Aly asserted, still sees Egypt through the lens of the 1960’s, and seems to cooperate for reasons of expediency.

The basic framework of the US –Egyptian relationship dates from conversations between Henry Kissinger and former President Anwar Sadat in the 1970’s.

The main elements include:

- Settlement of the Arab- Israeli dispute. The conflict has evolved from an existential issue to recognition of how the two sides will live together.
- The security of the Persian Gulf. This is really all about oil, particularly after the Iranian revolution.
- Stability in the Middle East region. This is dominated by the war on terrorism. Dr. Aly believes the US should be draining a “different swamp,” namely the Arab- Israeli conflict.
- Egypt as the cornerstone of all of the above. US aid programs have been valuable in promoting stability and improvements in the quality of life: life expectancy has gone from 55 years to 69 years.

The future of this relationship must evolve from highly specific and operational issues to a promotion of shared values:

- Transparency. There must be greater recognition of the role of the US in Egypt, and that Israel is part of the equation.
- Realism. Egypt has to recognize that the US has a special relationship with Israel, and the US must appreciate that Egypt has a special role with the Palestinians.
- Legitimacy. The relationship must be elevated to a true ‘state-to state’ affair emphasizing common values.

Asked about the” dividends” of a peace agreement between Israel and Palestine, Dr. Aly asserted that the benefits would be threefold:

- The attention of the leaders could be refocused. The conflict sucks the energy from other domestic matters. And, ”we could learn much from the Israelis.”
- We’d increase tourism, and for every one million dollars in tourism revenues, 200,000 new jobs are created.

- We would reduce our defense expenditures.

The Al-Ahram Center, created in 1968 by Nasser, is part of the influential Al-Ahram publishing company, perhaps the most powerful media group in the Middle East.

**Meeting with President David D. Arnold & Provost Tim Sullivan
American University In Cairo
Tuesday, February 22, 2005
4:00 p.m.**

Rapporteur: Mr. Michael C. Maibach

The American University of Cairo is found in the heart of this capital city, home of over 18 million Egyptians. AUC is 86 years old, a venerated, landmark institution of this nation. In a spirit of renewal, plans are underway to move to a new, larger and more modern campus 35 kilometers from the downtown center - to New Cairo - by 2007. An AUC capital project has been successful, thanks in part to a one-time US government grant of \$100 million.

The historic 19th century downtown administrative building, formerly a palace and the headquarters of a tobacco and wine company, will remain in operation as it has since 1919. But the vast majority of classes and activity will move to the new campus.

Today AUC has a faculty of 400, with 5,300 undergraduate and graduate students. The plan is to expand to 6,500 full-time students once the new campus is open. In addition, an impressive 35,000 attend continuing education classes as part-time students – a fact that gives one a better sense of the full impact of AUC on this Middle East capital city.

Eighty-five percent of AUC's full-time students are Egyptians; the remainder comes from all over the world. All classes are taught in English. AUC is seen as an elite and sophisticated school; Mrs. Mubarak and all of her children graduated from AUC, and what happens here has always made news.

AUC tuition is approximately \$11,000 per year, which is very expensive here. Thus half the students come from upper-class families, with the remainder on various types of student aid. In the main, this is a school for urban elites.

The University has alumni associations in 30 countries. Remarkably, over 50% of those who signed the UN Charter were AU Cairo or AU Beirut graduates. The AUC Press is the largest English language publishing house in the Middle East and the largest publisher of Arabic books into English.

Egypt's largest university is Cairo University with 250,000 students. High school graduates all take a "school leaving exam" when they complete high school, and this has a major impact on their educational future. Tuition is free by constitutional mandate. However, one's own resources have an impact on the number of books one can buy, and whether one can afford a tutor – which is often critical at large institutions such as Cairo University.

In a wide-ranging discussion, the following points were made:

- Egypt is not a "reading society" beyond newspapers and magazines. Radio and TV consume most of people's time in terms of information gathering and entertainment. Middle East educational habits include memorization and cramming for exams, rather than note-taking and serious research and writing.
- Long-serving Provost Tim Sullivan stated that he has never seen the level of anti-American feelings so strong among so many types of people here -- even stronger than when the US supported Israel in the October 1973 War. In his view, the negative feelings have much to do with "George Bush, Donald Rumsfeld, arrogance and swagger." It is more about a perceived tilt against Palestine, than about the Iraq War.
- American speakers visiting campus are attracting fewer students in their audiences. In a recent poll 80% of AUC students indicated that the biggest Egyptian foreign problem is not Israel, but the United States.
- The curtailment of US student visas is a problem and cause for concern. Obtaining a US student visa is now more difficult than ever, and students consider this unfair.
- Topics on people's minds here include Egyptian human rights, democratic reform, and the slow growth of the economy as the #1 concern. Quality of and access to education are also important.

**Meeting with Amr Moussa, Secretary-General
League of Arab States
Tuesday, February 22, 2005
7:30 p.m.**

Rapporteur: Ms. Mimi Gregory

Our meeting with Secretary Moussa was very dynamic, touching on a wide range of sensitive topics in our bilateral relationship. He emphasized his concerns about the US policy of "going it alone," particularly since globalization requires working with all countries. The Middle East region is central to policies involving both the Arab-Israeli conflict, which galvanizes public opinion, and attitudes toward Islam. We cannot attempt to divide the world into Muslim vs. non-Muslim. Our portrayal of Islam as the enemy produces a clash of civilization; however, the clash comes from extremists in all countries, including our own evangelicals.

On the frequently discussed subject of Palestine and Israel, there is no question that US bias is a problem and, therefore, Secretary Moussa believes the US must only play the role of mediator. We must be an honest broker and not ask for concessions from either side. There is no “Arab Solution” to the problem. Resolutions to the questions of Jerusalem and the Palestinian refugees’ right of return are paramount to any peace initiative.

Security in the Middle East must include a global initiative against international terrorism. Weapons of mass destruction must be destroyed from Morocco to Mauritania in order to maintain a weapons-free zone. There can be no nuclear, chemical or biological weapons, and Egypt wants to negotiate with Israel on arms control.

Reform in Egypt is a major agenda item. Secretary Moussa suggested that US foreign policy is too arrogant and leads to the belief that the Middle East is unwilling to change. Citing an increasing consensus that the Arab world must reform, Moussa believes that they must follow a democratic path, become transparent, and issue progress reports. The quality of life in the Middle East and the severe lack of education must improve, but the Secretary feels that the next 2-5 years will see enormous change, including great progress for women’s rights. Re-directing the thinking of Arab leaders who insist that change must come from within will be a difficult task.

On the Sudan, a solution for Darfur is very important. The region is a calamity, and Secretary Moussa feels sanctions are useless. However, cooperation with other countries to solve the problem is of key importance. The Sudan is rich in minerals, water, oil and land, and those resources must be shared throughout the region.

On commerce, the Secretary made one remark: “Will investment bring peace to the region?” The answer was, “No, but peace will bring investment to our countries.”

**Meeting with US Ambassador C. David Welch
Wednesday, February 23, 2005
8:30 a.m.**

Rapporteur: Ms. Maria Zammit

Hosting our delegation for breakfast at his elegant embassy residence, Ambassador David Welch provided a tour d’horizon of relations with Egypt and the situation in the region. Reflecting on the “moment of hope” for a breakthrough in the ongoing Israeli-Palestinian crisis, Ambassador Welch noted that since the assassination of Yitzhak Rabin in 1995, the youth of the region have had nothing but negative news. This is changing now, particularly with an Arab country – Egypt – taking a leadership role once again.

