Since September 11th, 2001, much ink has been spilled discussing “Islamic fundamentalism” or, ostensibly more authoritatively but not necessarily more precisely, “Wahhabism” and its threat to U.S. national security and Western civilization. The armed radicals of al-Qa’ida and similar groups, while they have received the lion’s share of public attention, are only one relatively small component of a broad movement of political Islam that has emerged since the mid-1970s. Proponents of “political Islam” or “Islamists” or “Islamic activists”—I use these terms interchangeably—are Muslims who do not necessarily accept received understandings of the Islamic tradition as the ultimate determinants of contemporary Muslim identity and practice. Rather, they self-consciously seek to refashion that tradition in response to the challenges—however defined—faced by their community and to mobilize Muslim sentiment and identity in support of their vision of a proper Islamic society (White 2002, 23; Wiktorowicz 2004b, 3). Even if that vision is presented as a return to an ideal past, it addresses modern political, economic, and cultural problems. The term “fundamentalism” is inadequate to describe this phenomenon because it
suggests a Protestant literalist reading of the Bible that has no analog in Islam and because it implies a backward-looking rather than a modern social movement.

Much of what has been written about political Islam consists of studies of its ideas (Esposito 1983; Kepel and Yann 1990; Voll 1994; Baker 2003). Of course, we do want to know what Islamists think and consider seriously the distinctions among them, unlike those who launched a war on Iraq without appreciating the radically different worldviews of al-Qa’ida and secularist Ba’thism. However, such approaches may overestimate the historical continuity of Islamic ideas and practices and tend to explain contemporary Islamist activism as an expression of a religious essence abstracted from time, place, and social context.

A second current of thought emphasizes psycho-social factors in the formation of political Islam. To the extent that this approach identifies specific grievances that motivate Islamists and enhance their capacity to build a popular base by establishing institutions to ameliorate such grievances, this approach is valuable. However, some analysis in this mode tends to regard Islamism as a form of “false consciousness”—an ideology that inappropriately displaces secular political action (Ibrahim 1996, 37; El Guindi 1981; Lutfi al-Sayyid Marsot 1984; Ayubi 1991). Secular nationalists and progressives, who regard the followers of political Islam among the popular classes as properly “their” people, are particularly inclined to these views. A variation on this theme is that Saudi oil money has surreptitiously propagated a radical version of Islam while infiltrating and restructuring national economies (Pipes 1983; Zakariyya 1986; Moensch 1988; Yeşilada 1988/1989). Some proponents of this viewpoint see the cadres of violent elements of Islamist movements as marginal elements of society who reject modernity and suffer from alienation or Durkheimian anomie (Ansari 1984, 123–44; Ibrahim 1996, 36).

In contrast, I argue that changes in the global and regional political economy are linked, although sometimes in unexpected ways, to the reimagination of political community, culture, and identity expressed in the resurgence of Islamism since the early 1970s. Political Islam consists of a family of diverse and even internally contradictory social movements
with a broad base beyond its violent radical fringes that have recently occupied the attention of the West. People of disparate classes and geographic regions who differ in religious practices, political affiliations and voting patterns, and economic and social visions all claim the banner of “Islam.”

This argument builds on the work of those who have analyzed political Islam as urban, or in the case of Upper Egypt, provincial, protest movements (Lutfi al-Sayyid Marsot 1984; Fandy 1994; Ismail 2000). I also acknowledge the effort, begun in the early 1980s and then relatively neglected for two decades, to understand political Islam through the lens of network or social movement theory (Ibrahim 1982; Denoeux 1992, 1993; Wiktorowicz 2004a; Clark 2004). This method partly explains the successes of Islamist movements in mobilizing the core of their activists and public advocates: the educated, modern middle classes. I differ with these approaches in two respects. First, I do not regard political Islam solely as a protest movement; it can also serve as a means of suppressing or mediating social conflict or as a cultural framework for capital accumulation. Second, I do not agree with those social movement theorists who argue that the institutions established by the middle-class Islamist networks are not sites of recruitment and primarily provide services “by and for the middle classes” (Clark 2004, 3; see also Bayat 1998, 164). On the urban periphery of Cairo and in Upper Egypt radical Islamists have successfully mobilized the poor, the unemployed, and private sector craft and service workers. The social base of political Islam extends well beyond the modern, middle class intelligentsia. This is because, in contradictory ways, Islamism appeals to both the losers and the winners of global neo-liberal economic restructuring.

Political Islam has become the most popular framework of resistance to autocratic Middle Eastern regimes and the new regional political economy. These movements are the outcome of three interlocking developments: (1) the defeat of secular Arab nationalism in the Arab-Israeli war of 1967; (2) changes in the global economy initiated by the delinking of the dollar from gold in 1971 and the recession of 1973–75; and (3) the demise of economic nationalism exemplified by Egypt’s announcement of an “open door” (infitah) policy in 1974 and Turkey’s 24 January 1980 economic measures. Understood in these contexts, political Islam is not a recrudescence of
medieval thinking and rejection of modernity; it is an integral part of modernity.

The Bretton Woods agreement of 1944 and the global recession of 1973–75 delimit a period of rapid expansion and stability of the world capitalist economy. This period marked the climax of the Fordist-Keynesian regime of capital accumulation. The global recession of 1973–75 initiated a decade of stagnation and inflation (stagflation) in the industrialized capitalist countries. This was not merely a downturn in the business cycle, but a structural decline in productivity and profits lasting at least until the mid-1990s. Consequently, Fordism-Kenesianism was gradually replaced by the neo-liberal regime of capital accumulation based on flexible specialization exemplified by the policies of the Reagan and Thatcher administrations in the United States and Great Britain and the economic stabilization and structural adjustment programs in Asia, Africa, and Latin America installed under the guidance of the International Monetary Fund and the World Bank (Piore and Sabel 1984; Harvey 1989; Brenner 2002).

