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Political Coalitions and Media Policy: A Study of Egyptian Newspapers

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Political Coalitions and Media Policy: A Study of Egyptian Newspapers

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Dedication

For Robert,

who challenged us to contemplate difficult questions.

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Political Coalitions and Media Policy: A Study of Egyptian Newspapers

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The University of Texas at Austin, 2014

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Abstract: This dissertation asks: Why do autocrats expand the freedoms enjoyed by their domestic media outlets when it would seem to be against their interests to do so? Some research suggests that private capital investments and other non-state sources of revenue are crucial to expanding the bounds of media discourse. I argue that private money alone cannot produce such developments, instead, increased press freedom can be observed when the economic reforms create the opportunity for a new class of entrepreneurs, interested in funding media ventures, to enter government. From this position they may push for opportunities to expand the media environment.

Hosni Mubarak's presidency in Egypt provides a useful lens to study changes in press freedom under autocracy. The introduction of private capital into the Egyptian newspaper industry in two recent decades resulted in different levels of press freedom. In the 1990s press freedom was unaffected by the influx of private money into this sector, but there was a marked increase in press freedom in the 2000s when a wave of new privately-owned dailies joined their state-owned counterparts on Egyptian newsstands. The introduction of economic reforms, especially privatization of state industries, created

the opportunities for the expanded class of entrepreneurs to enter politics and the economic incentives to increase the freedom of the press.

The dissertation expands our existing understandings of the political and economic context under which economic liberalizations can lead to political liberalizations. It suggests that political science can improve its understanding of these dynamics by considering individual political liberalizations, rather than just democratization, when seeking to understand the impact of economic reforms.

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Chapter 1: Introduction and Argument

“The Arab peoples are at the bottom and their leaders are at the summit,” declares the March 23, 2005 headline of the Egyptian newspaper *al-Dostor (The Constitution)* in large font.¹ The center of the same front page is dedicated to four cartoons that deride the government’s promises of political liberalizations and steps toward democracy as laughable. One, for example, says, “if you’re unlucky enough to hear someone scream and shout that democracy is not compatible with our values, reply: is election fraud one of our values? If so, we don’t need values like these.”

This is the content Egyptians encountered on the front page of the first edition of *al-Dostor (The Constitution)* published with an Egyptian license. By the end of 2005, it was one of sixteen privately-owned newspapers circulating daily in Egypt. Two years earlier less than half of these privately-owned newspapers were available on Egyptian newsstands. These papers gave considerable attention to stories ignored by their state-owned counterparts. The critical approach of privately-owned dailies, like *al-Dostor*, continued through the remainder of Hosni Mubarak’s presidency.

March 2005 was the first time *al-Dostor* issued a publication as a licensed Egyptian newspaper, but it was not the first issue of the paper. A decade earlier the same funder, Essam Ibrahim Fahmy, and the same editor-in-chief, Ibrahim Eissa, incorporated a newspaper, also called *al-Dostor*, in Cyprus. The paper, while legally Cypriot,

¹ All translations are the author’s, unless otherwise noted.

functioned as an Egyptian paper; its Arabic-language content focused largely on stories about Egypt and it was sold only in the populous Arab state. This newspaper and a number of others that adopted the same strategy met with considerable resistance from the Egyptian government throughout the 1990s. Censors regularly refused to allow the newspapers to circulate on the days they ran controversial stories and often for weeks afterwards as well. On occasion censors allowed an issue to reach the newsstands, but only after officials clipped the offending articles from the broadsheet. Additionally, journalists who displeased a government official often found themselves the subject of lawsuits thanks to harsh libel and defamation laws. New laws enacted in 1995 and 1996 increased the penalties the state imposed on journalists convicted of these crimes.

