

4 Economic Crisis, Informal Institutions, and the Transformation of Islamist Politics in Egypt

If the oil boom of the 1970s was a distinct era of abundance for the labor-exporting states of the region in terms of remittance inflows and financial assistance from Gulf States, the bust in oil revenues that deepened by 1985/86 resulted in a dramatic recessionary downturn that had important long-term consequences for domestic politics. After 1986, in particular, economic austerity measures and shrinkage in the size of the parallel market in terms of the volume of foreign currency transactions reconfigured informal economic and social arrangements in profound albeit different ways in Egypt, Sudan, and Somalia. In all three countries, as the financial and political power of groups engaged in the informal economy rose, state elites struck back – almost at the same time. Only in Egypt was this effort partially successful.

In the case of Egypt, the boom period, lasting from 1975 to 1985, afforded the state extraordinary access to foreign exchange as a result of oil exports, Suez Canal receipts, tourism, and expatriate remittances. These “big four” provided the country 75 percent of its hard currency, and all these sources were linked to the price of oil since expatriate workers mostly worked in the Gulf. Moreover, upward of 50 percent of tourists were from the oil-rich Arab countries, and much of the trade through the Suez Canal consisted of oil shipments (or Western goods) headed to the Gulf countries.¹ Consequently, when the oil price fell in 1985/86 the country suffered a drastic and steady decline in revenue from remittances through the 2000s as well as the other main sources of revenue affecting the entire economy adversely. GDP fell from 7.4 percent in 1984/85 to 4.2 percent in 1986/87 and to as low as 2.1 percent by 1990/91 (see Figure 4.1).² Coupled with a soaring external debt the regime was forced to turn to the multilateral lending institution, the International Monetary Fund (IMF), for debt relief and to implement further economic reforms that included the unification of exchange rates, trade liberalization, and to limit imports.³

Throughout the 1990s low oil prices resulted in a consistent and dramatic decline in rents flowing into state coffers from oil exports, foreign aid, and Suez Canal fees. Oil revenues declined from 11 percent

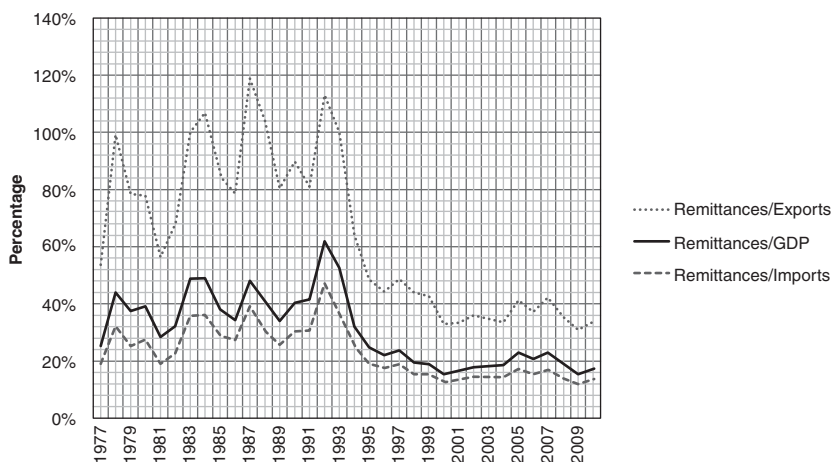


Figure 4.1 Remittances as a proportion of exports/GDP/imports in Egypt

Source: World Bank, World Development Indicators (World Bank, Washington, DC). <https://datacatalog.worldbank.org/dataset/world-development-indicators>.

of total revenues in 1990 to just 2 percent in 2000, and whereas they represented almost 50 percent of total exports in the 1980–2005 period, after the 1986 glut, international crude oil prices did not exceed the 1982 level (\$31.55) until 2004 (\$37.41), hitting a historical low in 1998 (\$11.9).⁴ This decline in external rents in the 1990s took its toll on state revenues and total exports which declined roughly from 30 percent in 1990 to 20 percent in 2004. As late as 2008/09, the ratio of revenues to GDP had not surpassed that of the early 1990s.⁵

The post-1986 period accentuated problems that had already emerged in the 1970s during the remittance boom and the early years of *infatih*. By the early 1980s, under Mubarak, economists generally recognized that *infatih* had favored the trade and finance sectors of the economy and encouraged the expansion of the black market (i.e., foreign exchange speculative dealings) and that, ultimately, the regime was compelled to implement economic reforms. But it is also clear that these reform measures also sought to curb the power of what the regime considered an Islamist economic and political threat. Consequently, in 1991 the Egyptian government liberalized the exchange rate in order to discourage foreign currency speculation in the black market and redirect labor remittances into formal institutions and away from parallel market transactions. As intended, financial liberalization – coupled with new regulatory

measures – undercut the short-lived Islamist monopolization of informal finance.⁶ However, rather than eliminate informal economic activities altogether, these policies only altered the social composition of the important segment of the informal economy and in so doing, the organizational structure, material incentives, and normative orientation of both the moderate and Islamist trends of the Islamist movement in the country.

It is important to emphasize that in contrast to other labor exporters with weaker state capacities (e.g., Sudan and Somalia) the regime in Egypt did not forfeit all its autonomy over the economy and it maintained great control over the degree and pace of economic reforms. Moreover, as many scholars have noted, its geopolitical position against radicalism and its peace agreement with Israel won the country generous debt relief throughout the recession period. Nevertheless, the general thrust was to free the local market from state intervention and not surprisingly this had important social and political consequences. Naturally, the recession affected all segments of society and particularly public sector workers whose salaries went into steep decline. But two important segments of society were also affected in ways that had important consequences for Islamist politics in the country: the middle-class Muslim Brotherhood movement and a poorer segment of Egyptian society working in the hitherto booming informal building trade such as those in the poorer quarters of Imbaba discussed in Chapter 7.

Back to the Future

The violent crackdown by the regime of Abdel Fattah al-Sisi, which overthrew the government of the Muslim Brotherhood's elected Prime Minister Mohamed Mursi in July 2013, is unprecedented in terms of the scale of violence used against opposition groups and individuals. Between July 2013 and May 2014, less than a year after Sisi assumed power, an estimated 40,000 individuals had been arrested, more than 100 members of the Muslim Brotherhood sentenced to death, and both secular as well as Islamist groups banned, including the April 6 youth-led organization that spearheaded the historic Tahrir uprisings of January 25, 2011. However, it is important to note that the state's confrontation with the Islamists dates back to the 1990s and that the ongoing Islamist insurgencies across Cairo and in northern Sinai, which began in earnest in September 2013 against the military and security forces of the Sisi regime, have been routinely and understandably compared to the confrontation between the Egyptian State and the *Jama'a al-Islamiyya* (the Islamic Group) militant group in the 1990s

in the neighborhood of Imbaba.⁷ Indeed, the 1990s were a watershed in the relationship between the state and the moderate as well as the militant wings of the Islamist movement with important consequences for the present.