The brief but significant Arab oil embargo proclaimed in response to U.S. support for Israel in the 1973 Arab-Israeli War symbolized the demise of global Fordism. The oil embargo of 1973–74 and the subsequent spike in oil prices, though not the principal structural causes of the 1973–75 recession and the stagflation of the subsequent decade, were the temporally most proximate phenomena. Oil constituted an important link between the centers of the world market and its Muslim peripheries throughout the twentieth century. But the relationship between oil and Islam has often been treated polemically. Before the collapse of oil prices in 1985–86, many argued that the 1973 Arab-Israeli war linked the “barrel of oil” and the “crescent of Islam,” causing a resurgence of Islam (Mazrui 1987; Ajami 1981; Pipes 1983). This once trendy analysis is now obviously inadequate to understand the historical conjuncture in which specific forms of political Islam emerged as movements of opposition to the social and economic restructuring induced by the oil boom and global neo-liberalism and as frameworks for capital accumulation.

The turn towards neo-liberal economic policies in Egypt and Turkey was accompanied by an alliance between state elites and Islamists against
challenges from the secular left. However, the Islamists soon rejected those who had invited them into the political arena—an expression of the instability of the rentier coalitions based on petroleum revenues that came to dominate political life in many Middle Eastern states and their failure to establish stable social structures of capital accumulation or a new political vision. Declining state budgets and cutbacks in social spending dictated by the international financial institutions following neo-liberal orthodoxy increasingly restricted state efficacy to urban upper middle class and elite areas. Income distributions polarized. States became unable to provide previously established levels of services or to insure adequate supplies of commodities to all sectors of their territory and population, undermining the terms of the social compact established in the era of authoritarian populism and state-led import-substitution industrialization.

By undermining state capacities, the economic stabilization and structural adjustment programs of the IMF and World Bank provided a windfall to Islamist movements, enabling them to speak in the name of resistance to foreign domination and exploitation of “the people.” Those movements established a popular base by offering social services that states could no longer afford to provide. Populist elements in the Islamist discourse linked the corruption and autocracy of state elites with their inability to provide social services, jobs with a living wage, and an attractive future.

The 20-fold increase in the price of oil from 1973 to 1981 certainly had something to do with the upsurge of political Islam. It provided the capital for the formation of “Islamic” banks and investment companies that did not provide interest on deposits, which many Muslim authorities consider to be forbidden, but coinvestment and profit sharing, which is permitted by the shari’a. Some of these firms began by serving the needs of migrant laborers from Egypt, Sudan, Jordan, Palestine, and Yemen who found work in Saudi Arabia and other Persian Gulf countries during the oil boom. Islamic movements were often funded by recycling the earnings of these workers through informal currency exchange and transfer networks and by wealth amassed during the oil boom. Many Arabs who worked in the conservative oil-producing states of the Persian Gulf were influenced by the forms of Islam practiced there.
A second wave of Islamist movements in the late 1980s and 1990s was propelled by the collapse of oil prices in 1985–86, intensification of stabilization and structural adjustment programs administered by the international financial institutions, and blowback from the anti-Soviet jihad in Afghanistan. Armed insurrections led by “Arab Afghans” who returned to Egypt and Algeria after participating in the anti-Soviet jihad were the most salient forms of Islamist violence in the 1990s. They served to justify the increasingly autocratic practices of those regimes as well as the regimes of their neighbors, Tunisia and Morocco.

Although it clearly had something to do with oil, the Islamist upsurge since the mid-1970s cannot be understood narrowly as a function of petroleum wealth. It was a conceit of modernization theory that Islam was waning in the Middle East and that modernity patterned on the Euro-American model was the inevitable trajectory of the region. Islam has always been present in the array of cultural elements available to define local identities. And in the modern era it has been mobilized for a wide range of contradictory political purposes: in Iran, the Constitutional Revolution of 1905–11 and the Islamic Revolution of 1979; in Palestine, the nationalist revolt of 1936–39 and abstention from PLO-led nationalist activity by the Mujamma’ al-Islami (forerunner of HAMAS) in the Gaza Strip in the 1980s; in Algeria, participation in the Front de Libération Nationale (FLN)-led struggle for independence in 1954–62 and opposition to FLN rule in the 1980s and 1990s. In 1956 Egyptian President Gamal ‘Abd al-Nasir spoke from the pulpit of al-Azhar mosque to urge his people to fight against the tripartite aggression of Britain, France, and Israel. In 1962 Saudi Arabia, supported by the United States, established the Muslim World League, seeking to raise the banner of Islam in opposition to Arab nationalism and Arab socialism epitomized by ‘Abd al-Nasir. Political Islam is not only a family of “anti-systemic movements,” in the terminology of Arrighi, Hopkins, and Wallerstein (Arrighi, Hopkins, and Immanuel 1989). It may be systemic or anti-systemic. In the era of neo-liberal economic restructuring, it has been both simultaneously. This is clearly evident in Egypt, which as the most populous Muslim majority country in the Middle East and the intellectual
and organizational center of gravity of Sunni Arab political Islam constitutes an appropriate case study to illustrate this argument.²

**ISLAMISM AND THE ROLLBACK OF NASIRISM IN EGYPT**

In 1954 hundreds of Muslim Brothers were arrested and the society was banned following an attempt by one of their number to assassinate President Gamal 'Abd al-Nasir, the leader of the Free Officers who overthrew the Egyptian monarchy on 23 July 1952. One of their most influential leaders, Sayyid Qutb, was released from jail in May 1964. In 1965 he joined and perhaps became the leader of an effort to reconstitute the Society of Muslim Brothers. Qutb’s stature grew after the regime executed him in 1966, alleging that the “1965 organization” sought to overthrow the regime with arms supplied from Saudi Arabia.

Anwar al-Sadat was close to the Muslim Brothers before he joined the Free Officers. In 1970 he succeeded 'Abd al-Nasir as president of Egypt. Almost immediately he began to redefine Egypt as a state of “science and faith.”