Of all the Arab countries, Egypt alone is trusted by the Palestinians. Egypt is helping to build the broad-based support Abu Mazen needs to deliver both to the negotiating table and to his people.

Responding to the frequent criticism that the US is no longer perceived to be an honest broker in the conflict, Amb. Welch stated that he has never thought of the US as an “honest broker” but rather “an honest problem solver.” In this case, however, “the hole has been dug so deep, we can only climb out when they see some results.”

Egypt is also trying to assert its leadership in other regional issues, such as Iraq, where the chaos is frightening to a country that prizes stability. The Ambassador noted, however, that as many Iraqis security forces have been trained by the Egyptians as have been trained by the Europeans. On the issues of WMDs, Egypt would like to see the region free of all WMDs, but there are differences between Egypt and the US on how to approach Israel and Iran on this point.

Amb. Welch outlined some of the changes currently percolating through Egyptian government and society. Unlike Americans, who covet change, Arab society covets stability. Egyptians see their country going through a transformation, and they are struggling to find the middle ground between the lofty principles of freedom and the development of a civic society. Amb. Welch credited the reform element he sees in Egypt, and although it may be slower than we would wish, he believes we have to understand and appreciate it.

The current economic reforms are the most important that Egypt has ever undertaken, and the US is restructuring its aid program to promote and support them. The challenges will be political reform [NB: the meeting with Amb. Welch occurred two days before President Mubarak made his historic announcement of direct presidential elections.].

Looking ahead, our delegation and Ambassador Welch discussed possibilities for journalist exchanges between Egypt and the US, which we will include in our recommendations for future cooperative efforts.

Meeting with Dr. Mohammed Mamdouh El-Beltagui
Minister of Youth and Sports
Wednesday, February 23, 2005
11:00 a.m.

Rapporteur: Ms. Maria Zammit

Because of its demographics, Egypt places great importance on projects and activities for youth: over 60% of its population is between the ages of 15 and 35. The Ministry of Youth and Sports concentrates its activities primarily on civic education by initiating roundtables and discussion groups in youth centers throughout the country to engage young people in dialog on the ideals of freedom and democracy.

Minister El-Beltagui emphasized one of Egypt’s unique characteristics: the tolerance between Muslims and Christians, who have lived together for over 14 centuries. He used Old Cairo as a

case in point, where one can find the oldest Christian church, synagogue and mosque side-by-side. In that spirit, the Minister wants to foster the spirit of tolerance and acceptance of others' ideas in his roundtables and workshops.

There are approximately 4300 youth centers throughout Egypt, servicing approximately 2 million members and offering low membership fees. There are also political clubs, through which members form a Youth Parliament. The highlight of this program is a year-end meeting between members of the Youth Parliament and the speaker of Egypt's national Parliament.

In addition, the following points came out during the question-and-answer session:

- Egyptian women are more progressive than others in the Arab world. They control their own money and inheritance and manage it themselves. Also, they hold high positions, drive, and vote.
- Referring to drugs: everyone has a drug problem, including Egypt, but it hasn't yet hit disastrous dimensions. Nonetheless, Egypt has drug-treatment centers and hospitals for drug cases.
- Unemployment is a major problem facing the country. Minister El-Beltagui hopes that new tax laws to lower tax rates and increase investment will help with job creation.
- Minister El-Beltagui reiterated his most important goal is contributing to civic education and emphasizing openness and co-existence among youth of all faiths and political beliefs.
- The internet has been a tremendous influence and the current "youth mania," with internet cafes throughout the country. Given the Prime Minister's own background in IT, Egypt is working on an "electronic government."

The meeting ended with a proposal from our delegation for student-exchange programs and pairing Egyptian high-school students with their American counterparts. The Minister enthusiastically supported this proposal.

**Meeting with the Reform Committee of the National Democratic Party
Wednesday, February 23, 2005
1:30 p.m.**

Rapporteur: Amb. Mark Johnson

The 2000 Egyptian parliamentary elections provided a sobering "wake-up call" for the ruling National Democratic Party, which has controlled parliamentary life since it was formed in 1978 by then President Anwar Sadat. In the last election, NDP candidates lost an unprecedented number of seats. In response, the party has launched an ambitious reform effort under the direction of President Mubarak's son, Gamal. These party reform initiatives have figured significantly in the Government of Egypt's new economic policies (reported elsewhere in our trip report).

Our delegation met at NDP party headquarters with a group of reformists including Ahmed Ezz, the Chair of the membership committee and a member of parliament. NDP controls about 78% of the 454 seat People's Assembly, with other parties -- both independent and opposition -- holding the remaining 22%. There is a small group of 17 non-affiliated deputies who represent a so-called Islamic block.

The party features over 6000 local committees in each of the 26 governates of Egypt. Membership is on the increase -- 1.3 million new members in the last year and a half, the result of aggressive recruiting efforts. The biggest challenge ahead is this year's parliamentary elections, which will feature a greater number of parties and substantially increased competition.

The NDP party reform effort has focused on economic matters including changes in income taxes, sales taxes, and an evolution in government services aimed at making them more user friendly. Several subcommittees have been created in areas like health, youth, women and foreign policy. With regard to the latter, we were told that the party treats the Egyptian-US relationship as the bedrock element of foreign policy. One of the committee members explained the party's focus on fostering micro enterprise and ownership opportunities. Another key issue in the Egyptian-US relationship is trade, and the NDP would like to shift the bilateral relationship more toward trade and technology transfer and away from assistance.

Another area of interest since 2000 is gathering more feedback from the grassroots committees. Mr. Ezz confirmed that there is significant pressure from the 6000 local councils across Egypt to improve results.

The central message that NDP is attempting to promote is that the NDP is not "just another political party," but rather a force for change and reform in Egypt. Already, NDP has been instrumental in helping to establish a National Council for Human Rights via legislation; modifying certain practices by the State Security Courts; and liberalizing the rules for the participation of political parties. (NB: The historic announcement by President Mubarak opening presidential elections to direct popular vote with multiparty participation is another of the changes that came from the NDP'S reform efforts.)

Over the course of a very delightful luncheon, we asked our NDP hosts to explain the case of parliamentarian Ayman Nour, whose recent arrest has become the focus of concern among human rights groups in both countries. By way of background, Mr. Ezz explained the role and rights of the Egyptian Attorney General to investigate wrongdoing by members of Parliament. There have been 40 recent investigations, resulting in 37 convictions against NDP deputies. The Nour case fell into this category of criminal conduct, as he had been charged with presenting several hundred voter proxy accounts that were alleged to be fraudulently obtained. "This is a criminal case, not a political one -- Nour is minor figure in Egyptian politics."

Dr. Youssef Boutros-Ghali, Minister of Finance
Wednesday, February 23, 2005
4:00 p.m.

Rapporteur: Ms. Barbara Propes

Minister Boutros-Ghali is the nephew of the former UN Secretary-General Boutros Boutros-Ghali and grandson of Prime Minister Boutros-Ghali Pasha. He holds a Ph.D. in economics from MIT and has served previously as Minister of State for International Cooperation Affairs, Minister of Economy, and Minister of Foreign Trade.