In December 1992 the Egyptian state entered the informal housing sections of Imbaba in Cairo. As many as 16,000 paramilitary troops, led by 2,000 military officers, state security personnel, and local police joined forces in the largest campaign against Islamist militancy in Cairo since the assassination of President Anwar Sadat in October 1981. Over the course of one week, 1,700 people were imprisoned, local residents arbitrarily arrested and tortured, and a small number killed. For several days, residents of Imbaba were prevented from leaving their homes for work, and all commercial activity in the neighborhood was prohibited. In addition, security forces forcibly shut down a number of storefront (*ahali*) mosques in the neighborhood. These mosques had served as important institutions through which Islamists activists belonging to the Islamic Group (*al-Jama'a al-Islamiyya*) had mobilized their supporters and rank and file cadres. Among the mosques closed down by security forces were *Masjid Said al-Mursileen*, *Masjid al-Nasr*, and *Masjid al-Rahman*.⁸ All three mosques served as important meeting places for the supporters of the Islamists, and it was from their pulpits that Islamist preachers spread their message to local residents.

As Diane Singerman has noted, the reason behind the unprecedented crackdown was the increasing power and popularity of the *Jama'a al-Islamiyya*.⁹ To many in Cairo the ascendancy of the Islamic Group at the heart of the city was a surprising development since the bulk of radical political violence during the 1980s was largely confined to the rural and less-developed provinces of Upper Egypt. It was in Upper Egypt that clashes between militants and security forces had left more than 900 dead and tens of thousands of Islamist militants in jail by the late 1980s.¹⁰ But it now appeared that, for several years, members of the Islamic Group had slowly filled the vacuum left by the state's neglect of the Western Munira sections of Imbaba. By the mid-1990s militants in these quarters had become active in providing food to the poor, running health clinics, mediating disputes, collecting taxes, and reinstating a severe form of "law and order" among local residents.

The direct catalyst of the siege was the convening of a press conference by the *Jama'a* in Imbaba in late 1992. At that time Sheikh Jabir Mohammed Ali, the leader of the Islamic Group in the Neighborhood, invited foreign journalists to "celebrate" the anniversary of Sadat's assassination.¹¹ Sheikh Jabir, commonly referred to as the "ruler of the State of Imbaba" (*hakim dawlat Imbaba*), used this opportunity to

announce the establishment of an independent state within a state, the Emirate of Imbaba.¹²

At the same time the regime also broadened its repression of the Muslim Brotherhood by cracking down on what Egyptians commonly refer to as *al-Iqtisaad al-Ikhwani* (the Brotherhood Economy). Beginning in 1991 the Mubarak regime targeted informal financial networks and institutions it perceived to pose a direct economic and political threat to its authoritarian rule. The regime imprisoned and put on trial prominent black-market traders, liberalized the financial sector to undercut the parallel economy, and began to strongly regulate informal welfare institutions in a process that lasted into the latter part of the Mubarak regime and has continued with even greater force under the present regime of Abdel Fattah al-Sisi. In 2007 and again in 2009 the Mubarak regime went further in its campaign of attacking the Brotherhood's business interests. Its military court detained and put on trial two prominent members of the Muslim Brotherhood: Khairat al-Shater and Hassan Malik.¹³ The two men stood accused of economic treason against the state and engaging in money laundering and "illicit" commercial activities. In April 2008, the military court dismissed the money-laundering charges. Nevertheless, in what the popular press termed a game of *al-Ker wa al-Fer* ("hit and run"), on April 15, 2008, the military court dismissed money-laundering charges against those arrested, acquitted fifteen, and reduced the prison sentences of the remaining defendants but confiscated the assets of the most prominent Brotherhood businessmen. These included substantial capital investments in a wide range of enterprises including pharmaceuticals, tourism agencies, construction firms, educational institutions, publishing houses,¹⁴ and land reclamation companies.¹⁵

Consequently, while in its relationship with the Brotherhood the regime continued its policy of strategic cooptation (most notably, permitting the organization a small measure of representation in parliament), it nevertheless marshaled its economic coercive power to regulate and undermine the movement's financial assets built during the boom years. In this regard, what made the arrest of Malik and al-Shater a subject of national debate was that they are known to be the two most prominent Brotherhood businessmen. Al-Shater the then former deputy head of the Muslim Brotherhood, and Hassan Malik, his long-time business associate, had long been significant funders of the Islamist movement in Egypt during *'ahd tajmee' al-tharwat* (the era of wealth accumulation).

In the 1970s and 1980s they were primarily responsible for institutionalizing two important aspects of the Muslim Brotherhood's commercial network: They established a host of successful business enterprises in domestic markets, and they also established links with other Islamists

abroad in ways that capitalized on the transnationalization of Islamist commercial networks and investments in global stock markets, particularly in the Arab Gulf and the United States. Moreover, Khairat al-Shater gained further prominence following the fall of Hosni Mubarak's regime. He was released from detention just one month after the toppling of Mubarak's regime by the Tahrir uprising, and he quickly resumed his post as deputy to the Muslim Brotherhood Supreme Guide, Mohammed Badi. However, along with scores of other Muslim Brotherhood leaders, al-Shater was arrested on July 25, 2013, and subsequently sentenced to life imprisonment by a military court following Sisi's military coup against the Brotherhood-led government of Mohamed Mursi.

The successive arrests of al-Shater under the rule of Hosni Mubarak and again under the regime of Abdel Fatah al-Sisi reflect an enduring strategy aimed toward undermining the institutional and financial administrative capacity of the Brotherhood: a capacity that had in previous decades financed the salaries of the organization's employees and cadres, supported Islamist candidates during electoral campaigns in the country, and provided material incentives to new members to the organization.

The Battle over Informal Finance and Islamic Banks

Two important facets of the Islamic Economy that grew out of the boom period and which benefited from state patronage saw their fortunes come to an end in the 1990s in great part as a result of increasing state regulation and an assault on Islamic economic institutions: the black-market trade responsible for the growth of the unregulated Islamic Investment Companies (IICs) and Islamic banks. In 1988 the Mubarak regime intervened to regulate the IICs. On June 7, 1998, the People's Assembly pushed through Law No. 146 that limited the right to collect capital to joint stock companies and gave wider powers to the Capital Market Authority (*hay'at suq al-mal*) and the Central Auditing Agency (*al-jihaz al-markazi lil-muhasabat*) to regulate and shut down the IICs. Most significantly, the Capital Market Authority was given the right to refuse or revoke existing licensing of any IIC based on a report from the Minister of Interior indicating that its activity was a threat to "national security" or "public (*'amm*) economic interest."¹⁶

It is important to note that prominent Islamists altered their attitudes toward the IICs and become more critical in the context of the state's attack against these unregulated investment houses.¹⁷ However, the IICs also generated significant investment from members of the Muslim Brothers as well as large sections of Egyptian society during their heyday.