Osman Ahmad Osman—a multimillionaire with business interests in the public and private sectors, a power broker in the ruling National Democratic Party, and a member of the president’s family through the marriage of their children—was perhaps the second most powerful man in al-Sadat’s regime. As a pupil in the Isma’iliyya primary school, Osman was taught by the founder and first general guide of the Society of Muslim Brothers, Hasan al-Banna. Osman joined the society, and although he dropped his official membership after graduating from university, Osman remained spiritually connected, continued to pay dues, and lavished public praise on the Brothers. After the 1954 assassination attempt, Osman persuaded 'Abd al-Nasir that Muslim Brothers would be less threatening to the regime if his Arab Contractors Company provided them with lucrative employment in its Saudi and Kuwaiti branches ('Uthman 1981, 359, 363, 364).
As part of al-Sadat’s strategy to roll back Nasirism and reorient Egypt towards the West, he began to free jailed Muslim Brothers in 1971 and invited the exiles in Saudi Arabia and the Gulf to return to Egypt. Neither al-Sadat nor his successor, Husni Mubarak, offered full legal recognition of the Muslim Brothers. Nonetheless, all the Brothers were released from prison by mid-1975. In 1976, publication of the weekly *al-Da’wa* (The Call) was resumed without official acknowledgement that it was published by the Muslim Brothers, although this was common knowledge.

The Brothers had developed sharp differences over the ideas advanced by Sayyid Qutb in *Ma’alim fi al-tariq* (Signposts or Milestones), the first drafts of which began to circulate in prison in 1962. Shukri Mustafa led those who adopted Qutb’s view that Egypt was a state of unbelief and that the Brothers should withdraw from society to strengthen themselves and prepare for an active struggle to establish a proper Islamic state. After his release from prison, Mustafa established the Society of Muslims (Jama’at al-Muslimin), better known as the Takfir wa’l-Hijra group—meaning roughly to retreat from a society of unbelief.

The old guard leadership of the Muslim Brothers rejected this notion and affirmed their historic position that through preaching (da’wa), nominal Muslims could be brought to a higher state of commitment and practice. In 1969 the society’s second general guide, Hasan al-Hudaybi, wrote a strong riposte to Sayyid Qutb: *Du’a, la quda* (Preachers not judges). Al-Hudaybi repudiated the violence employed by the Brothers’ Rovers in 1947–49 and probably in 1954. ’Umar al-Tilimsani, who became general guide in 1973, shared these views.

A third current, eventually joined by Shukri Mustafa, argued based on the thought of the late-medieval jurists Ibn Taymiyya and Ibn Qayyim al-Jawziyya that a Muslim state not ruled by *shari’a* law was a *jahili* (pre-Islamic pagan) society against which a jihad could be launched (Kepel 2003, 26–102; Mubarak 1995, 82–105).

A militant student movement led by Marxists and Nasirists and sharply critical of Anwar al-Sadat’s failure to liberate the occupied Sinai Peninsula despite having declared 1971 “the decisive year” was in the forefront of Egyptian university politics in the early 1970s. To diffuse this criticism of
his regime, al-Sadat delegated Muhammad Osman Isma’il to encourage the formation of Islamic student groups on university campuses (Mubarak 1998, 123–40; Abdo 2000, 117–18, 121–22).

By 1976, this loose network of groups had successfully dislodged the left from its dominance in student politics by a combination of intimidation, physical force, and provision of services like cheap photocopies of textbooks and transportation for women who wore the hijab (a headscarf or more elaborate covering). At first, the student Islamic groups did not have a clear political orientation. A number of them came to embrace withdrawal from society or jihadist doctrines and joined the marginal groups that committed extravagant but strategically hopeless acts of violence: the Technical Military Academy group inspired by the Jordanian-based Islamic Liberation Party (in 1974) and the Society of Muslims (in 1977) (Ibrahim 1980; Kepel 2003, 141–56).

Some student radicals joined the Jihad organization that assassinated Anwar al-Sadat in 1981. Jihad’s roots were in the Islamic group at Asyut University in Upper Egypt led by ‘Umar ‘Abd al-Rahman and Karam Zuhdi. In 1979–80 the Asyut student-based group united with a Cairo-based group led by ‘Abd al-Salam Farag, remnants of the two organizations that had been smashed in 1974 and 1977, and other small regional societies. Because the assassination of al-Sadat did not result in a general uprising, as they hoped, some elements of Jihad disavowed the strategy of immediate armed struggle, although they did not oppose it in principle. In 1984 they broke away and readopted the name Islamic Group (in the singular). Some of their members migrated to the urban fringes of Cairo. A faction of Jihad members with a global perspective wanted to engage with the “greater” enemy. Many of them followed Ayman al-Zawahiri to conduct jihad in Afghanistan, activity sanctioned by the regime until 1991 (Auda 1994, 382; Mubarak 1998).

The available evidence does not establish any connection between the violent groups of 1974–81 and the Society of Muslim Brothers, except that some of the radical leaders were former Brothers. The Muslim Brothers invested substantial effort to win over the members of the student Islamic groups, as the generation that emerged from prison had few younger
followers. The older Brothers debated and publicly criticized the student radicals; eventually, many student Islamists did join the society (al-Tilmisani 1985, 175–81).

After proclaiming victory in the 1973 Arab-Israeli War, al-Sadat felt he had established sufficient legitimacy to announce his intention to reorient Egypt’s economic and political life. His April 1974 “October Working Paper” announced the new open door (infitah) economic policy, which became the emblem of the demise of Middle Eastern state-led development and economic nationalism. Despite this and other grand pronouncements, there was little structural change in the Egyptian economy in the 1970s and early 1980s (Richards 1991). The end of the oil boom in 1985–86 and the explosion of third world debt—signaled regionally by the 1978 Turkish foreign exchange crisis and globally by the 1982 Mexican default—made Egypt more vulnerable to pressures from its small entrepreneurial class, the U.S. government, and the international financial institutions, resulting in more intense social conflict and ultimately a more decisive transition to the new economic order following the 1991 Gulf War.

The open door policy allowed a new class of importers, financiers, middlemen, and profiteers to form. Some of its members were self-made; others used the assets and connections available to them as managers of public enterprises. Yet others revived and reconfigured the fortunes of monarchy-era elite families. A substantial fraction of this “infitah class” had an Islamist cast. By 1980 elders of 8 of the 18 families who dominated Egypt’s private sector were affiliated with the Muslim Brothers. Economic enterprises linked to the society, many concentrated in real estate and currency speculation, may have constituted as much as 40 percent of the private sector (Sa’id Imam 1987, 205, 211, 280–309).