Minister Boutros-Ghali prefaced his remarks by stating his goal was to “open the country to the planet.” He said the new government was intent on reform and does not shy away from making decisions. A partial list of reform items includes: changing custom regulations; eliminating some taxes; privatization programs; financial-sector reforms; and establishing a framework “so our economists behave like other economists worldwide.” Since 1976, Egypt’s economy had been too interventionist and anti-market; this is now changing, and in the last two months alone revenues increased from \$14 billion to \$17 billion.

The Minister outlined the economy’s strong points: a competent, highly productive private sector; strong economic growth; and free-trade agreements with Europe and most Arab countries. He is working on a similar FTA agreement with the United States. And although Egypt has been experiencing inflation rates of 11%, Dr. Boutros-Ghali hopes to reduce it to 3-4% in 12 months.

Dr. Boutros-Ghali’s economic vision for Egypt includes:

- improving education to establish a quality workforce;
- maintaining a steady growth rate of 6-7%;
- reducing taxes and restructuring the tax system. Taxes are currently 42%, and collection is difficult since “no one wants to pay nearly half of their wages to the government.” Personal income taxes would be reduced to 10, 15, and 20%, while the corporate tax rate would be 20% with no tax credits.
- increasing economic activity through the seven Qualified Industrial Zones or QIZs. These are areas where products can be exported to the United States duty-free if QIZ products include at least 11.7% Israeli content.

The Minister believes that political reform is also necessary, including more open elections, but identified problems in becoming a more open democracy. One concern is how to install a democratic process that will last, and not have the poor and underprivileged hijacked by extremists as happened in Iran in 1979 and Germany in 1933. There is also the fear of elected officials not leaving office if they are not re-elected. Also, should religious fundamentalists reach power democratically, it could lead to negative changes in society such as reducing current freedoms for women; banning movies and other cultural activities; banning freedom of the press; etc. This would be a step backwards and difficult to change. “If these guys come to power, that

is it.” The Minister said he is aware that the US would like to expedite the democratic process, but said it will not be easy as we will discover in Iraq.

Potential sectors for foreign investment include textiles, garments, fertilizers, petrochemicals, automotive, construction, iron, steel and consumer durables. With an abundance of natural gas and thus cheap energy, steel production is competitive. Although Egypt would like to have increased investment from the United States, since it is a more open economy with more technology transfers, current interest comes mainly from Europe, which is more willing to take risks.

Minister Boutros-Ghali attributes the catalyst for reform in Egypt to a generational shift in leadership. The average age of former leaders was 69; since the July 2004 election, the current average is 56. The new leaders were educated mostly in North America and clearly want to move Egypt “more in line with the rest of the world.”

**Meeting with First Lady Suzanne Mubarak
Chairman, Women’s International Peace Movement
Wednesday, February 23, 2005
6:30 p.m.**

Rapporteurs: Mr. Michael C. Maibach and Ms. Maria Zammit

The cornerstone of our Leadership Mission to Egypt was a 90-minute meeting with First Lady Suzanne Mubarak and the Board of Directors of the Women’s International Peace Movement (WIPM), followed by an elegant and gracious dinner at the Nile Hilton. Mrs. Mubarak provided a power-point overview of her organization (see below), which is “the first international initiative in the Middle East that seeks to enhance the active participation of women in the decision and peace-making processes. Working alongside men, we also aim to find alternative solutions to conflict and promote the Culture of Peace throughout the world... We believe the force of reason can and should overcome the reasoning of force.”

Maria Zammit and Mark Johnson both delivered brief prepared remarks on behalf of the WACA delegation, including specific ideas for collaboration with WIPM, WACA and its councils around the US. First among those suggestions was an invitation to Mrs. Mubarak to visit the United States and speak to one or more of our 86 world affairs councils. We offered to assist with such arrangements, if she so desired.

Mrs. Mubarak is the founder and President of the Egypt-based Women's International Peace Movement. It is a non-profit, international, non-governmental association of groups and individuals with membership open to all. It is the first women peace initiative emanating from the Middle East. WIPM’s main objective is to link up with the multitude of organizations, agencies and peace activists that are working on the various aspects of conflict prevention,

resolution and reconstruction, offering a platform for all to join forces and strengthen the impact of individual initiatives.

Those active in the WIPM strongly believe that women have a vested interest in preventing wars, and they share a common commitment to enhancing peace, prosperity and the promotion of the common good. The goal, of course, is a better world, a world of peace for future generations.

What was particularly impressive about Mrs. Mubarak, her extremely talented and dedicated board of directors, and WIPM itself are their significant accomplishments over a very short period of time. Founded only in November 2002, WIPM has already:

- Hosted a global coalition that met in Geneva, Switzerland last fall. Within one hour of the meeting, a delegation was formed to support Palestinian women during their recent Presidential election.
- Sent a delegation to Kenya to observe the signing of the peace treaty for Sudan. The First Lady of Sudan will soon reciprocate with a delegation to Egypt.
- Sent a message to Ariel Sharon to release women prisoners, particularly girls 16 years of age and under.
- Launched a lecture series in Egypt.
- Published a book, Winds of War, that draws attention to the impact of war on women and children.
- Invited 32 First Ladies of Africa to Egypt to explore means of working together during the economic summit for African leaders in May.
- Providing 3-6 month Peace Fellowships for 10 women in an MA/PhD program.
- Establishing the National Council for Women in Egypt to empower women.
- Establishing girl-friendly schools where the highest drop-out rate once occurred. This was done with the cooperation of the private sector, with no government funding.
- In cooperation with People to People, holding peace camps in Egypt with Arabs, Israelis and Palestinian participants.

Following Mrs. Mubarak's presentation, a robust discussion ensued, focused primarily on ways for our two organizations to cooperate on joint initiatives. Possible projects include:

- High-school exchange programs. Our councils in Alaska, Montana and Hampton Roads are good prospects.
- Hosting delegations of Egyptian speakers to visit councils across the country, so that the Egyptian perspective can be heard across grass-roots America. Speakers could include government representatives, think-tank analysts, journalists, and Muslim clerics.
- Providing information to WIPM about Peace Studies programs in colleges and universities, including the possibility of online educational opportunities.
- Providing information and making WACA council speeches on human rights and women's issues available online on our national website for use by WIPM.
- Providing relevant material and books for the Library of Alexandria (already done by the Naples council: a signed copy of Cokie Roberts' latest book on women sent to the Library).

- E-mail exchanges between Egyptian and American students.
- Including Egyptian high-school teams in Model UN programs and WACA's Academic WorldQuest competition.

The buzz of excitement over possible future collaborations overflowed into the dinner hour, hosted by the First Lady. In a beautiful candle-lit setting, accompanied by wonderful musicians and overlooking the Nile River, our two groups continued to find grounds for a long-term association. Over delicious food and fine conversation, long-lasting friendships and ideas took root.

For more information on Women's International Peace Movement and their goals, objectives and accomplishments, go to: www.womenforpeaceinternational.org

“Because of peace, we have been able to achieve what we have so far. Peace is the very cornerstone of life itself.” Her Excellency, First Lady Suzanne Mubarak.