It is not unusual that the freedom Egyptian newspapers enjoyed varied across the 1990s and 2000s. We observe shifting levels of press freedom in many countries with autocratic governments across time. Similarly, autocrats across the globe allow different degrees of freedom of the press. Despite political science's considerable strides in the study of authoritarian regimes, this is an understudied area of difference in non-democracies. The study of "authoritarian resilience" continues to expand our understanding of the role the institutions most often associated with democratic government (elections, political parties, etc.) play in strengthening autocrats. Nonetheless, many inquiries into the role of the media simply assume, implicitly or explicitly, that a freer flow of information will trigger collective action against an autocrat and pose a threat to his or her hold on power. My dissertation takes on the more

complicated relationship that exists in reality and asks: when do we see variation in the level of press freedom within autocracies across time?

To understand the behavior of autocrats, we must understand the bases upon which they build their power and position. In addition to repressing opponents, which breeds fear and quiescence among their sympathizers, autocrats rely on sincere support and loyalty from segments of the population to remain in power. Autocrats secure loyalty in large part by selectively distributing economic goods. Economic crises and international pressure, which started in the 1970s and reached a crest in the 1990s, led many countries – autocracies and democracies world-wide – to implement neoliberal economic policies. Economic reforms, including the privatization of state-owned enterprises, elevated and expanded a class of entrepreneurs in many autocracies. This segment of society, rather than the employees of state-owned enterprises and government bureaucrats, became the principal beneficiaries of state largess.

The media, including newspapers, are among the many industries impacted by this new set of economic policies. Over the same twenty-year period, autocratic governments enabled the privatization, commercialization and marketization of domestic media outlets. In some countries, including Jordan and Kenya, private individuals and corporations founded new outlets. In others, like China, new commercial newspapers were public-private partnerships, with the state holding a majority share in the new companies. Additionally, while news outlets in many authoritarian countries previously relied on state subsidies to publish or broadcast, with the advent of private companies across sectors, advertising started to provide a substantial source of revenue. Finally, it

appears content became more sensational as new media outlets were interested in attracting readers, listeners and viewers in addition to disseminating messages for the government.

In this dissertation I argue that the concurrent spread of neo-liberal economic policies and the rise of private, commercial media expanded freedom of the press in some, but not all, cases. In particular, where this new class of entrepreneurs entered government and the political process we see an expansion of press freedom. As a result of its political power, this class acquired, through formal and informal mechanisms, easier access to permits and licenses as well as reduced government oversight.

In order for their new investments to pay dividends, these entrepreneurs needed the newspapers to attract readers. Entrepreneurs from across industries benefited from the promise of expanded readership because state-owned newspapers in many countries suffered from low circulation rates. With sensational headlines and photographs, as well as information previously unavailable, new outlets could expand the number of people who viewed advertisements for a wide-range of products. In opening up a space for new outlets to attract consumers, these investors in the media industry increased the existing bounds of political speech and created a freer media sphere.

Egypt is a useful case for the study of the expansion of press freedom in autocracies following economic liberalization. Privately-owned newspapers were introduced in two periods of Mubarak's presidency, but only once did these outlets successfully expand the content available to readers. Egypt first enacted a structural adjustment program (SAP) in the early 1990s and, as a result, the business class

expanded. In the following years, a number of privately-owned newspapers entered the Egyptian market but met with strong resistance from the state. These newspapers, while novel, did not find the liberty necessary to significantly expand the free flow of information. Members of Egypt's business class gained leadership positions in the ruling party and the parliament by the early 2000s. When a second wave of private newspapers hit newspaper stands in the mid-2000s, the freedom enjoyed by journalists and editors enabled them to expand the information available to citizens and criticize the government more expansively.

DESCRIPTION OF CASES

Arabic language newspapers in Egypt date to the first half of the nineteenth century. Wealthy families founded a number of newspapers in the cities around the country. At the end of this period, in 1876, bothers Beshara and Saleem Takla established one of these in Alexandria, named *al-Ahram*. Today this paper, which the state-owned publishing house of the same name now prints, is the oldest Arabic-language newspaper in the region (El-Bendary, 2010: 32). Around the same time as the founding of *al-Ahram*, political parties began publishing newspapers. By the interwar years, these papers dominated the media environment and engaged in fierce criticism of one another, even if they did little to question the *raison d'être* of the state (Amer, 2006: 32-34; Rugh, 2004: 149-151; Amin, 2002: 126).