One member of the Muslim Brothers, Ahmed 'Alawi, informed me that like many members of the brotherhood at the time he was strongly in favor of the economic reforms that made the IICs possible for a time and that he, along with other members of the *Ikwghan*, heavily invested in the IICs. He acknowledged that the Muslim Brothers did in fact support these institutions and that they received funding for their organization from them. He noted that al-Rayan in particular helped to finance the movement at the time. As he put it: "*al-Sharikat* were an example of how the state could not control the 'freedom' unleashed by *Infitah*."¹⁸ Nevertheless, while 'Alawi continued to defend the *sharikat* in principle, he acknowledged somewhat bitterly that their leaders suffered from greed. "In the early years they offered depositors 24 percent return from their investment, but by the time they were shut down by the state, this had reached 30 to 40 percent."

Importantly, 'Alawi noted a trend that obtained across the labor exporting countries in the region during the remittance boom. That is, that Egyptian migrants irrespective of whether they harbored sympathies for the Muslim Brotherhood deposited part of their wages in the *sharikat* not, in his view, because they trusted in the Islamic credentials and legitimacy of these financial institutions, but rather because expatriates had little choice owing to high rates of inflation that resulted from the boom in the influx of remittances in the 1980s. Migrants found depositing their hard currency in what were hitherto informal financial institutions more profitable than in the heavily regulated formal banks. This is because, as 'Alawi observed in Imbaba where he resides as elsewhere, when "land prices shot up as a result of migrant money, so did the price of residential apartments. People had to put money into the *sharikat* so as to make their money meet the 'real' [i.e. inflationary] prices of real estate."¹⁹ To be sure, and particularly in the early years of the *sharikat*'s establishment, many Egyptians were also encouraged to invest in the *sharikat* out of trust in the religiously garbed and seemingly pious financiers that operated them. The leaders of these companies were careful to patronize public prayers and donate to mosques and Islamic Welfare Associations (IWAs).

The experiment of the IICs was a dramatic and amply documented financial scandal in Egypt. By the late 1980s depositors and the general public became aware that the IICs operated on the basis of a pyramid scheme that swindled thousands of depositors from their hard-won earnings. For its part, the regime's attack against the IICs had more to do with state's fear of a parallel economy in finance that posed a grave economic and political threat to its authority over society. The IICs posed two essential dangers to the regime: the erosion of state capacity in the economic, and particularly financial, sphere and the resurgence and rising

power of new economic actors in civil society operating outside the purview of the state. Moreover, irrespective of who benefited most from the profits of the IICs at the time, in the context of economic reform, and since these companies attracted savings ostensibly based on Islamic principles, they came to represent what the economist Abdel Fadil famously noted as “a force that would possibly splinter the dominance of the state over the society.”²⁰ Moreover, when the IICs crashed in the late 1980s they had an important political consequence since their fall discredited all economic projects working under the banner of Islam.

In contrast to the Islamic Investment Houses, the threat to the regime of the Islamic banks was relatively modest. This was primarily due to the strength of the state over the Islamic banking experiment: a state of affairs that stood in stark contrast to the Islamic banks in neighboring Sudan (see Chapter 5). To be sure, as in other Muslim countries, the spread of Islamic banking in Egypt raised the political profile of the Islamist movement in symbolic terms, but from the beginning the regime made sure that these banks would not come to be dominated by the Muslim Brotherhood. In contrast to Sudan, Islamic banking in Egypt has not been the monopoly of the Islamist movement primarily owing to the Egyptian regime’s stronger capacity to both regulate the financial sector and exert political, and coercive influence over groups in civil society. More specifically, in the 1980s state security forces intervened repeatedly to expel Muslim Brothers from the banks’ board of directors. In addition, in order to ensure that those Islamic banks established by influential Brotherhood leaders did not attract more deposits than the public sector banks, the regime enlisted the government appointed Mufti of al-Azhar’s assistance in this objective. In the late 1980s and up to the late 1990s through the issuance of a series of *fatwas* (Islamic legal rulings) the Mufti conferred religious legitimacy on interest taken and dispensed by conventional banks.²¹ Equally important is that the recession of the 1980s served to usher in the demise of the Islamic banking experiment in significant ways. An important reason for the decline in the influence of private Islamic banks is simply that the regime established Islamic branches of conventional banks throughout the country in a relatively successful effort to attract more savings. By 1996 Bank Misr, for example, had thirty Islamic branches, and by 1998 deposits in Islamic banks as a percentage of deposits in the conventional banks represented only 3.1 percent.²²

Economic as well as political factors combined to herald the demise of Islamic banking in the country. In the mid-1980s, at the start of the recession, and up to 1993 the growth rate in the deposits of Islamic banks began to decline dramatically. This was clear in terms of the shrinkage of Egyptian savings kept in Islamic banks, which represented

4.8 percent in 1994 down from 9.8 percent in 1986.²³ One important reason had to do with the decline in remittance inflows associated with the oil slump in the Arab oil-producing countries where thousands of Egyptians had made their living. However, it is important to note that as in Sudan the crisis of Islamic banking can be explained by political factors, and internal mismanagement as well as the decline in deposits of remittances in the recession. Another key decisive factor had to do with the fact that the Islamic banks' share of total deposits plummeted because the rate of return to depositors awarded by these banks was below the interest rates of the conventional banks. This was a result of successive devaluations of the national currency resulting from financial liberalization and the fact that the regime maintained higher rates of interest in its public sector banks in order to, in the elegant formulation of Soliman, "make the price of conformity with Islamic law high and the temptation toward 'sin' of receiving interest stronger."²⁴ What is noteworthy about the state's role in Islamic banking is that, in contrast to Sudan where these financial institutions came to represent a powerful political and economic force in civil society propelling the Islamist movement to power, in Egypt the state retained great capacity to regulate and curtail the strength of the power of the Muslim Brotherhood in these banks and to undermine their autonomy and popularity in terms of attracting depositors.

Importantly, the assumption to power of the Muslim Brotherhood and the election of President Mohamed Mursi reignited the deep political and economic conflict over the role of Islamic banking as a central pillar of contestation with profound political consequences pitting Islamists versus remnants of the Mubarak regime and, more recently, those supportive of the military regime of Abdel-Fatah al-Sisi. Indeed, almost immediately following Egypt's historic parliamentary elections of November 2011, the Brotherhood's Freedom and Justice Party (JFP) began drafting a series of laws that would modify the role of the Central Bank of Egypt (CBE) and regulate the offering of Islamic financial services across the entire sector. Moreover, by making the registration of Islamic banks easier, the proposed regulations were primarily designed to achieve a long-standing objective of Brotherhood leaders of increasing the market share of Islamic banks vis-à-vis the traditional or conventional banks.

Indeed, what is noteworthy is that these legislative proposals sought to reverse the policies of the Mubarak regime that strongly regulated Islamic banking after the latter's strong growth in the oil boom years. Specifically, they called for Shari'a boards (*Lijan al-Shari'a*) to monitor compliance with Islamic law,²⁵ the strengthening of Islamic *sukuk* law that governs the issuing of bonds, and the creation of an Islamic banking department at the Central Bank that would regulate the sector.