**Meeting with Osama El Baz
Political Advisor to President Mubarak
Breakfast Roundtable, Thursday, February 24, 2005
9:30 a.m.**

Rapporteur: Dr. R. Martin Johnson

Mr. El Baz is a very knowledgeable, energetic gentleman who has been intimately involved in the Israeli-Palestinian peace process. He has close relationships not only with President Mubarak, but with all the major players in the Middle East.

Discussing our positive meeting with the Grand Imam, we mentioned that his message on Islam should be heard throughout the US. Mr. El Baz agreed and also thought that the Grand Imam might be able to help the Saudis moderate the Wahabi influence.

Growing up in a small Egyptian town populated by Muslims, Jews and Christians, Mr. El Baz had close friends in all three faiths. Three families in town shared the “El Baz” surname, all were friends, yet each was from a different faith. Mr. El Baz strongly supports religious tolerance and has lived a life of acceptance.

Mr. El Baz believes that a window of opportunity now exists to settle the Israel-Palestinian conflict. Although there are still major difficulties, both sides are tired and want to find a way out. Both the US and Egypt will help in this quest for peace. Mr. El Baz believes that Israeli Prime Minister Sharon seems determined to take the first necessary steps. Sharon will work with his Palestinian counterpart, Abu Mazen, who – unlike Arafat -- has always been opposed to armed conflict. As a participant in the Camp David accords, Mr. El Baz sees this as the last chance.

Egypt will play a role in the process by: training Palestinian security forces; sealing the Sinai/Gaza borders against arms smuggling and foreign agents; and putting pressure on outside militants to end the violence. In addition, the EU will provide help for the Palestinian Security Force. Mr. El Baz also believes a monitoring group needs to be established.

On the Palestinian right of return issue, Mr. El Baz stated that the total number of people now affected is small. Of the original four million, two and a half million are now citizens of Jordan. One and a half million have migrated to other areas, including Europe, and many are permanent residents of Israel. He believed only about 600,000 are left, mostly in Lebanon and Syria. These smaller numbers are therefore workable.

Responding to a question on Egypt's concerns with the latest volume of the Arab Human Development Report, Mr. El Baz said the disagreement was over technicalities and expressed confidence that they would soon be resolved.

“This is the last wagon on the last train to peace.” -
Warning of Presidential advisor Osama El Baz to
 Hamas and Hezbollah

Meeting with Minister of Trade and Industry Mohamed Rachid
Thursday, February 24, 2005
11:00 a.m.

Rapporteur: Dr. Esther Barazzone

Minister of Trade Mohamed Rachid, who had been meeting only the day before with the Assistant US Trade Representative Cathy Novelli to negotiate QIZs (Qualified Industrial Zones), discussed ways that trade could be a catalyst for civil and political change. In his view, reform goes on forever; what is important is to “put into our DNA the idea of change.”

He himself is representative of the reform underway in the new government, formed last summer. Minister Rachid joined the government after working in the business sector for 25

years and also working on educational decentralization in his home city of Alexandria, where they introduced the concept of private and public-sector partnerships.

Although reform and industrialization are underway, the biggest challenge is in changing minds. In a society used to thinking that government should solve all the problems, Rachid and others want to redirect the public mindset about the roles of the individual and civil society. His focus is on:

- creating the right infrastructure for social and political activities
- creating assurances that rules and laws will be properly implemented
- education
- social justice, since 17% of the population is below the poverty line.

The economy's most important challenges are unemployment and the standard of living; 600,000-800,000 young people come into the employment market each year, with a backlog of 2.5 million needing jobs. Among the various economic sectors, service provides the largest employment -- 8 million people. Also, 200,000 additional jobs are provided by each 1 million new tourists.

Minister Rachid hopes that trade will help to integrate Egypt into the global community and economy, by fostering greater communication, tolerance and understanding of world issues. He seeks to close the knowledge gap and criticized the media for focusing on extremes that only widen it. Education is so fundamental to productivity that if he were to have his way, education would first receive sufficient funding and then other investments would be made.

The recently concluded QIZ agreement requires a triangular trade relationship among Egypt, Israel, and the US. Giving Egypt 7 industrial zones, this is the first agreement since the '79 peace agreement with Israel that the man in the street feels has obvious advantages to him. The seven zones represent 60% of the business owners in Egypt, and thus create far more winners than losers. This directly affects public opinion of the US, which Rachid admitted is not very high. As we were to hear in many meetings, Egyptians love Americans, but not our policies, especially toward the Palestinians.

Egypt and the US are also working on a Free Trade Agreement (FTA), which would have immediate positive benefits for Egyptians. In particular, it would build a sustainable relationship based on mutual interests. In a gentle chide to the US, Rachid described the imposition of change from outside as an "unattractive idea;" if people have the will and capability for change, agreements should be reached about ultimate goals. Then leave the people alone to undertake the task.

But Rachid emphasized that the US doesn't need to wait for an FTA to invest. There are already several major American companies in Egypt (1100 total), although trade between the two is comparatively low at \$4 billion/year. Rachid would consider a 30-40% annual trade growth rate a success.

Considering the effects of free trade on Egyptian products, Rachid observed that when Egypt lived under protectionism for 40 years, only 4% of the country's manufactured goods were

exported. That is a failure. Rachid expressed confidence that Egypt would prevail in the areas where it has competitive advantage.

However, with the expiration of the Multi-Fiber Agreement and markets now open to Chinese exports, the textile and clothing markets are in turmoil. Rachid is hopeful that this initial volatility will eventually stabilize.

When asked about the issue of China and its fixed currency, Rachid described the positive impact on Egypt when it floated its currency, particularly on exports and tourism. Minister Rachid believes China should do the same.

**Meeting with Dr. Leila Tekkla, National Council for Human Rights
Thursday, February 24, 2005
12:30 p.m.**

Rapporteur: Dr. Robert Kirk

Dr. Tekkla began by explaining that human rights are not new to Egypt and that all nations have human-rights violations -- "We all have our Guantamos and Abu Ghraibs." Prior to creating The National Council, in response to a UN resolution, individual government departments also had human-rights committees. But what is important, in her words, is that "We know we have violations... the main point is that we are aware of them." Unlike other Arab leaders who can do things and get away with them, Egypt cannot. "There will be outrage in the streets."

The Council's work is organized by committees: civil, social, economic, cultural, and legislative. Additional committees may be created as needed. Each committee looks for trends in violations rather attempting to solve individual problems. When they find a trend, they refer it to their legislative committee, which is made up of members of Parliament, NGO's, the judiciary, and the media. The legislative committee will then introduce a bill to improve the particular situation.

Prisons are a case in point: initially members were taken to model prisons, but now they choose the sites they want to visit. When reviewing complaints, committee members keep in mind that "conditions are relative:" prisoners may not have hot water, but neither do many citizens. However, they do try to redress serious grievances such as cages in courtrooms for misdemeanor detainees and the abolition of Article 206 of the Penal Code, which could extend sentences for six months without judicial review.

Board members hold monthly conferences with relevant cabinet ministries, attend pan-Arab human rights conferences, and visit problem areas.

Some of their main initiatives are preventing discrimination against orphans, women, the handicapped, and Coptic Christians; establishing family courts for reconciliation and mediation; training judges, police and the media about human rights violations; and reducing illiteracy. One

effective method for this is through soap opera scenarios which deliver the message without preaching.