Then, in 1952, the Free Officers Revolution, which brought army officers to power, led to dramatic economic and political changes in Egypt. Arab socialism guided

the economic reforms, including land reforms and state-run industrialization (Soliman, 1998: 11-12; Waterbury, 1983: 18-20). At the same time President Gamal Abdel Nasser reduced the diversity of information in the print media. His government closed many newspapers owned by political parties and private individuals and took control of those that remained. In so doing, Nasser stifled the relatively vibrant public sphere of the previous decades (El-Bendary, 2010: 10-11; Amer, 2006: 24-27).

President Anwar Sadat, best known for signing the Camp David Accords, also made important changes to Egypt's domestic economics and politics. In the mid-1970s he made Egypt's first steps toward neoliberal economic policies. He created space for private enterprise and opened the Egyptian economy to the world market, although the state continued to dominate the industrial sector in particular and the Egyptian economy, generally (Soliman, 1998: 12-15). Sadat also legalized opposition political parties and granted them the right to publish newspapers in the 1970s. The party papers enjoyed brief windows of openness, followed by crackdowns under both Sadat and President Hosni Mubarak in the 1970s and 1980s, respectively (Abdel Fatah and Hayba, 2004: 128-130; Ibrahim and Shouman, 1999: 306-307).

Mubarak instituted a second round of neoliberal reforms in the 1990s. Egypt, under the guidance of the World Bank and the International Monetary Fund (IMF), began to implement a SAP in 1991. The government faced increasing pressure from society as a result of the economic difficulties many Egyptians experienced as a result of the economic reforms. In response, the Mubarak government entered its most repressive period.

A new trend in the Egyptian newspaper industry intensified the conflict between state and society in the 1990s. Private companies and individuals started to take advantage of a legal loophole; a law pre-dating the 1952 coup allowed privately owned newspapers to seek licenses outside of Egypt. Most of these papers incorporated private newspapers abroad, Cyprus was particularly popular, and printed their papers in the “Free Zones,” which were exempt from many of the economic regulations that applied in Egypt at large (Kienle, 2001: 98-101; Amer, 2006: 28). These papers were known collectively as the ‘Cypriot press,’ yet with the exception of their legal status, they were clearly Egyptian. Their circulation was limited to Egypt and their reporters and support staff, largely Egyptian nationals living and working in Egypt, produced content for an Egyptian audience.

These newspapers devoted the majority of their content to events in Egypt, prominent individuals in the country and topics of note in daily conversation. The government sought to demonize the Cypriot press as ‘yellow journalism;’ a fair charge against many of the papers. Others, like *al-Dostor*, were respected for the quality and bravery of their political coverage which offered information and analyses not available in other Egyptian newspapers. Some estimate that the circulation *al-Dostor* reached levels similar to that of the largest state-owned papers between 1996 and 1998 (Rugh, 2004: 127).

The state sought significant expansions to the legal restrictions facing journalists to curb the criticism coming from these new outlets. Two laws passed in the mid-1990s increased the punishments for journalists who published false or libelous information

(Abdel Fatah, 2009: 56-57; Kienle, 2001: 98-101). Additionally, the Ministry of Information regularly intervened to prevent the circulation of the Cypriot papers within Egypt. More than 100 publications were banned by 1998. Later that year the Higher Press Council revoked the right of these papers to be considered foreign under the law, formally closing the legal loophole they originally exploited (Amer, 2006: 51-52; Kienle, 2001: 105-106).

