

# Egypt: Peering into the revolution's crystal ball

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*Comparisons between Egypt's revolution and others during the past abound and are instructive. They suggest two scenarios for the post-revolutionary period*

Egypt's revolution is considered to be a startling new development, the result of the Internet age. But it is actually more like the traditional revolutionary scenario predicted by Karl Marx in the mid-19th century, a desperate protest against mass poverty resulting from rampant capitalism. Its association with the overthrow of authoritarian regimes in Eastern Europe and Russia in the 1990s, as epitomised by the adoption of the Serbian Otpor's clenched fist masthead, is thus superficial. A more apt comparison in economic terms is with the Philippines, also a poor country with a large peasant population.

The Filipino dictator Ferdinand Marcos (1965-86), like Egyptian president Hosni Mubarak, was a close ally of the US, and the Philippines hosted a large US base vital to its control of the south Pacific. Marcos justified his authoritarian rule and martial law to his US patrons as vital to keeping the Muslim and communist opposition at bay.

But grinding poverty, corruption and a restless elite created the conditions for his overthrow, and one last rigged election and the murder of the leading liberal opposition leader Benigno Aquino finally led the US to shift its support to the opposition. This prompted the army to switch sides, and Aquino's widow Corazon became the new president in 1986. Popular anger with the US military presence forced Aquino to close the US base in 1992 in a symbolic gesture to the people. But Aquino was well schooled in Reaganomics, the new neo-liberal policy of unbridled capitalism, and she carried out the US economic agenda of unbridled capitalism.

This was perfectly logical, given her (and the military elite's) credentials, all trained in the US and pro-American. Less than a year into her presidency, 15,000 peasants held a peaceful protest calling on Aquino to grant them land reform. Riot police opened fired on the crowd killing 17. Writes Alfred McCoy in *Policing America's Empire* "When communist negotiators walked out of ongoing peace talks to protest what they called the 'Mendiola massacre,' the president 'unsheathed the sword of war'", leaving the communist and Muslim insurgencies intact and further impoverishing the people.

The chance of a genuinely popular leader emerging after the overthrow of Marcos was still there: the populist Joseph Estrada, a movie star with little education, won a landslide victory in 1998 promising to help the poor, but was pushed aside, impeached over his personal finances, and his US-educated vice president Gloria Macapagal-Arroyo took over, to the relief of the business elite and the US. Since then the political spectrum has narrowed to allow at best a choice between representatives of the elite, the current president being ex-president Aquino's son Benigno III.

Acquiescence to the US “war on terror” has made real change an impossibility, and the US military presence is once again strong. The revolution was compromised and the Philippines continues on its path of hopeless, violence-ridden poverty, though with electoral democracy acting as a legitimising factor. This is one scenario that could play out in Egypt if the US has its way.

During this period, Egypt under Hosni Mubarak was also carrying out the neoliberal agenda, much like the democratic Corazon Aquino was. In policy terms, it seems that democrat or authoritarian makes little difference given the powerful role the US plays in such countries as the Philippines and Egypt. As the Philippines experience shows, it is preferable to have an electoral democracy where the US effectively controls both the ruling party and the opposition. That appears to be the explanation for the US increasing its “democracy promotion” funding of Egyptian dissidents in recent years and then finally abandoning Mubarak with no qualms.

What are the prospects of another scenario unfolding, involving a radical rejection of the underlying economic system?

The first political party to be recognised since the revolution was Al-Wasat (Centre), a reformist Islamist party, but the second looks to be the Egyptian Peasants’ Party, and independent trade unions are springing up everywhere with their own Labour Democratic Party in the works. The immediate aftermath of the revolution witnessed angry protests by workers in the public sector demanding tenure in their jobs. Under Mubarak, this socialistic policy of secure work was largely abandoned, applied only for those with contacts within the ruling National Democratic Party, leaving millions worrying if they would have a job the next day.

Workers continue to demand a tripling of the minimum wage to bring it into line with galloping inflation that has pushed millions under the poverty line. The military regime slashed elite government salaries, putting a cap on public servants’ pay. There is even talk of a minimum/ maximum income and demands for progressive taxation to tackle the extremes of wealth that developed under Mubarak (Egypt has a flat 20 per cent tax on income). But there is no visible socialist movement with the stature of the conservative Muslim Brotherhood, which endorsed president Anwar El-Sadat’s *infitah* and Mubarak’s 1997 reforms allowing unlimited landholding and returning land confiscated under Gamal Abdel-Nasser.