The Council is also handling the infamous case of Ayman Nour, head of the Tomorrow Party, who has been jailed for petition fraud. They consider his arrest to be a criminal, not a political issue, and he has been treated similarly to anyone else who has been arrested.

Meeting with Dr. Leila Tekkla, National Council for Women
Thursday, February 24, 2005
2:00 p.m.

Rapporteur: Ms. Barbara Propes

The National Council for Women (NCW) is an initiative of First Lady Suzanne Mubarak to advance Egyptian society. The Council was established by Presidential Decree in 2000. It has thirty members -- prominent public figures and experts in women's issues -- and eleven standing committees headed by a Secretary-General who implements the Council's tasks and represents the Council in dealing with other parties and before the judiciary.

The Council's broad mandate includes: proposing policy; drafting a national plan; recommending legislation; representing women at international forums; research; and training and putting in place institutions to resolve the problems facing women in Egypt.

One exciting new project is small-credit lending to female heads of households. To qualify, women must register for an electoral card, send children back to school, and take literacy courses. The largest loan has been for \$300, and the project has received funding from UNDP and the Kuwaiti Fund.

We met with several NCW representatives including the Vice President of the Agriculture Research Center; the director of the Political Participation Committee; Assistant Secretary General of the Council; Chair of the International Committee; a representative from the Ombudsman's office; and others.

Since there currently are very few women in decision-making positions, the top priorities of NCW are increasing women's political participation by encouraging women to run for office and providing a voter education program. The Council is working on an affirmative action plan and pushing hard for a political quota for women. Thanks to the Council's efforts, 40% of Egyptian women are registered to vote.

In 2001, through a cooperative agreement between the National Council for Women and the European Union, an Ombudsman Office was created to "examine and resolve complaints of citizens against unjust government bodies." It serves as a link between NCW and all Egyptian women. Since the service began, there have been over 4000 complaints on personal status and

other issues. Lawyers receive complaints by phone and register the data. More than 140 law firms throughout Egypt handle complainants on a pro bono basis. The database codifies complaints by type, frequency, and how the complaint hinders the development of women in society. The Ombudsman Office also handles alimony cases – particularly in ensuring regular alimony payments --and other legal services. It also addresses violence against women and other family disputes, responds to female employee complaints, and identifies discriminatory policies that require legislative action.

Touring their beautiful new facilities, our first stop was the business training center which provides IT classes for women, both unskilled and university graduates who need additional training to seek employment. It includes computer stations and a room with sophisticated printing equipment. This is partially funded by USAID. There is also an E-Business support center. A new website, CleoStore, is under construction, which is “dedicated to Women Business Owners – a place where women can find other women in business when they need a service or product.”

Meeting with Minister of Tourism Ahmed El Maghraby
Thursday, February 24, 2005
4:00 p.m.

Rapporteur: Amb. Marilyn McAfee

A recent appointee to the Cabinet, Minister El Maghraby is a dynamic, successful businessman determined to reform Egypt’s economy, ease the bureaucracy and provide incentives to attract investment and tourists to Egypt. He expects the upcoming U.S King Tut Collection tour to help project modern Egypt.

As did most Egyptians with whom we met, Minister Maghraby began by outlining the problems he saw in the Egyptian – US relationship today:

- The negative perception in the “U.S street” of the Middle East and vice-versa
- The US perception that it has provided so much aid and sees so little change
- Egypt’s worry about (the US Congress) linking US aid to some kind of performance measure.

The Minister offered his observations on the areas of concern:

- The negative image of the US is influenced by the Egyptian media’s emphasis on the Arab-Israeli conflict. It overwhelms everything else, but it is reversible.
- The negative image concerns US government policies; Egyptians are very receptive to Americans.

- US assistance money contributed significantly to the stability of Egypt over the last 10 – 15 years. The aid was crucial. Without it (and a strong, moderate Egypt anchoring the Middle East), there would have been a terrible geo-political impact both regionally and globally.
- Egypt has tried moving political and economic reform concurrently. It has not worked. It is now putting economic reform first. (Note: this was just prior to President Mubarak’s speech announcing open, direct elections.)
- Political reform is under discussion and debate (particularly election reform and the succession question). “The impact of religion on politics is very much on our minds, and we have to evaluate risks and weigh them.” Is the President’s son eligible to run? If it is done through due process, “Yes.” Look at Bush I and II and the Kennedys. Will Gamal Mubarak be given that on a golden plate? “No.”

Turning to his portfolio and the importance of tourism, he said that there had been a negative political atmosphere concerning Egypt since the 1997 incident in which tourists were killed, particularly in the US. Since 2004, however, there has been a return of US tourists, which is very much wanted.

Other points made in the discussion were:

- the Ministry plans to use the 2005-06 US tour of the Tutankamon Collection to project modern Egypt.
- the economic impact of tourism is huge: for every 1 million additional tourists there are 200,000 new jobs.
- 60,000 to 150, 000 new hotel rooms are planned for the next 10 years using primarily Egyptian investment.

The delegation discussed with the minister ways in which the council system might be helpful in planning programs focusing on Egypt, particularly in connection with the Tutankamon Collection. It opens in L.A. June 15th and subsequently moves to Ft. Lauderdale, Chicago and Philadelphia.

“For every cultured and educated person, there is a trip to Egypt in their heart.” – Minister of Tourism, Ahmed al Maghraby

**Mr. Adel Hammouda,
Editor-in-Chief, *Sawt El Umma* Newspaper
Thursday, February 24, 2005
5:30 p.m.**

Rapporteur: Ms. Barbara Propes

Although *Sawt El-Umma* started only four years ago, it is one of the most popular weekly newspapers in Egypt. It covers primarily domestic issues, but occasionally focuses on events such as WACA's visit because of the importance of our bilateral relations. Mr. Hammouda, who writes a weekly column, is one of the most respected writers in Egypt. Our question-and-answer discussion follows:

Question: Why is the American image so bad in the Egyptian press, particularly with the amount of aid the United States gives to Egypt?

Answer: First you must understand the Arab-Israeli issue, which is also a security issue for us. Egyptians used to think that America favored Israel, but people now believe it has gone one step further and that Israel controls America. Any step forward in the Arab-Israeli peace process would slightly improve the opinion towards America.

Most American aid is used to build infrastructure, and although it has improved the lives of Egyptians, it is not always visible to the public since much of the infrastructure is underground (electricity, sewer system, etc). In addition, Egyptians are always reminded that they are receiving aid from the US and believe it is used to push an American agenda; as a result it sometimes falls on deaf ears.

Question: There is some forward movement with the pullout from Gaza – President Bush has put forward the Israeli-Palestinian issue as a major part of his agenda. Is that helping?

Answer: I have noticed a difference recently. During his first term, President Bush was not engaged. Now that he has resumed involvement in the conflict, things are quieting down for a bit and moving forward. Newspapers have shown there is an improvement. People are accepting the fact that there is change. One example is a visit by Prime Minister Sharon. Before, students protested against him when he came to Egypt. But the last time there were no protests, because they believe he is serious about change. Bear in mind that there is a huge difference between Egyptian views of American culture, which it likes, and its views of American foreign policy. It is important to treat the two separately.