The leadership of the Muslim Brothers in the 1970s and 1980s was associated with old-money and landed families, a tendency that began when Hasan al-Hudaybi became general guide in 1953. The family of his successor, ’Umar al-Tilmisani, owned 300 feddans (acres) and seven houses. Al-Tilmisani’s deputy and eventual successor as general guide, Mustafa Mashhur, came from a wealthy landowning family in Sharqiyya province. The prominence of such figures led Robert Springborg to conclude, “It can
reasonably be claimed that those currently in control of the Muslim Brothers are of the Islamic *infīṭah* bourgeoisie who ‘bought’ the organization with resources acquired through collaboration with the Sadat regime” (Springborg 1989, 236).

A substantial fraction of Egypt’s emergent Islamic business class, especially those linked to old money and power, invested in banking and financial services—one of the first sectors of the economy to exploit the open door policy. The Faisal Islamic Bank was established in 1977 by Prince Muhammad Ibn Faisal of the Saudi royal family. One of the founders of its Egyptian branch was ‘Umar Marʿi, a member of an old landed family. ‘Umar’s half-brother, Sayyid Marʿi, was related to Anwar al-Sadat by marriage. ‘Umar had been jailed as a Muslim Brother by ‘Abd al-Nasir and recruited others from a similar background to work in the bank (Springborg 1989, 65). By 1985, Faisal Islamic Bank and its smaller competitor, the Islamic International Bank of Investment and Development, held 16.8 percent of the deposits in Egypt’s commercial banking system (Moore 1990, 236). The share of deposits in Islamic banks declined in the late 1980s, probably due to nervousness about the government’s investigation of the Islamic investment companies.

The Islamic investment companies constituted another sector of the new Islamist business class. In the mid-1980s there were nearly 200 such firms of various sizes organized as individual proprietorships and joint-stock companies; perhaps one million Egyptians had invested in them. Estimates of their total assets vary from £E 20–60 billion based on little publicly available evidence. Minister of Social Affairs Amal ‘Abd al-Rahim Osman claimed a figure of £E 24 billion (Moore 1990, 238). The six largest, in decreasing order, were Rayyan, Sharif, al-Saʿd, al-Huda, Badr, and al-Hilal.

The principal source of capital of these companies was Gulf oil wealth. Rayyan began operating in Saudi Arabia in 1978 by collecting deposits and repatriating funds from migrant workers. In 1982 Fathi, the oldest of the three Rayyan brothers, returned to Egypt from Saudi Arabia and led the establishment of the Rayyan firm, which soon became the largest of Egypt’s Islamic investment companies. Before the big run on the Islamic investment firms in November 1986 Rayyan’s capital was estimated at £E 5 billion.
Badr, established in 1980, had similar origins. In contrast to the elitist Muslim Brothers, the Islamic investment firms were associated with the nouveau riche of the *infitah* era. Fathi Rayyan did not graduate from university. Muhammad Ashraf Sa’d was the son of a low-ranking government official. He migrated to France, where he worked as a manual laborer. When he returned to Egypt in 1986, he had become more devout (Springborg 1989, 47). ‘Abd al-Latif Sharif, founder of the second largest of the Islamic investment firms, had been a member of the Society of Muslim Brothers and was imprisoned by ‘Abd al-Nasir. After his release from prison by Anwar al-Sadat, he accumulated capital by establishing a plastics and construction company based in Alexandria (Shuhayb 1989, 60).

Nonetheless, the owners and managers of the Islamic investment companies generally did not belong to the Society of Muslim Brothers or other Islamist organizations, although relations were generally supportive. The Islamic investment companies engaged in a Muslim moral economy discourse using the concepts of equity, mutual obligation, and responsibility. But it is unclear how devout some of the principals of these firms actually were. Rayyan boasted that it had many Christian and two Jewish investors (Springborg 1989, 48). Clement Henry Moore suggests that “The entrepreneurs wrapped themselves in Islam in the manner that U.S. presidential candidates use the American flag” (Moore 1990, 250).

Despite the humble origins of several of the founders, the Islamic investment companies were politically well-connected. Former Minister of Interior Nabawi Isma’il was on the board of Rayyan (Springborg 1989, 52). Osman Ahmad Osman was a big supporter of the Islamic investment companies. He offered both business partnerships and financial advice, particularly to the Rayyan and Sharif firms (Shuhayb 1989, 138–139). Both the opposition Labor Party, which began to adopt Islamist positions in 1984, and the secularist Wafd supported the Islamic investment firms when they came under investigative scrutiny (Shuhayb 1989; 142, 146).

The Central Bank of Egypt began trying to audit these firms and regulate the movement of their assets in November 1986. Most of the Islamic investment firms collapsed in May 1988, one month before the enactment
of a new investment law. However, it is not likely that the government was motivated purely by the desire to uphold financial transparency.

In June 1985 Islamist radicals attempted to assassinate President Husni Mubarak. This was followed by a rash of fire bombings of video rental stores, attacks on Christians in several provinces in 1986 and 1987, and three attempted assassinations of prominent pro-regime personalities in 1987. The Mubarak regime suspected, though it never provided evidence, that these activities were financed by funds laundered through the Islamic investment firms and came to regard them as subversive institutions that had to be crushed.

A third sector of the new Islamic business class is comprised of merchants, manufacturers, labor contractors, and small to medium sized businesses. The largest construction company in Asyut, Tali‘at al-Iman (Vanguard of the Faith), was established by the son of ‘Abd al-Qadir ‘Awda, one of the six Muslim Brothers executed for attempting to assassinate Gamal ‘Abd al-Nasir in 1954. The firm requires that its clients be good Muslims with recommendations from persons with “Islamic connections” and that men wear beards and women wear hijab. Several Islamic publishing houses, the largest is Dar al-Shuruq, flourished in the 1980s and 1990s. As it became more successful, Dar al-Shuruq began publishing the work of Muhammad Hasanayn Haykal, the most prominent personality in public life associated with the Nasir regime until his retirement in 2003. In Alexandria shoes were traditionally manufactured through a putting out system. The entrepreneurs of this system were close to the Islamist movement, and many of the home workers also became affiliated. Labor contractors who organized seasonal workers to clean canals and repair agricultural infrastructure were commonly affiliated with the Islamist movement (Springborg 1989, 48, 52, 65–67).