President Mohamed Mursi and representatives of his party argued that these regulations would make the banking sector more competitive and attract a huge volume of capital inflows from the global Islamic economy estimated in 2012 at more than a trillion US dollars. Mohammed Gouda, a member of the JFP's committee on the economy, predicted that with these new modifications to the Central Bank law the Islamic financial sector would grow from 7.5 percent to 35 percent of the total banking industry over a five-year period. This optimistic target was based on two key assumptions on the part of the Brotherhood: the fact that Egypt, with its predominantly conservative Muslim population of around 90 million, represents an untapped demand for Islamic financial services and that the Brotherhood's long-standing transnational financial linkages represent a strong demand for Islamic banking and source of capital inflows, especially from the Gulf states. As Gouda put it: "They [Arabs in the Gulf] would like to invest here but prefer to do it through Islamic or Shari'a-compliant banks."²⁶

However, opponents of these measures insisted that rather than liberalizing the banking sector and enhancing the autonomy of the CBE, these measures were aimed primarily at strengthening the economic and political clout of the Muslim Brotherhood affording them distinct advantage over the money supply in the country. Three important provisions of the draft law presented by JFP delegates to the economic committee of *Majlis al-Sha'ab* (Popular Council) in June 2012 sparked these fears. These included articles 1 and 2 which proposed that the governor of the CBE and his deputy be granted immunity from dismissal by the CBE's Board of Governors and granted authority to the Islamic banks to generate capital from individuals and private and external sources without having to acquire permission from the Ministry of Finance. More controversial, from the point of view of opponents of the draft law, were articles 137 and 138.²⁷ These articles compelled the CBE to appoint three experts on Shari'a, to be appointed by the prime minister, and charged with overseeing and monitoring all financial operations of the Islamic and conventional banks in order to ensure transactions, investments, and lending policies do not contradict Islamic law. Furthermore, the members of this Shari'a board were entrusted with developing new rules and regulations that would introduce binding guidelines having to do with the appointment of managerial staff of CBE as well as the Islamic and conventional banks.

The perception that Brotherhood leaders were intent on the Islamicization of the financial sector increased on December 8, 2012, when Mursi issued a modification of two important articles governing the Central Bank. Taken together these new regulations granted Mursi more political and administrative authority over the most important financial

institution in the country. The modifications reduced the number of board members from 12 to 6 and awarded the president the right to unilaterally nominate the CBE governor without the usual recommendations and oversight from the cabinet. These legislative measures were never implemented as a consequence of the removal of Mursi and the JFP from power by the military, but they would have meant a dramatic departure for an industry that had been carefully regulated under the regime of Hosni Mubarak.²⁸ Indeed, the debate over the draft law regulating the Central bank reignited the bitter conflict over Islamic banking, which is an enduring legacy of the Mubarak regime, pitting Islamists leaders and activists against their opponents in the military establishment as well as in civil society.

Confronting the Authoritarian State from Below: The Politics of Patronage in a “Weakened” State

The fiscal crisis of the state and the Mubarak regime’s efforts to contain the Islamist “threat” in combination with the increasing bureaucratic and legal regulation of what were previously largely informal financial and welfare institutions dramatically altered the strategies and tactics of the middle-class-based movement of the Muslim Brotherhood. Indeed, while in the 1970s and 1980s the Muslim Brotherhood enjoyed great success in mobilizing thousands to their cause as a result of both financial success and greater political opportunity, in the 1990s and 2000s they faced severe political as well as economic restrictions, which were keenly felt at the local level.

But while the Mubarak regime managed to deepen its authoritarian rule in what is commonly called the era of political de-liberalization (i.e., imposing political restrictions in the context of political liberalization) it showed little interest and ultimately enjoyed far weaker capacity and legitimacy in forging patron-client linkages with communities residing in the vast informal settlements of greater Cairo. The 1992 uprising in Western Munira was certainly an important factor in the state’s increasing, albeit minimal, involvement in Imbaba, but the starting point of the government’s efforts to forge clientelistic linkages with local leaders originated in the rise in popularity of opposition parties in local elections.

Since the early 1970s, Imbaba was a district where the ruling National Party (NP) always won in all of the government-run elections. However, in 1984 the opposition obtained seats in parliament, which local NP officials saw as a “dangerous trend” and one that increased in the elections of 1987 and in the early 1990s. As a local National Party official in Imbaba informed me, the increasing competition between political

parties motivated the National Party to focus on Imbaba, especially since some top opposition leaders were candidates in the area, which increased the level of competition and electoral campaigning.²⁹

Moreover, at a time when the National Party was complacent about Imbaba since, as one of its officials noted, “the national party is not interested in any coordination [with other parties] because it has abundant resources,”³⁰ the opposition parties in Imbaba were engaging in an unprecedented level of coordination. In particular, candidates belonging to the Labor Party and the Brotherhood politicians coordinated closely in the 1995 elections across thirty-nine districts where each of the parties had one candidate, but in the other districts they agreed that the two parties would support an agreed-upon candidate running under the banner of the Labor Party. Interestingly, similar attempts to coordinate between the secular leftist Tagammu and Nasserist candidates, who were successful in other parts of Giza, failed in Imbaba.³¹ This was primarily because they could not compete with the high level of coordination and popularity of the Islamist coalition in the area.

There were two primary reasons that Islamist enjoyed popularity among local residents in Imbaba, but it is important to note that, at the local level, this reflected socioeconomic and political factors far more than religious concerns.³² First, Islamist leaders generated a great deal of legitimacy by signaling to residents a deep knowledge and sympathy with the local context and the social and economic crisis affecting Imbaba’s residents. This was clearly evident both by their attempts to alleviate the unemployment problem and offer social services. However, in the context of the state’s increasing restrictions on the *al-Iqtisad al-Ikhwani* (the Brotherhood Economy) these services were minimal and so Islamist leaders also used a particular brand of discourse that resonated with the local community. The combination of material assistance and normative framing evidenced in the sermons was an important reason they were able to mobilize a great deal of support.

All Politics Is Local: Mobilizing Islamist or Kinship Networks?

Most significantly, Islamist leaders, and those belonging to the Muslim Brothers in particular, were able to derive strong legitimacy through their involvement in local elections. This is illustrated by the nature of the candidates that competed in the 1995 elections in Imbaba. The candidates running included politicians from the ruling National Party, and the opposition Wafd, Tagammu, Nasserite, Labor, and Omma parties, with members of the Muslim Brotherhood running as independents. The most

important candidates in the 1995 Imbaba elections included Abdel Hamid Barakat (Labor Party), Ismail Hilal (National Party), No'man Joma'a (Wafd), and the female candidate Fathiya 'Assal (Tagammu). Of these candidates only the pro-Islamist Labor candidate had the legitimacy that earned him great support. Hilal was accused in the context of the local campaign of corruption and inaction, and Joma'a was perceived as out of touch with Imbaba since he resided in the nearby upper-class neighborhood of Zamalak and branded as one of the "Al-Zamak riches" that, as one local newspaper noted, "knows nothing about Imbaba's problems."³³