Question: Do you believe fundamentalists could win an election? Could a new constitution and political reform open the door to *Sharia* law?

Answer: Honestly, no, in spite of the fact that extremists use religion to strengthen their position. The political opposition and the party elite are all opposed to the idea of *Sharia*. When President Sadat introduced elements of religious law, he was opposed by those groups.

Question: What is your responsibility to keep Americans informed about Egypt?

Answer: If you want the true side of Egypt, read the independent news because it reflects the true feelings of Egyptians. An honest answer about presenting Egypt to America is that we can't get through to the US public because the American media controls that. We care about America because it impacts us. America doesn't really care about us. The US public knows more about Ramses than President Mubarak.

In 1982, I went to America and wrote 32 articles entitled "*America: Paradise in Hell*," describing the different levels of freedom and multi-culturalism in America. American society doesn't understand ancient civilizations where the role of government is huge. In Egypt, people often disagree with their wives and the government, but at the end of the day they go to bed with both.

Question: Do people appreciate the reforms the government is making?

Answer: The reform issue has two points: the real need and wishes of the intelligentsia and pressure from the man on the street. Changes need to be step-by-step and gradual.

<p>"In Egypt, people often disagree with their wife and government, but at the end of the day they go to bed with both." - Mr. Adel Hammouda, Editor-in-Chief, <i>Sawt El Umma</i></p>
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Meeting with General M. El-Assar, Ph.D.
Advisor to the Minister of Defense
Saturday, February 26, 2005
10:45 a.m.

Rapporteur: Amb. Mark Johnson

The Egyptian-American defense partnership is impressive and anchors the overall bilateral relationship. While Egypt faces no "dominant" external military threat, the country is increasingly active in regional security and peacekeeping efforts. Even though the Egyptian military voiced serious reservations about US military actions in Iraq, Egypt nonetheless has trained more Iraqi security forces than the Europeans.

The delegation was treated to an impressive state-of-the-art briefing by General M. El-Assar, the senior advisor to the Minister of Defense. Several common strategic interests form the basis of the partnership:

- A just and comprehensive Arab-Israeli peace settlement.
- Regional security
- Unified efforts against terrorism
- The use of air and sea routes.

Elaborating on the latter, General Assar noted that Egypt has granted over 25,000 over-flight clearances for US forces during the Iraq war, and nearly 800 transit visits through the Suez canal as part of the global war on terror. Egypt has an impressive record on peacekeeping operations in East Timor, the Balkans, Central Africa, and Somalia. With regard to the Sudan, Egypt will send peacekeepers to enforce a recent peace treaty between the northern and southern warring factions. In Darfur, Egypt has sent 11 C-130's with about 12 MT of relief medical aid.

Egyptian national defense policy objectives feature three elements:

- The defense of Egyptian territories
- Countering an unexpected threat like 9/11 or the Iraqi invasion of Kuwait
- Dealing with extremists and terrorists

One of the most crucial regional roles Egypt will play relates to the Palestinian situation. The Egyptians will train Palestinian police and security forces, and Egypt and Israel have formed a special committee to monitor borders in the Gaza region, following the Israeli withdrawal from settlements in that area. A joint agreement is about to be signed. With regard to Israel, General Assar pointed out that one of the primary peace dividends relates to the fact that Egypt's armed forces are today half the size of what they were in 1973.

US security assistance at the level of over \$1 billion a year is indispensable to the modernization of Egypt's armed forces. About 52% of the current Government of Egypt's 2004-2008 modernization plan has been achieved thus far. Referring to the importance of the US aid, General Assar noted: "one hand cannot clap alone..."

**Meeting with Mr. Omar Soliman
Director of Egyptian General Intelligence
Saturday, February 27, 2005
12:00 p.m.**

Rapporteur: Ms. Mimi Gregory

Praising the enduring relationship between Egypt and the United States, Mr. Soliman emphasized the need for dialog between Israel and Palestine, calling it the lynchpin for peace in the region. Only when this is achieved, through the honest brokerage of the United States, can the region's economy begin to see exponential growth.

Egypt is following three major tracks on the Palestinian-Israeli issue: building the Palestinian Authority; building trust between the Palestinians and Israelis; and improving the Palestinian economy.

Egypt has helped to train new security services for the Palestinians, and it is working to control the activities of Hamas and other extremist factions. Another intifada must be avoided at all costs. Mr. Soliman believes that the international community needs to help Abu Mazen deliver improvements to his people; the Palestinian economy is a critical issue.

Mr. Soliman believes that final status negotiations between Israel and the Palestinians will be difficult. Knowing Ariel Sharon for 30 years, he worries that he will withdraw from only 80% of the West Bank and not give up Jerusalem. Mr. Soliman believes that Jerusalem should be the capital for both states, without third party administration.

For Egypt, a return to stability and good relations with its neighbors -- Sudan, Libya and Israel -- are paramount. For many years, the public sided with extremist Islamic groups, bringing Egypt's tourist industry to a halt. The drop in tourism to 5% resulted in a huge loss of jobs and devastated the economy. Since 200,000 jobs are created for every 1 million tourists, the effect on the economy was clear. The killings at Luxor turned the Egyptian public against the extremists as acting against Islam. They are consequently now supportive of the security services.

Mr. Soliman discussed the assassination of Lebanon's former Prime Minister, Rafiq Hariri, and the push to get Syria out of Lebanon. From a security standpoint, Mr. Soliman believes that a premature exodus of Syrian troops will only encourage Hezbollah to arm the populace. Lebanon has some 280,000 Palestinian refugees in camps who are fodder for Hezbollah attacks against Israel. Egypt feels the US must be very careful if Syria withdraws; it should build up the Lebanese Army first and avoid attacking Syria at all costs.

Mr. Soliman summarized our meeting by saying that "blips on the horizon do not alter the strategic relationship that exists between the United States and Egypt."

**Meeting With Dr. Mostafa El Feki
Chairman, Foreign Affairs Committee, People's Assembly
Saturday, February 26, 2005
1:30 p.m.**

Rapporteur: Mr. David P. Haxton

The meeting was held in the Parliament house, a 19th century building redesigned in 1926. In addition to the frank and open discussion on a range of issues, we visited the Museum of Parliament and the artifacts and documents on display from times of the Kingdom including the former Royal Carriage. The Chamber where sessions are held is equipped with electronic voting apparatus and is circular in shape, with the Members' seats on the main floor, press section just

above and, on the third tier, special chairs and loges for the President when in attendance and for senior Parliamentarians.

Dr. El Feki opened the following discussion:

In his home district, President Mubarak had today announced his intention to propose a change in the Constitution to allow more than one candidate for the Office of the President.

We need to understand the central position of Egypt in order to understand its policy and practice. Egypt is at once an Arab state, a Muslim state, a Middle East state, a Mediterranean state, an Asian state, and an African state. It is unique as the home of Al Azhar (the oldest teaching institution of Islamic studies in the world); as a practicing and working multi-cultural society; and as a link between Hellenic, African, and Middle Eastern cultures.

Dr. El Feki feels that there are very hopeful signs for progress toward peace regarding the Palestinian-Israeli situation. There are changes in Israel, in Palestine, and in attitudes toward and from the US. For the first time, the US has stated its support for a Palestinian state and, more recently, one with contiguous borders. He hopes that these statements and others will stimulate progress toward implementation of the 1967 accord. Even Syria is in favor of talks with Israel without preconditions. Egypt-Israeli relations are good, and this is helpful to the larger picture.