Islamic Populism and Egypt’s “Lumpen Intelligentsia”

There is a broad consensus that the armed radical Islamist cadres of 1974–81 were largely comprised of students and recent graduates, especially in the
elite fields of engineering, medicine, and pharmacy. They hailed from provincial towns, disproportionately from the Upper Egyptian provinces of Minya, Asyut, and Sohag, which have the highest concentration of Copts, and urban shanty towns like Cairo’s Imbaba and ‘Ayn Shams. Their natal families were stable, and their fathers tended to be middle grade civil servants with no university education. They came to Cairo, Alexandria, or Asyut for university studies. In sum, they were above-average young adults in their twenties from the lower middle class with high motivation and aspirations for upward mobility (Ibrahim 1980, 437–40; Ansari 1984, 131–33; Kepel 2003, 214–22). In the Nasirist era, many of them would have become respectable public sector employees with a middling income.

The number of university graduates nearly tripled from 1975 to 1985. But because of cuts in the state budget and commodity subsidies imposed by the IMF, public sector employment no longer provided wages adequate to marry and raise a family; hence, fewer university graduates sought public sector employment even though they were entitled to a position by law. At the same time, the declining price of oil on the world market from 1982 on reduced opportunities for young men to migrate to oil-rich countries and amass savings to buy and furnish an apartment—the prerequisites of a middle-class marriage. The real unemployment rate in the mid-1980s was well above the official rate of 12 percent and was concentrated among first-time job seekers with intermediate and university degrees. This “lumpen intelligentsia,” as Carrie Rosefsky Wickham dubs them, was deeply aggrieved that despite their hard work and academic achievements they had few prospects for material success. They became the primary social base of the Islamist movement in the 1980s (Wickham 2002, 36–62). The social profile of most Islamist students and recent graduates of the mid-1980s matched that of the armed radicals of 1974–81. But many of them now joined the Society of Muslim Brothers.

Husni Mubarak began his presidency by alleviating the repression that had led directly to al-Sadat’s assassination. The 1,300 political prisoners, among them hundreds of Islamist activists arrested without charges a month before the assassination, were released. Opposition press and political parties were given more leeway, and an electoral alliance of the Muslim
Brothers and the Wafd was permitted to participate in the 1984 parliamentary elections. A more ideologically compatible Muslim Brothers-Labor Party “Islamic Alliance” was established in 1987. It continues to this day, though its leaders have been jailed and its newspaper banned sporadically since 1994. A few of the most prominent student Islamist leaders of the 1970s became parliamentary representatives of the Wafd-Muslim Brothers alliance of 1984 or the Islamic Alliance of 1987. Muslim Brothers occupied 38 of the 60 seats won by the Islamic Alliance in 1987, sending a strong signal to the government that they could become a powerful force, even within the constraints of Egypt’s autocratic political system.

The Islamic Group launched a broad armed offensive signaled by the assassination of the secularist journalist Farag Fuda in June 1992. The arrest of ‘Umar ‘Abd al-Rahman in the United States in 1993 led to intensified armed struggle centered in Upper Egypt. The Islamic Group particularly targeted the tourist industry, culminating in a massacre of 58 foreigners and four Egyptians in Luxor on 17 November 1997. The combination of repression and loss of credibility following this incident ended the viability of the jihad option in Egypt.

Working within the framework of the Muslim Brothers, nonviolent propagation of the Islamist message, and organizing to win representation in both the institutions of civil society and the parliament seemed to be the only potentially successful strategy. But as part of its counter-offensive against the Islamic Group, in 1995 the Mubarak regime declared that there were no substantial differences between the Islamic Group and the Muslim Brothers and began to crack down on the Brothers as well. This led some middle-generation Brothers—roughly those who had joined as university students in the 1970s—to seek a less confrontational way to remain in the political game.

The trajectory of Abu’l-‘Ila Madi Abu’l-‘Ila exemplifies the experiences and perspective of his cohort of Islamist activists. In 1976 he enrolled in Minya University, where he became amir (commander) of the Islamic student association in the Faculty of Engineering and head of the Student Union. In 1978 he was elected vice-chair of the National Egyptian Student Union. The next year he led student protests against the Egyptian-Israeli
peace treaty. Abu'l-'Ila’s success as a student politician reflected a broad trend: in 1976 candidates of the Islamic groups won control of 8 of 12 university student unions. In 1979 Abu'l-'Ila joined the Muslim Brothers. In 1988 he was elected assistant secretary-general of the Engineers’ Association as a representative of Islamic Trend (see below). In 1996, as state repression against all expressions of Islam not under its control reached its peak, Abu'l-'Ila became one of the founders of the Center Party, which sought to emulate Turkey’s Welfare Party and other legal Islamist parties in Yemen and Jordan. Nonetheless, the regime denied legal recognition to the Center Party. Abu'l-'Ila and others were jailed for five months on fabricated charges that the Center Party was a front for the Muslim Brothers. In fact, the leadership of the Brothers strenuously opposed this initiative. In late 1996 Abu'l-'Ila and 15 other middle generation leaders publicly announced their resignations from the society (Wickham 2002, 190, 218; Abdo 2002, 83–84).

Many recent graduates continued their Islamist activism through neighborhood organizing. Unable to afford housing in central urban districts, they congregated in urban peripheries where they deployed their idealism and professional skills to establish day-care centers, medical clinics, and other services. Young unemployed or underemployed professionals also served as *imams* in the hundreds of private mosques established by the movement (Wickham 2002, 123–24).