Similarly, while government newspapers and the well-funded campaign of the NP candidate, Ismail Hilal, went to great lengths to inform residents that he was an executive with the Ministry of Electricity and that his plan to install electricity in poor areas and fight illiteracy earned him their votes,³⁴ the NP's historical absence and seeming disinterest in providing even a modicum of social services in Imbaba did not resonate favorably with local residents.³⁵ But the primary problems with the NP candidates, clearly outlined in the opposition papers at the time, had to do with the corruption of the NP and the state's distance from the local problems facing Imbaba's residents. Al Wafd, for example, ran a number of stories accusing the Ministry of Interior of "modifying" the list of eligible voters, the privatization of municipal services, and the allocation of budget outlays to the district without any consultation with representatives of the local residents.³⁶ For her part, 'Assal's candidacy on the Tagammu' ticket was based, in her own words, on her awareness of the "poor conditions of Egyptian women, especially in Imbaba,"³⁷ but her campaign did not reflect a deep knowledge of the social and economic conditions of the population and as such her candidacy did not resonate with more conservative Muslim residents. Perhaps more importantly, 'Assal ran her campaign against Islamic "terrorism" thus further alienating supporters of both the Muslim Brothers and the Islamic Group in Imbaba.³⁸

In contrast, an important reason that the Islamists running under the banner of the Labor Party at the time were more popular with Imbaba residents had to do with their social linkages with the local community and, more importantly, their candidate's understanding of its social makeup and concerns. Indeed, the relative success of the candidates depended on the extent to which their respective campaigns focused on primarily economic and social issues and on whether the candidates enjoyed familial and kinship connections in the district.³⁹ The Labor candidate in 1995, Abdel Hamid Barakat, ran a relatively more successful campaign in Imbaba because his campaign paid closer attention to the

poorer quarters in Imbaba. In addition, the Labor Party's *al-Sha'ab* newspaper correctly pointed out that as someone from a rural and agricultural background, he had a great deal in common with the newly urbanized residents of the neighborhood. Specifically, the newspaper noted that he belonged to the Beni 'Adi clan in Manfalout, Assiut in Upper Egypt, and it reminded voters that he was the president of the Beni 'Adi Regional Association (*Rabita Iqlimiyya*) and further noted that security forces had banned his campaign appearances and prevented him from distributing campaign advertisements in their efforts to curtail Muslim (i.e., Islamist) candidates.⁴⁰

Abdel Hamid Barakat's candidacy is illustrative of the reasons why Islamist candidates or those running on an Islamist platform continued to enjoy significant support in the neighborhood. In his campaign Barakat emphasized that he was running in Imbaba for a number of reasons all of which resonated deeply with local residents. First, it was because he is from Imbaba and it is where his parents moved to from Assiut. Second, his electoral platform included two important components. The notion that "Islam is the solution," and that he wanted to establish new laws and regulations in Imbaba. His campaign statements cited Imam Hassan al-Banna regarding the importance of working toward applying Islamic law on all matters and building an Islamic state in Egypt.

But Barakat's real legitimacy, as evidenced by the survey of voters in the neighborhood as well as my interviews with local residents,⁴¹ had to do with his own social profile. In his campaign he focused on the fact that he was from the small village of Mafalout in Assiut, that he was a second-generation migrant to Imbaba like thousands of other families in Western Munira in Imbaba, and he openly acknowledged his involvement in the political branch of the Muslim Brothers as well as his position as secretary general of the Labor Party at the time. He declared often that education was the key solution for all troubles and that the problems associated with the lack of education in Imbaba resulted in other problems such as unemployment, "moral disease," and "fanaticism." Moreover, while the other candidates focused on the issue of "terrorism," promoted by the regime's official discourse, Barakat appealed to the simple, everyday concerns of local residents and what he termed creating a "new spirit in the citizen" based on the principles of self-reliance, and an appreciation of the importance of education, raising awareness of environment degradation, and encouraging donations among Muslims in order to encourage religiously sanctioned private initiatives.⁴² In contrast, candidates running on the Tagammu ticket such as Fekri Taha Bedeir chose to appeal to larger national-level concerns which, for Imbaba's residents, appeared to be intangible ideas far removed from pressing and more immediate

concerns associated with the problems of poverty, infrastructural development, employment, and education in Imbaba. More specifically, the latter stated that they were running in the elections in order to make a difference in changing laws in parliament and to provide services to Imbaba such as health, employment, and “serve the public through parliament.”⁴³

Political Centralization and the Changing Strategy of the Muslim Brotherhood

At a time when much of the focus was on national-level politics and the contest between Islamist elites and the regime, the ramifications associated with the policies of state centralization were deeply felt at the local level. Moreover, they played an important role in altering the electoral strategy of Islamist activists at the municipal level as well as the very nature and the methods of recruitment. Importantly, by the late 1990s the most important constraint, which Brotherhood members in Imbaba cited, had to do with the increasing restrictions imposed by the Mubarak regime on political participation, which limited individual members' path toward social mobility and hence the organization's ability to expand its movement.

“Under Sadat,” as one Brother in al-Waraq noted, “there were only four political parties, but there was more democracy during that time, more room to maneuver than under Hosni Mubarak although there are many more parties registered.” Both leaders and rank and file members interviewed offered a critical appraisal of their activism in the 1980s and 1990s. According to Wagi Abdel-Raziq, “We did not take advantage of the events in 1977 (i.e. bread riots), and the 1981 crisis (i.e. Sadat's assassination). We should not have kept a low profile at that time. We were overly ambitious.” Rather than the accommodationist stance that the organization's leadership assumed vis-à-vis the regime, members of the Brotherhood, citing the regimes suppression of the Brotherhood's political activity and its assault on the organization's commercial enterprises, openly voiced regret that they did not take advantage of instability to wage a more radical opposition to the regime when it was “at its weakest.”⁴⁴ The rank and file members in particular openly criticized the general guide (*al-Murshid al-'Am*) Telmasani's historic decision to accommodate the movement's objectives and strategies to the state with the view toward garnering more representation in parliament.

According to Wagih Abdel-Raziq Abu-Rawash, a leading member of the Muslim Brotherhood branch in al-Waraq, Imbaba, the strategy of the organization in the 1990s changed as the movement came under more

restrictions. “We tried to reform the system from the outside; now we are trying to reform it from the inside.”⁴⁵

This change in strategy was a direct result of the state’s decision to alter the electoral system for elections to the People’s Assembly (*Majlis al-Sha’ab*). Whereas in the past candidates belonging to the Muslim Brotherhood were allowed to form a coalition with small opposition parties such as the Labor Party (*Hizb al-Sha’ab*), the newly implemented winner takes all system essentially guaranteed that the ruling party would not only win the most seats but also that there would be a limited chance for independents to gain seats in the People’s Assembly. In the older system, at least “we had a chance even if we were allocated five percent of the seats like we had when we allied with *Hizb al-Sha’ab* in the elections.” Sayed Farouk Kamel, another brotherhood member complained that “at present if the Labor Party wins the majority of seats as they often did in the local council elections in Osim, Imbaba, the government simply cancels the elections – so there is no way to win except to infiltrate the ranks of the weak National Party.”⁴⁶ Consequently, the organization attempted to get their members to join the ruling National Party and run for local elections with the view toward promoting members to run in elections at the level of the *Muhafaza* (governate) rather than at the national level for seats in the People’s Assembly. “Our real objective,” according to another Brotherhood member, “is to get our people at the Governate, not the National level,” and the most effective way to do this was to recruit independents with no “past history” of activism within the Muslim Brotherhood in order to evade state surveillance and corruption.