He told us in broad terms of previous negotiations that moved up to the point of final agreement on the touchy issues of Jerusalem and right of return, only to find that either dissidents took the policy hostage or that Mr. Arafat felt that he could not go forward. Chances were lost, and they are anxious that the same doesn't happen this time.

He touched lightly on Iraq. The situation is more hopeful now than it was a few months ago. There were mistakes made in the beginning, such as disbanding the Army and police forces, but recovery seems promising. Egypt is training Iraqi police and other service personnel in Egypt as we speak.

Responding to a question on Iraq, Minister El Feki noted that Iraq had become a magnet for dissident and violent people. The current political situation is tenuous, and Islamic fundamentalist groups could create a wider base for tensions.

Terrorism, Dr. El Feki believes, can't be stopped by armies or guns. He considers terrorism a disease and the result of 2 main reasons: conditions in the Middle East itself (lack of democracy; economic and political corruption; and the lack of other channels for political dialog) and US foreign policy, which seems biased in its support for Israel, and thus creates a general feeling of injustice in the region. The Palestinian issue, in his view, is the most critical issue for the Middle East.

On Sudan, the festering issues between Arab and African groups have led to war in the south and, in part, to the horror of Darfur. Egypt is working with all sides to come to some agreement.

Reform in Egypt is more than a slogan -- it is a must in the country, but must match with Egyptian traditions and cultural practices. Egypt wants to proceed step by step rather than lurch forward in dramatic thrusts. Reform in some form or other has been part of Egypt's history.

Finally, Dr. El Feki said that the impact of the recent President's Decree on Elections should not be minimized. It will have broad repercussions and is unprecedented in the history of the country. This change automatically opens the door to other and deeper changes. Egypt must, however, be careful not to do too much too fast. Opening other elements of the Constitution might inadvertently give an opening to small but focused fundamentalist groups who might not move the country in a forward direction.

Meeting with Prime Minister Ahmed Nazif
Saturday, February 26, 2005
8:15 p.m.

Rapporteur: Mr. Mike Maibach

This tall business executive comes from the telecom industry. He was the Minister of Information in the last Cabinet and its youngest member. As a college student in Canada, he participated in the US State Department's International Visitors Program, which gave him a special introduction to the USA, and remains a fan of this program.

Prime Minister Nazif considers one of his most important challenges Egypt's huge population growth, which is 1.3 million per year. His goals are to build a robust middle class; reduce unemployment below 10%; and grow the economy by 6% per year for the next 5 years. Prime Minister Nazif believes commercial growth is hindered by red-tape, high tariffs, lack of property ownership clarity, etc. They are working on all fronts to enhance the move to the formal economy by enacting governmental and financial institutional reforms and cutting taxes and tariffs.

Moving tax rates from 42% to 20% is popular, but the closing of special tax deductions is not... people want both. With lower rates, the government expects a higher rate of tax compliance, and it hopes to have a US-style system where citizens feel obliged to do their duty. Egypt needs a change in the culture of citizenship and the build-up of trust.

On governmental reform: there are too many poorly targeted subsidies. For example, diesel fuel, oil, and bread are all subsidized, regardless of income. Using bread as an example of the gradual reduction of subsidies and a shift to higher value products, Minister Nazif described subsidies for two types of bread: the regular, inexpensive, non-enriched loaf, and a more expensive enriched flour bread. While people can still buy the cheaper loaf, more are willing to pay for the more expensive, but healthier, bread.

The government has also created a Social Fund, funded by Egypt, the US and other donors, which provides micro-loans to start-up companies. The Fund created 80,000 jobs last year and has an impressive 98% payback return.

He sees Egypt as at the “crossroads of three continents” and wishes it to become a “regional commercial hub” for the Middle East, similar to Singapore or Hong Kong. Tourism is a major industry. Tourism revenues were up 40% in 2004, and total tourists were 8.1 million, up from 6 million in 2003.

On politics: the Egyptian press is free, and a multi-party system exists. The Prime Minister discussed the newly announced plans by the NDP to open Presidential elections to all qualified candidates.

Referring to terrorism, Mr. Nazif stated that Egypt has known terrorism for many years, but since the Luxor attacks of 1997, Egypt has been largely free of terrorism. Such acts in the name of Islam convinced citizens that the terrorists were abusing their cherished religion, and it had major consequences in the loss of jobs.

Finally, Prime Minister Nazif noted that Egypt has excellent government-to-government relations with the USA in the commercial and military fields.

An Amazing Trip to Cairo

Ambassador Marilyn McAfee
(submitted to the *Ponte Vedra Recorder*)

Did you know that 20% of Egypt’s population is Coptic Christian? Did you know that Copt means Egyptian and that St. Mark took Christianity there in the First century AD.?

There were a lot of things I hadn’t known (and still don’t) about Egypt before my recent trip there as a part of a small delegation representing the World Affairs Councils of America. We were invited by Egypt’s First Lady Suzanne Mubarak and her International Women’s Group for World Peace. Our small group of ten included two former Ambassadors (me and colleague Mark Johnson who had once served in Cairo), other Board Members of the National Council and leaders of councils throughout the US

We had the unique opportunity to meet at some length with senior members of the Mubarak government (Prime Minister, Foreign Minister, Finance Minister, Director of Intelligence, Minister of Trade and Industry, Senior Political Adviser to President Mubarak, Parliament’s Foreign Affairs Committee Chairman, Vice Minister of Defense, think tanks and others) Our talks also included the US Ambassador and distinguished members of the community including the Grand Imam and Head of the 1100 year old El-Azhar Educational Institution and Mosque, the center of Sunni Islam. We were also received by His Holiness Pope Shenouda III, the 117th

Pope of Alexandria and Successor of the See of St. Mark whose beginnings date to First Century AD.

Serendipitously we were in Cairo when President Mubarak announced that Egypt would open its election process. Not far away in Lebanon there were spontaneous street demonstrations calling for Syria's ouster (supported by both the United States and France). President Bush was in international headlines calling for an independent Palestinian State with contiguous territory on the West Bank. Secretary of State Rice, having visited Europe, was in the Middle East.

What does all this mean? Let me share just a few impressions.

President Bush's message supporting freedom and democracy and open elections has had resonance in the Middle East. Iraq's election and the Ukraine's revisited election had an impact, as did US support for those developments.

The Middle East is a region very resistant to change. While Americans enshrine change, not uniquely this part of the world values stability over change. With a 6,000-7,000 year history, the Egyptian timeline is very different from ours.

Economic change and the free-market system have been embraced by Egypt and some very dynamic new and younger reform-minded members of the Mubarak government. The United States is helping with trade zones and negotiations for a Free Trade Agreement. Economic growth and education are critical in finding jobs for Egypt's large (72 million) and growing (2-3 million per year) population of mostly young people. Economic growth in turn is essential for political stability.

Political change is moving more cautiously, but as President Mubarak's announcement signals, movement is underway. The Egyptians would like to determine the pace. They are very concerned about religious extremists and the threat they pose should the system (be pushed) to open up precipitously. Look for movement, but not speed.