The parliamentary success of 1987 led ‘Abd al-Mun'im Abu al-Fath, head of the Cairo University Student Union from 1974 to 1977, and other young Muslim Brothers leaders to develop a plan to contest the leadership of Egypt’s professional associations. Operating under the banner of the “Islamic Trend” or the “Islamic Voice,” they and their allies ran for positions on the executive boards of associations enrolling some two million engineers, doctors, dentists, pharmacists, teachers, commercial employees, agronomists, and others. Most of the associations were in the Islamists’ hands by 1992. Islamists also won control of the boards of most university faculty clubs, beginning with Cairo University in 1984 (Wickham 2002, 176–203; Springborg 1989, 227, 228; Abdo 2002, 83–84).
Osman Ahmad Osman served as chair of the Engineers’ Association from 1979 to 1990 and introduced the social service programs that became the hallmark of Islamist administration of the professional associations. Under his leadership the Engineers’ Association established a private hospital, housing projects, a consumers’ cooperative, a social welfare fund, group life insurance, and a social club for members. Osman’s Islamist successors negotiated an arrangement that allowed engineers to work at their government jobs in the afternoon so that they could take more lucrative private employment in the mornings. The result was a fourfold increase in the aggregate salaries of engineers from 1985 to 1994.

Similar accomplishments won the support of many Copts, who comprise about 30 percent of the members of the Pharmacists’ Association. In 1994, with 17,000 of 21,000 eligible voters participating, the Islamic Trend won 17 of 25 seats on the board. The deputy secretary-general of the association, Muhammad ‘Abd al-Gawwad, said, “. . . their performance has been excellent . . . [s]o it’s not my business to know what they do at night behind closed doors in their Brotherhood offices” (Abdo 2002, 91–93, 100–101). The peak of Islamist success in the professional associations was the capture of the traditionally leftist Journalists Association and the historic citadel of secular nationalism, the Bar Association, in 1992. These victories confirmed the hegemony of Islamism in public culture. In response, the government drafted legislation to make it more difficult for a low proportion of eligible voters to determine the outcome of professional association elections. There was no small degree of hypocrisy in this, as parliaments of the al-Sadat and Mubarak era were routinely installed with an even smaller proportion of the electorate participating than in professional association elections.

The Islamic Trend’s message of equity, social justice, moral renewal, and criticism of official corruption and neglect of the common welfare provided a cogent explanation for the social experiences and blocked ambitions of students and recent graduates and was an important factor in their professional association victories (Wickham 2002, 157–62). In a different era they would have been leftists. Indeed, the social profile of those arrested
as members of illegal communist organizations around this same time resembles that of the Islamist cadres (Ibrahim 1980, 453). Wickham offers this social movement theory explanation for the Islamist successes:

Graduates became Islamists not because of the intrinsic appeal of the da’wa but because the networks of its transmission were deeply embedded in urban, lower-middle-class communities; its social carriers were familiar and respected; and its content resonated with the life experience and belief system of potential recruits. (2002, 163)

In a different Turkish class context, Jenny White (2002) terms these social and cultural practices “vernacular politics.” Because its appeal was familiar and “resonated with the life experience and belief system of potential recruits,” this form of Islamism, unlike that of the armed groups, was often not perceived as politics at all. Abu’l-‘lla Madi Abu’l-‘lla was using a rhetorical device when he declared in a 1977 speech, “There is nothing called religion and politics. We only know religion” (Abdo 2002, 127), but it was a plausible claim for much of his audience. Putting things this way did not require people to embrace anything other than the beliefs they had grown up with.

**Islamic Populism and Terrorism in Upper Egypt and the Urban Periphery**

Many peasants from Upper Egypt migrated to the Gulf oil countries in the 1970s. When they returned, they bought agricultural lands, gave charity to medical clinics, and funded the establishment of local markets—activities that raised their prestige and social status. Their children became the cadres of the Islamic Group, the only Islamist organization with a substantial base in Upper Egypt. When the Islamic Group broke away from the Jihad organization in 1984, some of its cadres migrated to Cairo. The Islamic Group adopted a two-track strategy: providing social services for the poor and conducting an armed struggle targeting Copts, the tourist industry, and state officials. The Islamic Group’s calls to redress poverty and injustice—
expressed in more militant language than the Muslim Brothers-affiliated lumpen intelligentsia employed—provided an Islamic justification for improving the material lot and status of peasants, the lowest stratum in Upper Egypt’s social hierarchy, and expressed the grievances of a region neglected by Egypt’s Cairo-centered elites. Upper Egyptian popular customs became part of the definition of approved Islamic behavior promoted by the Islamic Group. Although the content was different than the vernacular politics the university graduates of the Muslim Brothers used in the professional associations and similar settings, the style of work of the Islamic Group was similar. Cadres were integrated into their communities through regional and family ties; they delivered needed social services; and they spoke in an accessible language “merging . . . popular values with Islamic traditions” (Ismail 2000, 386–88; see also Fandy 1994; Mubarak 1998; and Abdo 2002, 35–36).

In the 1980s and early 1990s the main bastions of the Islamic Group were Upper Egypt, the Western Munira neighborhood of Imbaba and its adjacent districts, and ‘Ayn Shams. Western Munira and ‘Ayn Shams are among the 74 “spontaneous” settlements (‘ashwa‘iyat) in Cairo that arose as shanty towns without electricity, water supply, sewage, and other basic services. Their inhabitants typically worked in the informal sector of the economy as craft workers, petty traders, low-level service workers, and especially in construction. Many Upper Egyptian peasants migrated to the urban peripheries of Cairo seeking construction work and other unskilled employment when the construction sector expanded rapidly due to the oil boom. Police records from 1986, 1988, and 1993 and other reports suggest that unlike the armed militants of 1974–81 and the Islamist students and graduates of the 1970s and 1980s, a high proportion of the armed militants of this period were tradespeople in their teens and early twenties with less than a university education hailing from villages or ‘ashwa‘iyat. (Ibrahim 2002, 34–36; Medani 2002; Ismail 2002, 382–83, 384).

Imbaba is home to some 800,000 inhabitants—80 percent from Upper Egypt, and one-third Christians, who are generally better off than Muslims. The leader of the Islamic Group there was an illiterate electrician in his thirties, Shaykh Gabr Muhammad ‘Ali, who had “the charisma of Ayatollah
Khomeini, the street smarts of a Mafia don, and the empathy of Robin Hood” (Abdo 2002, 20). He ruled “the Islamic republic of Imbaba,” as it was known, through a combination of force, dispensation of “Islamic” justice and mediation, and provision of social services. Private mosques, unregulated by the state, formed the organizational infrastructure of the Islamic Group. Some 70 percent of them had some kind of health clinic attached to them. There were also many other Islamic NGOs (nongovernmental organizations).

