

CONFIDENTIAL

June 24, 2012

For: Hillary
From: Sid
Re: The deal between MB & SCAF

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

1. On the evening of June 23, 2012, senior officials attached to the Guidance committee of the Muslim Brotherhood (MB) were called to an emergency, secret meeting with officers of the Supreme Council of the Armed Forces (SCAF). During this session the MB was informed that on the following day Egypt's Electoral Commission would announce the victory of Mohammed Morsi, the MB/Freedom and Justice Party (MB/FJP) candidate for President of Egypt. The SCAF officers stated that their commander, Field Marshall Mohammed Hussein Tantawi, was concerned that the MB followers, as well as many of the secular/liberal groups were becoming increasingly volatile during the extended vote counting period. The MB representatives, after a call to Supreme Guide Mohammed Badie, assured the SCAF that there would be no violence before the election results were announced. The SCAF officers reiterated their previous position that Tantawi and the SCAF do not want to rule the country, but they will not tolerate any move that limits either their budget, or their position of respect in society. The MB officials, who were extremely happy with the news they had just received, assured their SCAF interlocutors that Badie, Morsi, and the rest of the MB leadership were committed to this position.

2. According to a very sensitive source, the MB officials added that Morsi would chose government officials from a wide spectrum of parties and movements, ranging from the Salafist al Nour party to secular/liberal groups like the April 6 Movement. The SCAF officers had no problem with this, but added that the current military decrees would remain in place, at least until the constitution is drafted and a new parliament is elected. In the opinion of this individual, the MB representatives were under instructions from Badie to avoid getting into an argument on this

point, at this particular time. Having won the presidency, Badie and his advisors believe that public opinion, and political momentum will allow the MB to dominate the entire government. In this regard he also believes it is important that the MB not overreach, as Morsi, and the FJP speaker of Parliament, Saad Al-Katany had done in the weeks leading up to the second round of voting.

3. (Source Comment: In the opinion of this individual, Badie believes that the aggressive tactics of the MB/FJP supporters, in the period immediately before the second round of voting, led to Tantawi moving to dissolve parliament, and redefine the duties of the president. The Supreme Guide wants Morsi to realize that if they maintain their studied pace, they will get everything they want. The MB polling noted that despite the fact that Morsi's opponent Ahmed Shafik is a former commanding general of the Air Force, approximately seventy (70) per cent of the regular army troops supported the MB candidate. At the same time, as many as forty (40) per cent of the members of the April 6 movement also voted for Morsi. The MB leadership also intends to include Coptic Christians and some women in the new government, in an effort to the new Egypt as an inclusive, moderate Islamic State. Their challenge is to find individuals who they feel they can trust, and who are willing to serve under Morsi. According to this individual, the Coptic community in particular is frustrated over what it sees as voter fraud and intimidation of its members by the FJP in Christian areas.)

4. At the end of this meeting, according to this source, the MB and SCAF representatives agreed to stay in contact and to do what is necessary to prevent any violence, while recognizing the important role the military will continue to play in Egyptian society. Both sides recognize that there will be incidents resulting from the political passions at play in the country, and agree that they must prevent these incidents from getting out of hand. The SCAF officers also agreed that they would not overreact to statements from MB supporters regarding a reduced role for the military in government. The SCAF officers added that Tantawi was not unhappy with the result of the election, as he and Shafik have a poor personal relationship, and a history of competition for power within the military under the regime of the former President Hosni Mubarak.

5. (Source Comment: According to this individual, both sides agreed that their first order of business together in the new Egyptian political situation will be developing a coherent policy toward Israel. The SCAF officers pointed out that Israel is extremely concerned about the changes in Egypt. The MB officials added that they would like to maintain and enhance the policy the SCAF and MB developed during the 2011 uprising: maintaining the Peace Treaty with Israel, while limiting joint activity and cooperation on sensitive security matters. Both sides also agreed that, after the election, it will be important to create a positive working environment for

foreign firms, particularly those from the United States and Western Europe. The MB officials stated that Badie and Morsi are firmly committed to a dual Islamic/Western banking system and good relations with Western firms. He regularly states that the West has dealt with Saudi Arabia for many years and the system he anticipates for Egypt will be far less restrictive than the one put in place by the Saudi rulers. Badie also believes the fact that Morsi was educated in the United States and has many good contacts in that country.)

6. The representatives of the MB and the SCAF will meet again during the week of June 25, and will continue regular contact as they prepare for the drafting of the new Constitution and parliamentary elections. Both sides agreed that they must also keep a careful eye on the situation in Syria, which could spread to Lebanon and other countries, potentially creating a situation affecting Egypt's security.