Egypt is a strong and essential partner in the search for peace in the Middle East. It was the first country to make peace with Israel and was shunned by other Arab countries for ten years as a consequence. Active US and Egyptian involvement in that process is essential. Egypt, and its Arab neighbors, will oppose any forces external to Palestine that threaten the peace process.

In the search for Middle East peace, all of its supporters see an opportunity. It won't be fast, and it's far from certain. Extremists on both sides will oppose it. Strengthening the new Palestinian moderate leadership is a critical first step. Borders and Jerusalem are the two toughest issues.

The US tilt toward Israel is seen as the primary source of anti-US sentiment in the Arab world. The invasion of Iraq also was not helpful. Egypt opposed the invasion of Iraq, but cooperated extensively in assisting the movement of US forces. Egyptians are assisting in training Iraqi police.

Stability in Iraq is essential to stability in the region. For those Americans who ask to what purpose extensive US assistance money has been put over the years, one Egyptian official observed that there had been a decade of stability in Egypt which would have otherwise been unlikely. An unstable Egypt would have been disastrous for the region and globally.

Egypt supports a nuclear free Middle East, including Israel and Iran. There is deep concern about aggressive Iranian intentions in the region, including the millions of dollars of funding from Iran through Syria to the Hezbollah Shi'ia (terrorist group) in Lebanon, not to mention terrorist groups in Egypt. Egypt opposes military action against Iran

While American policy is viewed very negatively in the Middle East (Israel, Iraq, visas) Americans are not. American visitors are very warmly, and touchingly welcomed. Egyptians go to great lengths, particularly since the 1997 Luxor incident, to ensure the protection of tourists. Every 1 million tourists produce 200,000 jobs.

May Egypt of the present be to the future what Egypt of the past has been to the present. Nasserism and the Pan-Arab Movement was a false start toward a Renaissance in the Arab world. Let us hope that a true Renaissance and peace in the region can finally emerge. Helping to make that happen would be the greatest legacy of both President Bush and President Mubarak.

Hospitality Along the Nile

Ms. Mimi Gregory

“Egypt is the gift of the River Nile” said Herodotus, and along the 4,184 miles of the Nile is a history so rich and important, that we were fortunate to share in its bounty through the people of Egypt who welcomed our delegation.

Each morning we could see life begin on the river, including the most sleek power boats, traditional feluccas, and even crew boats with their coxswain urging them on. There is an abundance of hotels along the banks of the Nile, and an elegant promenade that stretches for many miles where walking in the warmth of the Egyptian sun is most inviting.

We were invited into the homes of a Palestinian family and that of our Egyptian host, where we shared warm hospitality and wonderful Middle Eastern cuisine. *Tahini*, *baba ghanoug*, *hummus* and *falafel* are a must with every meal. Lentil soup and lamb prepared many different ways adorn each table, which is normally filled to overflowing. Baklava and a wonderful pudding called “umm Ali” (“mother of Ali” literally, but more like mother of all desserts!) bring each meal to a close; we were blissfully “stuffed.”

At the home of our Palestinian hosts we were made to feel as family, even sharing in the video of their son’s recent wedding (the best belly dancer in Cairo included). And, while dining at the

home of our Egyptian host on the corniche along the Nile, the view on a stark, moonlit night from his terrace was memorable.

There was no better way to end our trip than, on our last evening in Cairo, enjoying a dinner cruise along the splendid Nile that was generously hosted by the Ministry of Defense. Accompanied by a trio playing traditional Egyptian music, we were again treated to the many delicious Egyptian dishes that we will always associate with our visit to Cairo.

Our delegation departed Cairo greatly enriched by the meetings (and the food!) and most appreciative of the warm welcome from the most hospitable Cairenes.

Winds of Change in Egypt

Ambassador Mark Johnson

For many Montanans, the name “Egypt” brings forth images of camels, the pyramids, the majestic Nile River, or more recently, a negative association with the dark forces of the Middle East -- terrorism, and the Arab–Israeli conflict. Today’s Egypt is much more than all of these images. For example, to put it in local terms, Montanans might be interested to learn that Egypt buys six million tons of wheat every week—every year—the largest importer of US wheat.

I recently participated in a visit to Egypt’s capital, Cairo, organized by the World Affairs Councils of America. Our goal was to learn for ourselves what was happening in this important country and to share with our hosts a frank US perspective.

What our delegation witnessed was a country and region re-examining some fundamental aspects of its society. To give you an idea, Egypt is in the midst of a dramatic economic reform program that seeks to sweep away decades of heavy-handed state controls and monopolies. The new, impressive minister of finance told us that he simply threw the old tax code out the window, and started over with a new flat tax that cuts corporate taxes by over 50%.

The political landscape is equally dynamic.

Meeting with the new Egyptian prime minister--himself a highly experienced technocrat-- we heard the report of a surprise announcement from President Mubarak that will open up the next presidential election to direct voting and multiparty participation. While Egypt’s recent past would suggest some skepticism is in order, and much remains to be done, this development would have been unimaginable even one year ago. If this continues, changes like this could have profound effects.

Egypt continues to play a crucial and helpful role in the search for an end to the conflict between Palestinians and the Israelis. One senior Egyptian official who has tracked this process for decades and was with then-President Sadat for the Camp David accords in 1979 told us point

blank: “the chances for peace are now better than ever.” The death of former Palestinian leader Yassir Arafat and the arrival of new leadership have given Palestinians something they have lacked for years: hope. The key, our Egyptian sources told us, was a dynamic US presence which, they translated, means putting pressure on Israel. President Bush’s recent statement in Europe that Palestine must be a “contiguous and viable state” was seen as a major step in that direction. Meanwhile, Egyptian forces are quietly working with Israeli security elements to safeguard key border zones after the Israeli withdrawal from Gaza settlements.

We had frank discussions about the perception of the United States in Egypt and the region. One veteran expatriate observer told us that the American image was the worse he’d seen in 30 years. (Yet Egyptian hospitality on a personal level was overwhelming.) The local perception of US arrogance and overwhelming support for Israel were the major factors cited. At the same time, while Egypt opposed the Iraq war, we learned that the Ministry of Defense has already trained more Iraqi security forces than the Europeans.

The Foreign Minister underscored another reason for the US’s negative standing --the draconian visa policy in place for Arab visitors. We heard many stories of frustration and humiliation. The bottom line is that a whole generation of Egyptians may be giving up on studying or visiting the US which is a great loss for all of us. In an interview with Egyptian state television, I noted that our trip to Cairo convinced us that Egyptian-US relations were now more important than ever. We were equally convinced that greater people-to- people diplomacy at the grassroots level was one of the keys to improving our ties.

In our joint session with Suzanne Mubarak, the first lady of Egypt, and chair of the Women’s International Peace Movement organization, we proposed a number of possible collaborative programs that were enthusiastically received:

- bringing women’s groups to the US to speak on women, Islam and peace.
- arranging joint exchange programs for Egyptian and US high school students.
- facilitating reporting and commentary between Egyptian and American journalists to help bring some balance to the distorted views on both sides.
- inviting Egyptians to speak in communities in Montana at world affairs councils like ours.

And, by the way, I made sure that both the Minister of Finance and the First Lady of Egypt were aware that Montana would be happy to sell more wheat to their country!