Some Imbaba construction workers tried to join the Muslim Brothers but were rejected as having insufficient education. The sharp difference between the Muslim Brothers and the Islamic Group was evident in the results of the 1992 local elections. The Muslim Brothers-Labor Party Islamic Alliance won 115 districts nationally. But because the Islamic Group declined to endorse the alliance, it won only six districts in Upper Egypt, the stronghold of the Islamic Group—four in Minya and one each in Asyut and Suhag (Fandy 1994, 624).

Rejected by the Muslim Brothers, many construction labor contractors joined the Imbaba branch of the Islamic Group along with young, unskilled apprentices. The organization of construction firms paralleled the hierarchical organization of the Islamic Group. Contractors were able to offer migrants from Upper Egypt employment and access to spiritual guidance and social services. The Islamic Group found permanent employment for those injured at work and for those of its members who were already registered with state security and could therefore risk being publicly identified (Medani 2000). The adherence of labor contractors, foremen, and unskilled workers to the Islamic Group in Imbaba exemplifies the ability of a populist Islamist discourse to express the grievances of the poor while mediating conflicts that might otherwise have erupted on a class basis. It also demonstrates how the effects of the same political-economic development—the oil boom and bust—enabled groups with apparently contradictory interests to embrace Islamism in the face of the state’s neglect of their basic needs.

On 8 December 1992, following a spontaneous demonstration protesting a death sentence meted out to eight Islamists by an Alexandria military
court, Imbaba was overrun by at least 12,000 paramilitary police and army troops. They remained for several weeks, arresting and abusing hundreds of residents. Imbaba was at least temporarily returned to the state’s control. But in March 1993 the Egyptian Organization for Human Rights issued a report charging that state violence had supplanted Islamist violence in the district (Medani 2000; Abdo 2002, 19–40; Denis 1994, 117–32). The state security apparatus had conducted similar operations in ‘Ayn Shams in August and December 1988 to smash the Islamic Group’s organization there.

**THE ISLAMIC TREND AND THE WORKING CLASS**

Industrial workers were among the first to protest against the open door policy, although typically they received no organized support from trade union or political leaders. On 1 January 1975, workers commuting to the southern Cairo industrial suburb of Helwan occupied the Bab al-Luq railway station while others sat in at the iron and steel mill in Helwan. At the other end of metropolitan Cairo, textile workers in Shubra al-Khayma proclaimed a solidarity strike and occupied several mills. There were other strikes and collective actions over economic issues during 1975–76 in Cairo, al-Mahalla al-Kubra, Helwan, Alexandria, Tanta, Nag‘ Hammadi, and Port Said (Baklanoff 1988; ‘Adli, 1993, 268; Beinin 1994, 247–70). The strike and protest movement was concentrated among workers in large public sector enterprises, who had been major beneficiaries of Nasirist state-led development.

Factory workers initiated the explosive demonstrations and riots of 18–19 January 1977, which were sparked by the government’s adoption of the recommendations of an IMF mission to cut subsidies on bread, sugar, tea, and other basic consumer goods. This resulted in immediate price increases of 25–50 percent. Students, the unemployed, and others in urban crowds joined in. Many were inspired by Islamist sentiment expressed by the trashing of the casinos on Pyramids Road, long identified by the Muslim Brothers as symbols of foreign-influenced moral dissolution. These were the largest popular collective actions in Egypt since the Cairo fire of 26 January 1952 and came close to toppling the regime of Anwar al-Sadat.
The relatively less repressive atmosphere of the early Mubarak era permitted a significant increase in strikes and other workers’ collective action. Some 50–75 actions a year were reported in the Egyptian press during 1984–89, surely not a comprehensive tally (El Shafei 1995, 36). The left was an active and sometimes a leading component in struggles involving major confrontations with the state, such as the massive strike and uprising of textile workers in Kafr al-Dawwar in September–October 1984, the strike at the Misr Spinning and Weaving Company in February 1985, the railway workers’ strike of July 1986, and the two sit-in strikes at the Iron and Steel Company in July and August 1989. Islamic forces generally avoided such confrontations.

However, the success of the Muslim Brothers-Labor Party candidates in the 1987 parliamentary elections encouraged the Islamic Alliance to participate in national trade union elections for the first time. Much of its trade union work was inspired by the Labor Party’s leading ideologue, ‘Adil Husayn. Before his death in 2001, Husayn served as general secretary of the party and editor of its newspaper, al-Sha’b (The People). Husayn held a doctorate in economics and was a former member of the Communist Party. His two-volume critique of Egypt’s open door policy advanced a dependency theory analysis whose main elements he continued to uphold despite his embrace of Islamism in the 1980s (Husayn 1982). As reported in al-Sha’b on 16 December 1997, Husayn addressed a workers’ conference convened to protest the proposed Unified Labor Law, the keystone of the state’s effort to ensure a docile labor force for private sector investors. His frame of reference was a corporatist approach to relations between labor and capital similar to ideas advanced by the Muslim Brothers since the 1940s:

Our position derives from our Islamic method which requires equity and justice in the Islamic society we are seeking. Muslims in such a society will be as one body in which the employer will be duty-bound to respect the rights of the workers and workers will be duty-bound to be diligent in their work to build the economy of the umma (Islamic community).

Despite this Islamic point of departure, the electoral platform of the Islamic Trend candidates in the 1991 trade union elections supported the
right to strike, criticized the neo-liberal economic program for Egypt, opposed government interference in the trade union elections, and opposed the wholesale liquidation of the public sector (see al-Sha’b, 10 September 1991). Other versions of the Islamic program attacked the national leadership of the General Federation of Egyptian Trade Unions (GFETU) and demanded the restructuring of the trade union organization so that it could become independent of the government. Islamists also opposed the abolition of consumer subsidies, demanded that wages be linked to prices, and opposed the erosion of free education and health care “and all the other achievements which the 23 July revolution realized for the workers” (Misr al-Fatat, 12 September 1991).