However, it is important to note that this strategy represented a tacit alliance among a large cross section of residents in Imbaba rather than a strict ideological and political divide. Indeed, members of the Muslim Brotherhood in Imbaba, as well as government-appointed local council leaders and supporters of the Tagammu Party, bitterly complained about the increasing lack of political participation and voice afforded their community. Indeed, just as Brotherhood members complained of government corruption insisting it was not Mubarak, who, in the words of one Brother, “is a nice guy,” but rather his cronies Yusif Wali and Kamal al-Shadli, respectively, the deputy chairman of the ruling NDP and the minister of Parliamentary Affairs at the time, who were “running the country.” Staff members of the local council in al-Waraq, Imbaba, also bitterly complained of the increasing authoritarianism of the regime. This is because in contrast to other more affluent neighborhoods wherein local council members have closer clientelistic linkages with the state, this is not the case in the poorer quarters of Imbaba.

Indeed, for both the Muslim Brotherhood, and particularly for the government-appointed local officials, the main problem was that, by the late 1990s and into the 2000s, state centralization reduced political participation and eroded previous informal clientelistic networks and linkages to such an extent that it prevented them from providing the type of services needed to their community. “I had a cousin,” Farouk Kamel noted,

who won a seat in *Majlis al-Sha’ab*, and he was able to use his *wasta* (connections) to help people – he was able to exert pressure to get funds from the government and build additional classrooms for our elementary and secondary school students, fund additional teachers, and even install fourteen additional electricity poles in al-Waraq. I was able to get funding for a new paved road after extensive lobbying to the Local Council of the Governante [but] it is a continuous battle.” He continued, “the social affairs unit [the governmental welfare association] is closed, and so is *Mirkaz al-Shabbaab* (Youth Center) in al-Waraq, because of the bureaucracy and simply lack of interest on the part of the government. At this point our budget relies on local members who donate much of our money; acquiring official [government] funds for our work is a very laborious process.⁴⁷

Not surprisingly political centralization resulted in an increasingly confrontational stance on the part of the Brotherhood vis-à-vis those institutions of the state that had the greatest impact at the local level. In my interviews with leaders and rank and file members of the Muslim Brothers in Imbaba, and particularly in al-Waraq where the Brothers enjoy support to this day, *Ikhwan* members cited a number of elements associated with political as well as social issues as reasons for joining and remaining loyal to the organization. These include the promise of upward mobility, grievances having to do with the long repressive arm of the state, restrictions on political participation, and genuine anger against the corruption at the level of local government. Naturally, as the Tahrir uprising demonstrated, this anger resonated among much of the population but it is also true that responses vary. The anger on the part of the Brother’s leadership, however, is genuinely vitriolic. As one Brother said of the governor of Giza, the primary official authority over communities in Imbaba, “he is a son of a Dog.” He also harshly criticized the deputy chairman of the National Democratic Party and the Ministry of Parliament under Mubarak, which he noted act as “watchdogs” in the local elections.⁴⁸

The Islamists and *Fariq Al-Kura* (the Soccer Club)

This profound disillusionment with politics on the part of the Brotherhood represented both a constraint and opportunity for the organization at the local level. On the one hand, the coercive arm of the regime constrained the

organization's efforts at mobilization requiring a change of strategy and vision. On the other, the ruling party's persistent authoritarianism and corruption ensured that Islamist activists continued to enjoy significant popularity, particularly in the middle- and lower middle-class quarters such as al-Waraq, Imbaba. Indeed, if the political and social ambitions of the Brotherhood were increasingly undermined by a newer, more restrictive political arena generating deep anger against the regime and a new strategy among local activists in neighborhoods such as Imbaba, state repression and surveillance of the Islamist movement also altered the strategy of recruitment of new members.

More specifically, the methods of recruitment built on trust networks composed of close relatives, friends and neighbors that were so successful in the 1970s and 1980s (Chapter 1) were greatly undermined by state intervention. According to leading Brotherhood members in al-Waraq, a number of key constraints limited efforts at recruitment. Most notable was the lack of education and high rates of literacy in Imbaba generally, and the persistent divisive policies on the part of the representatives of the NDP in the area. "We cannot," as one Brother put it, "count on the support of family members or even friends since they [the NDP] intervenes and gives money to your cousin or brother to turn against each other." Indeed, by the late 1990s, the state's curtailment of the Brotherhood's was so severe that members of the Muslim Brotherhood took to calling their organization our "soccer club" (*Fareeq al-Kura*) rather than our "movement" (*Haraka*) in public conversations and in locations in Imbaba and other neighborhoods such as Matariyya where the Brothers enjoyed significant support from local residents and where informants and security forces were ubiquitous.

We are like a football team but a small one, like Arsenal. [For example] I support the Tersani club instead of the Al-Ahly club. This is because it is best to support a small team that is very selective in terms of its membership, one that is more lethal, more effective.

The Political Economy of Middle-Class Islamist Activism and Recruitment

As with social movements more generally, the Brotherhood's recruitment process involves two essential challenges: motivating participation by offering the type of incentives that are likely to induce individuals to join and attempting to attract the right kind of recruit to the organization. But if, for the Muslim Brotherhood, the 1980s and much of the 1990s was *al-ahd al-thahabi* (the golden age) of recruitment and popular mobilization,

by the late 2000s when I returned to conduct further research, local members of the movement explained that this “Golden Age” ended due to a number of developments that obtained in the latter part of Mubarak’s regime. These included the imposition of state laws restricting union organization and activity for professional syndicates, the prohibitions of freely run student elections, the regulation of the mosques of Ansar al-Fiqh, the closure of the Brotherhood’s Mosques or their replacement by the state-sponsored mosques. Moreover, in a development that prefigured the seemingly surprising popularity of Salafists in the aftermath of the Tahrir uprisings, the Mubarak regime promoted the rise of Islamist groups in order to diminish the popularity and threat posed by the Brotherhood. “The state,” as one Brotherhood leader explained bitterly, “has taken to closing our Mosques, putting others under al-Azhar’s jurisdiction, and they have established other Salafi Mosques to moderate the Islamists and provide competition between us.”⁴⁹