Ultimately, writes Abu Atris at [aljazeera.net](http://aljazeera.net), “the intense speculation about how much money the Mubarak regime stole... is a red herring” so long as Egypt remains a neoliberal state recycling privatised assets among the wealthy elite. There must be a clear rejection of the neoliberal philosophy that everything is up for grabs, that the market is the sole economic regulator. Education, health, the environment — these are social facts of life and must be protected by a strong independent government which is not subservient to the market (or to US diktat). “Mubarak’s Egypt degraded schools and hospitals, and guaranteed grossly inadequate wages, particularly in the ever-expanding private sector. This was what turned hundreds of dedicated activists into millions of determined protesters.”

With the resignation of Mubarak’s last prime minister Ahmed Shafik and his cabinet last Friday and the appointment of former transport minister and Mubarak critique Essam Sharaf as the new prime minister, the burning question today is: will the US-imposed neoliberal

order survive in Egypt? The military is now struggling to bring about some political order by appointing the usual crisis government of supposedly neutral “technocrats”. But there is nothing neutral about “trickle down economics” and there are no Egyptian “technocrats” experienced in dismantling a neoliberal order intimately tied to the US imperial.

Could Egyptians look to countries which have clearly rejected such a path in recent years, Latin American countries such as Venezuela, Argentina, Ecuador or Brazil, which have instituted radical reforms and successfully resisted US hegemony? This is the other scenario for Egypt’s revolutionaries, though Egypt’s more sensitive geopolitical location makes any attempt to defy the US fraught with peril. Leading contender for the presidency, Arab League Chairman Amr Moussa insists loudly that relations with America must be “excellent and strong”.

The attitude of the military, while it controls about 10 per cent of the economy and was the prime beneficiary of US aid under Mubarak, is key to which scenario will prevail. It is seen by US officials as a regressive force opposed to privatisation. Georgetown University’s Paul Sullivan says, “There is a witch hunt for corruption, and there is a risk that the economy might go back to the days of Nasser.” Sounds good to me.

Nostalgia for the (dictatorial) regime of Nasser remains strong in Egypt, even among those born decades after Nasser died. Sometimes, dictators are necessary — to confront entrenched elites who refuse to share their wealth. There is little likelihood of another Nasser, however. Whatever scenario unfolds in Egypt will involve messy political squabbles and unstable coalitions as Egyptians taste the forbidden fruits of electoral democracy.

Perhaps the supporters of socialism will coalesce around some version of the Nasser legacy, one that can form a working coalition with the Brotherhood (MB). Though the MB is capitalist in orientation, its main planks are to end corruption and improve social services. MB support of the revolution was key to its success and it is now preparing to launch a party modelled on the Turkish Justice and Development Party — the Justice and Freedom Party.

There is no question that, as in the Philippines, the only answer to Egypt’s economic woes — high unemployment, extreme poverty, crumbling social services and a gaping chasm between rich and poor — is a strong dose of socialism.

Egypt and Tunisia are the first nations to successfully overthrow their neoliberal regimes. Ironically, their lack of democracy proved to be an advantage, forcing the impoverished masses to unite against their oppressors. Misguided US commentators ask: “Will Venezuela be the next Egypt?” The answer is: “Will Egypt be the next Venezuela?”

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Canadian Eric Walberg is known worldwide as a journalist specializing in the Middle East, Central Asia and Russia. A graduate of University of Toronto and Cambridge in economics, he has been writing on East-West relations since the 1980s. He has lived in both the Soviet Union and Russia, and then Uzbekistan, as a UN adviser, writer, translator and lecturer. Presently a writer for the foremost Cairo newspaper, Al Ahram, he is also a regular contributor to Counterpunch, Dissident Voice, Global Research, Al-Jazeera and Turkish Weekly, and is a commentator on Voice of the Cape radio. Eric Walberg was a moderator and speaker at the Leaders for Change Summit in Istanbul in 2011.

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