These demands appropriate the discourse of the left. The Islamic Trend seemed to agree that the Free Officers’ coup of 23 July 1952 established the contours of the national political field, a view the Muslim Brothers had adamantly rejected in the 1950s and 1960s. Considering the right to strike a “human right” (see al-Sha’b, 5 April 1994) and invoking Egypt’s obligations according to international labor conventions were new positions for Egyptian Islamists, suggesting that they did not entirely reject international law and western liberal discourse. They also indicate the tensions between the views of the wealthy leaders of the Muslim Brothers and the more populist elements of the Labor Party.

Much of the Islamic Trend’s opposition to the neo-liberal economic program is laced with gratuitous anti-Jewish rhetoric, suggesting that Israel is exerting pressure on Egypt to sell off the public sector or that “Jewish merchandise” is destroying the life of Egyptian workers (Husayn and al-Bitar 1997). This sort of “racisme de guerre,” as the late Maxime Rodinson termed it, has become quite common in Egypt as a result of widespread outrage over Israel’s policies towards the Palestinians. But it is more pronounced among the Islamists.

Despite its adoption of demands and symbols associated with the left, in daily trade union work the Islamic Trend usually did not engage in militant collective action. Its policies seem to have been guided by the often-quoted Qur’anic verse: “God does not change what is in a people until they change what is in themselves.” Thus, the program of the Islamic Trend for
the 1991 trade union elections published in *al-Sha'b* was headlined: Workers of Egypt, Change What Is in Yourselves (Ya 'ummal misr ghayyaru ma bi-anf usikum, 10 September 1991). The left criticized the Islamic Trend for limiting its trade union work to providing social services such as exhibitions of Islamic books and organizing pilgrimages to Mecca.

Left and Islamist forces made some headway in elections for enterprise-level trade union committees in 1991 and 1996, but they could not break the regime’s control of the GFETU at the national level. Nonetheless, both shop floor and enterprise-level militant actions and the bureaucratic maneuvers of the GFETU leaders were a major factor delaying the full implementation of the neo-liberal economic program. During the 1980s and 1990s reorganization of the trade union movement was successfully resisted by the GFETU as well as by rank-and-file workers and lower level union officials supported by both the left and the Islamic Trend who feared it would diminish workers’ rights and enhance the state’s repressive capacity. This blocked enactment of the Unified Labor Law until 2003.

Although the Islamic Trend established itself as a political tendency opposed to the ruling National Democratic Party in the labor movement, it made only modest gains compared to its successes in the middle class professional associations. Public housing projects established for factory workers in the Nasirist era and trade unions have not been conducive sites for Islamist organizing because public sector industrial workers were among the primary beneficiaries of Nasirism and had a tradition of Arab socialist or leftist politics. Although their income and status declined due to the open door policy, they were not seriously threatened until the sell-off of the public sector began in the 1990s. When grievances over wages and similar issues arose, workers relied on long-established social networks in stable neighborhoods and industrial cities—Shubra al-Khayma, Helwan, Mahalla al-Kubra, and Kafr al-Dawwar—to mobilize for collective action.

The Egyptian trade union movement is dominated by the state apparatus, and elections at all its levels are constrained by a host of anti-democratic regulations, including the right of state authorities to disqualify candidates. Hence, there is little way to know how the apparent contradictions in the discourse and the populism of the Labor Party and the business
interests of the Muslim Brothers might be resolved in a democratic environment. Would the Islamic Trend develop a form of Muslim social democracy, or would the weight of social conservatives in the Islamist movement prevent this? If the latter, what degree of support would the Islamists be able to retain?

**CONCLUSION**

Keeping such contradictions unresolved helps to maintain the primary face of Egyptian political Islam as a social movement opposed to Washington consensus policies. The discourse of Egyptian political Islam contains populist appeals to workers and the “lumpen intelligentsia” as well as the business interests of bankers, financiers, and entrepreneurs closer to the leadership of the Muslim Brothers.

Yuppies of the “young generation”—some of them connected to Egypt’s new small high-tech and telecommunications sectors—have embraced a new form of Islamism. “Liberal veiled women” in this crowd shop for their *hijab* at boutiques like Muhajaba Home, Flash, and L’Amour. Some are drawn to Magda ‘Amr, who integrates charkas, yoga, reflexology, and macrobiotic food into her New Age preaching. Another star of this generation is ‘Amr Khalid, a preacher who says, “I want to be rich so that people will look at me and say, ‘You see, rich and religious,’ and they’ll love God through my wealth. I want to have money and the best clothes to make people love God’s religion” (Tammam and Haenni 2003, 4). The Muslim Brothers denounce such messages as “air conditioned Islam.” Its adherents are potential supporters of the Center Party, if the state would legalize it.

An Iranian-style Islamist revolution in Egypt was never very likely. Although the grievances that motivated armed struggle remain, the Islamic Group and other such groups have been defeated. Jihad against Egyptian Muslims lost most of its support following the Islamic Group’s bloody 1997 Luxor massacre, and Islamic Group leaders have since renounced armed struggle.6

Despite the weakness of revolutionary political Islam, there has been a broad Islamization of public culture in Egypt over the past 30 years. Does
this constitute a discourse capable of sustaining a stable structure of capital accumulation and development? Egypt’s economic record in this period would appear to suggest not. But the regime’s deepening autocracy since the late 1980s, which goes well beyond the requirements of defeating an armed insurrection, has saved Islamism from any performance test and allowed radicals to claim that this has not been a “real” Islamization.

NOTES

1. Saad Eddin Ibrahim (1980, 449) was one of the first to notice this.
2. Egypt’s population is about 70 million; Turkey’s 66.5 million. Iran is a very close third. No other country has half the population of these three.
4. See also Jamal al-Banna in al-Sha’b, 19 July 1994.
5. See also the zajal (colloquial poem) delivered at the 1994 Labor Party workers’ conference to oppose the draft Unified Labor Law whose concluding verse is “They have deceived us with promises and sold us to the Jews,” al-Sha’b, 19 April 1994.
6. The recantation is contained in four volumes written and endorsed by the leaders of the Islamic Group, Silsilat tashih al-mafahim.

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