However, a key factor the *Ikwhan* noted is the persistent war against the “Islamic economy” of the country which targeted the financial base of the movement. They suggested that a profound blow in this campaign was the trial in April 2008 against two of the movements’ most important businessmen and financiers. Taken together these developments led to serious divisions among members of the Brotherhood, and most notably, between the younger and older generation. However, this conflict does not seem to stem from major doctrinal differences. In fact, few of the younger generation of the Islamists I interviewed expressed a radical departure from the *Ikwhan*’s doctrinal orthodoxy. However, what this intergenerational tension does demonstrate is a genuine disillusionment on the part of members, and a potential pool of recruits, with the inner workings and organizational structure of the Brotherhood. In addition, younger members speak openly about the movement’s increasing inability to adequately address their social and political grievances and aspirations. How deep and consequential these intergenerational divisions are was demonstrated following the January 25th Tahrir uprisings. Only a few months after the establishment of the Muslim Brotherhood’s Freedom and Justice Party (FJP) the organization not only witnessed major splits in its leadership, the party dismissed many young members who had played a role during the uprisings and who subsequently formed a new party: the Egyptian current.⁵⁰

This factor is clearly evident in the crisis over recruitment that emerged in the years prior to the ouster of Mubarak by the Tahrir uprising. By the late 2000s the Muslim Brotherhood had to shorten the lengthy *taribiyya* (recruitment) process from seven to five stages in order to meet these challenges and make it less arduous for potential recruits to join the

organization, albeit at the cost of risking lower levels of commitment and loyalty to the organization. Leaders of the Brotherhood such as ‘Issam al-‘Eryan, the official spokesperson of the Brotherhood (who was imprisoned and sentenced to a life sentence by the regime of Abdel Fatah al-Sisi) cited state repression as the primary culprit and argued that this curtailed the recruitment of laborers and the poor, limited dissemination of the *Da’wa* via the Ahali mosques, and restricted their capacity to provide social welfare services.⁵¹ No doubt, this is one reason why the Brotherhood organization began to lose recruits to other *Da’was* by the late 2000s. Their leadership at the local level resorted to rural recruitment for the first time, forming short-lived coalitions with leftists and liberals at the grassroots level and even attempting to work with Sufi-run mosques. In what at the time was an unprecedented effort, Brotherhood leaders also attempted to make inroads in government mosques in order to seek out potential recruits. “We know,” one *Ikhwan* recruiter in Helwan said, “that we have to focus on the Mosque itself rather than the individual Imam or the content of the *khutbah* [sermon] in these government Mosques.” The heightened level of state repression and the regulation and monitoring of Ahali mosques led to adaptation signaling a relatively new crisis in recruitment for the country’s Islamist movement that did not obtain during the boom’s “Golden Age.”

But while the role of the state is an important factor in this crisis for the organization, it is also clear that larger economic as well as political changes circumscribed and altered the recruitment process of the Muslim Brotherhood in Egypt. While the state continued its repression of key members of the organization, equally important was the state’s role in attacking the financial assets of the movement, a policy that has continued under the present regime of Abdel Fatah Sisi. Moreover, the changing political economy associated with the rise of the service and financial sectors, and deindustrialization meant that the Brotherhood no longer concentrated its recruitment drives on semi-skilled workers where previously professional syndicates were the locus of recruitment. Political repression has led to decentralization of welfare provisions, and Ahali mosques are often driven underground where *zawiyas* are now the place where the Muslim Brotherhood attempts to disseminate their message to members. Nevertheless, in informal settlements in Imbaba, Ahali mosques are still prevalent in these largely “ungoverned” areas of greater Cairo wherein one finds a paucity of law and order and educational institutions, a high number and expansion in unregulated housing and informal rather than formal workers in greater numbers. Students – once the central constituency of the *Ikhwan* – now join nonpoliticized *salafi* organizations or charismatic evangelists.⁵² One leader of the *Ikhwan* in

Helwan explained the nature of these dynamics of recruitment and mobilization in terms of two important developments: a change of focus *with respect to* the social profile of new entrants to the Brotherhood, and the impact on the organization of new competing *Da'was* and organizations:

It is easier to recruit from the middle class (*hirfiyin*) without higher degrees. They are real *regaal* (strongmen), who do not equivocate. They see things in black and white; non-Islamic entertainment and other things easily seduce educated university students. Recently, we organized a protest about Gaza, which was not well attended at all. The University of Helwan and the University of Cairo, hastily organized music festivals at the same time and this drew more students than our protests.⁵³

It is important to note that leaders of the Muslim Brotherhood at both the national and local levels have long harbored contradictory perspectives on the role of material incentives in particular, and changes in the larger political economy generally, in inducing men and women to join their movement. On the one hand, leaders and rank and file members of the Brotherhood in Imbaba repeatedly emphasized that economic issues associated with poverty or social inequality had little to do with why young men and women joined the Brotherhood. "Egyptians," one prominent leader of the Brotherhood in al-Waraq insisted, are not "mobilized" by class rhetoric and "you can see rich and poor side by side with no conflict between them. This was never an important element in drawing new members." As he put it: "I mean I was aware of poverty, but it had little influence on me at the time I joined the *Ikhwan*."⁵⁴ Moreover, from the point of view of prominent leaders of the Muslim Brotherhood, economic reforms introduced by Sadat's open-door policy and the imposition of further neo-liberal policies under Mubarak did not influence the Islamist movement since, as Abdel-Hamid al-Ghazali, a scholar of economics and economic advisor to the general guide of the movement observed, it "has been very slow to have any concrete effect." In any case, "most Egyptians," he noted, "have become used to working in informal activities or moon lighting to supplement their incomes, or even relying on *rashwa* (bribes), rather than relying on the state for anything."⁵⁵

On the other hand, local leaders of the *Ikhwan* in the quarter of Al-Waraq in Imbaba and in the working-class neighborhood of Helwan interviewed acknowledged that the persistent war against *al-iqtisad al-Islami* (Islamic economy) of the country, which has targeted the financial base of the movement, in combination with the state centralization policies of the "ruling gang" (*al-'isaba al-hakma*), compelled the organization to alter its electoral strategy and methods of recruitment and mobilization.⁵⁶ According to Wagih Abdel-Raziq Abu-Rawash, in the

1970s both economic and political opportunities expanded the base and popularity of the Muslim Brotherhood. "During the Sadat era we were let out of prison, while thousands of others went to the Gulf. They came back from the Arab countries after Sadat's death and ran in the 1983 general elections with great financial backing. They financed their run in 1983 with the help of rich businessman and voluntary contributions spanning a large network. They also encountered other Brothers while they were in the Gulf establishing businesses and raising money in the 1960s and 1970s for the movement. They [also] established networks to help others in Egypt travel to the Gulf were many became wealthy."⁵⁷

Indeed, the opportunity of upward social mobility in particular during the boom years played a central role in the popularity of the movement. Following his time in prison, for example, one Brotherhood leader bitterly noted that he lost "most of his life" and was never able to make money and pursue a successful career and that he could only afford to get married late in his life in his forties. This social frustration associated with the increasing constraints on economic and political aspirations is shared widely among the rank and file members of the Brotherhood. Significantly, a number of *Ikhwan* not only criticized the socialist and the, often, violent anti-Brotherhood policies of Nasser's regime, but also the paternalistic, albeit not necessarily patriarchal, nature of Egyptian society. Many leveled a sharp critique against their fathers for "putting limitations" on their ambitions. While the "sons of most families join traditional political parties or follow in their father's line," another Brother stated, "we want political independence." Indeed, for many Brothers it was politics and not anti-state forms of activism that served as a primary avenue of upward mobility and career success. The grave disappointment shared by leaders and rank and file alike by the late 1990s and 2000s is that in the 1980s, many *Ikhwan* prospered in the context of the openness of the Sadat regime and in the early years of Mubarak. When one younger member confessed that he preferred to "stay out of politics," a senior Brother quickly but gently reprimanded him and reminded him that he could do both simultaneously. That is, "pursue politics and still make a good living."⁵⁸

Nevertheless, in the years immediately prior to the ouster of Hosni Mubarak it was evident that an unspoken class conflict had emerged within the Muslim Brotherhood. In great part this was driven by the attack on Islamic business and finance, compounded by generational divisions and schisms represented by youth openly critical of the leadership's authoritarian organizational structure; the lack of transparency with respect to the manner in which Islamist candidates chosen to run in local elections are selected; the persistent discrimination against

women in decision-making positions; the leadership's short-lived cooperation with the Mubarak regime in the period before the Tahrir uprisings;⁵⁹ and the militant and markedly divisive statements promulgated by the *Wahhabist* wing of the Brothers.⁶⁰ Consequently, Brotherhood leaders acknowledged, albeit privately, the limitations they encounter in terms of recruitment based on a number of criteria. These include arguably subjective criteria such as the psychological, emotional, and professional attributes of the individual as well as more objective ones based on the middle-class nature of the movement, the generational divide and social distance between the leadership and the rank and file, the restrictions delimited by continuing government repression, and the drying up of funds for their social welfare programs and commercial enterprises, which was once an important source of financing and recruitment of the middle-ranking cadres of the movement.

Moderates versus Militants and Sufis

In the 1990s and 2000s, in great part as a result of a dramatic shift in the political economy following the recession, the Muslim Brotherhood witnessed an increasingly marked social and generational divide within what was a hitherto relatively cohesive movement. This period also saw a greater class as well as ideological divide emerge between the moderate and militant wings of the Islamist trend, which has continued to play a central role in contemporary Egyptian politics. Indeed, while Brotherhood members acknowledged that their movement joined with the more radical *Jama'at* (Groups) in the elections on the university campuses in Cairo and Upper Egypt in the 1980s, by the mid-1990s leaders in the Brotherhood openly cooperated with the Mubarak regime's policy, which at the time was aimed at subduing the threat from Islamist militants through a combination of political repression and a policy of dividing the Islamist opposition in the country.

Understandably, leaders in the Brotherhood repeatedly distinguished their movement from that of the radical Islamist activists in terms of what they insisted is a more moderate ideology and accommodationist stance vis-à-vis the state. But even as Brotherhood members minimized the role of economic and social issues in inducing young men and women to join Islamist organizations, they nevertheless described the division between moderate and radical Islamists in terms that highlighted the stark social distance between the two wings of the Islamist trend. Importantly, rather than emphasizing a "natural" and seamless doctrinal divide among the different Islamists, the *Ikwan* most often pointed to a combination of emotional, psychological, and professional attributes to explain why

individuals may join radical rather than moderate organizations. As one member of the Brothers explained: “The *Ikhwan* [Brothers] are more subtle than the *Takfiris*. We represent those with ambitions. A *Muslim Brother must have a profession to join the movement, the militants are the violent ones . . . they are those who failed in school and are often psychologically unbalanced.*” Another leader, reflecting what remains a popular view of the *Jama’at al-Islamiyya* and other militant organizations, classified those who joined the group as “victims of their own innocence.”⁶¹

Importantly, and similar to Sudan, for their part Sufi orders in Egypt have historically opposed both the Muslim Brotherhood and Salafist movements on political and ideational grounds. But in stark contrast to Sudan where they have long played a central role in political mobilization and pro-democracy mobilization, in Egypt Sufi orders have generally been subordinate to state authority or been used as instruments of political and economic control.⁶² This was demonstrated again in the 2012 presidential election whereby the Sufis threw their complete support behind Mubarak’s last prime minister, Ahmad Shafiq, and did not support candidates from any Islamic party.⁶³ Predictably, and owing in great part to a long history of co-optation by political authorities, the main Sufi party formed, following the Tahrir uprisings, *Hizb al-Masryiin al-Ahrar* (Free Egyptians Party), registered a poor showing in the 2012 elections.⁶⁴

Islamic Militancy and the “Satanic Settlements”

It is safe to say that the rise of Militancy in Imbaba shocked and perplexed middle-class Cairo as the state came to be threatened by a new, more radical, form of Islamist activism centered in the informal housing areas or spontaneous unplanned areas on the fringes of the City. Indeed, until the unprecedented Tahrir protests of 2011, the militant rebellion in Imbaba in 1992 was the most dramatic uprising in the capital. None of the major civil disorders in urban Cairo required the level of state emergency response or exacted such a toll in terms of life, injuries, and property damage and loss comparable to the Imbaba siege. The state-run media in particular was marshaled in an unprecedented fashion to cover what it termed the “satanic settlements” (*manatiq shaytaniyyah*).⁶⁵ Informal housing came to symbolize the problem of the existence and persistence of endemic forms of poverty, and by 1992, a fertile “breeding ground” for a new form of Islamist radicalism.⁶⁶ The fact that Cairo witnessed a rise in incidents of violence by militants in this period, coinciding with the phenomenal growth of informal settlements (or shanty towns) on the outskirts of the city, immediately led to speculation

that these two developments were somehow linked.⁶⁷ However, given the great size, density of population, and social diversity of Cairo's twenty-eight informal settlements the claim, promoted by the media and state officials, that they somehow engendered recourse to Islamist militancy said more about the social distance between middle-class Caireans and the socially marginalized residents of informal quarters such as those in Western Munira than about the root causes underlying the rise of Islamic radicalism. Indeed, far from a marginal phenomenon, by the late 1990s informal settlements housed half of Greater Cairo's twelve million.⁶⁸ Yet it was chiefly in the poorest quarters of Imbaba that militant Islamists gained a stronghold in Cairo. In contrast to older, more socially cohesive informal settlements, the quarters of Western Munira are distinguished by their relative poverty and social marginalization as well as their close proximity to more affluent areas of urban Cairo.

However, clearly this new, more militant Islamist movement was not ubiquitous among Egypt's poor. In Chapter 7 I address the important question of what led to the surprising popularity and increasing numbers of Islamic Group supporters in the Western Munira sections of Imbaba. Indeed, in the 1970s and 1980s the Muslim Brotherhood spearheaded the most dominant trend of Islamist activism in urban Cairo. It was in this period that they managed to establish a wide range of civil society institutions through a successful social movement that was, unlike the *al-Jama'a*, largely nonviolent. Why then did Islamist activism in informal Cairo assume an increasingly militant form beginning in the late 1980s and 1990s? And, equally important, why has it continued to enjoy significant support in recent decades?