Throughout this period the new cadre of affluent businessmen, which emerged thanks to the SAP, built and expanded their economic empires. Many also sought to enter politics. By the end of this decade allies of Mubarak's son Gamal, who returned to Egypt in 1998 after years working in the financial industry in London, benefitted from the first privatizations of state industries, even as unemployment reached 20% (Brownlee, 2012: 66). These entrepreneurs exploited their relationship with the president's son to expand their business empires and political power. These individuals joined the ruling party and ran for seats in parliament. In the 2000 parliamentary elections the businessmen captured 50 seats, bringing the percentage of seats they controlled from 12 to 17 percent (Soliman, 2011: 145-146; Brownlee, 2007: 135, 145).

Then, in 2003, a number of Egypt's wealthiest businessmen founded *al-Masry al-Youm* (*The Egyptian Today*). This paper was one of the first privately-owned papers to obtain a license to publish daily. *Al-Masry al-Youm*, thanks in part to its considerable coverage of the violence and other irregularities surrounding the 2005 parliamentary elections, quickly became the most read privately-owned paper. Its circulation rates in the mid-2000s rivaled the readership of the leading state-owned and political party-

owned newspapers (Amer, 2006: 91). In 2004 and 2005 other businessmen obtained licenses and markedly expanded the number of privately-owned daily and weekly publications available on Egyptian newsstands.

The introduction of these papers and the content they provided triggered an increase in freedom of the press in Egypt. The Freedom House scores for freedom of the press (see chart below) rose more than 15% between 2003 and 2005, when these newspapers were introduced.

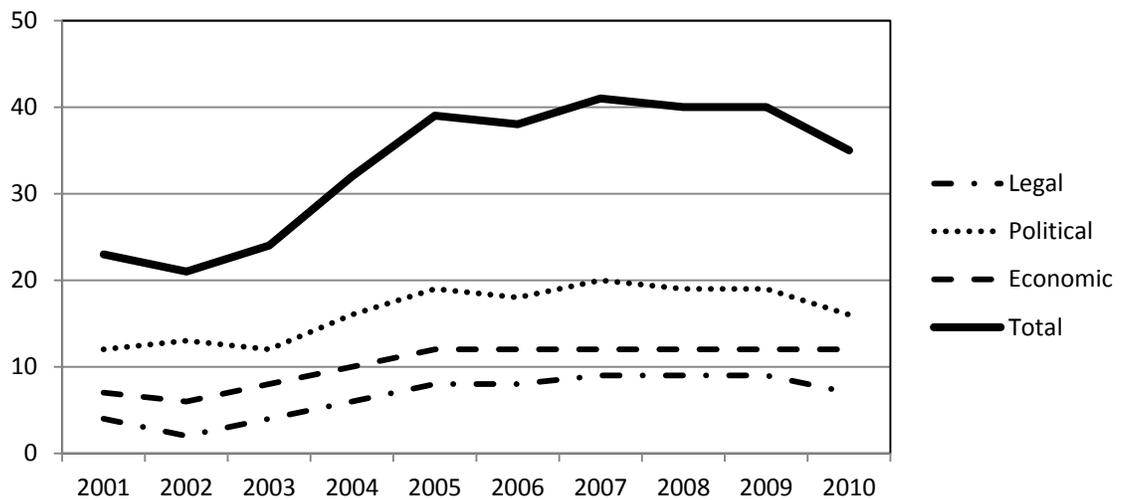


Figure 1: Freedom House: Freedom of the Press Index

In the above chart the scores produced by Freedom House are reversed for the ease of interpretation; a score 100 indicates complete freedom of the press. Within the 100-point index, Freedom House assigns category labels, under the reversed scale a score of 0-39 is considered “not free,” 40-69 is “partly free” and 70 and above are “free.” The Freedom House index is comprised of three components: the legal and regulatory environment (30 points) and the economic environment (30 points) and the political environment (40 points), which includes a range of factors from states’ use of repression against journalists to the prevalence of self-censorship.

This increase was partially driven by the new permissiveness in the legal and regulatory environment, as reflected in the increase in the number of license applications that were granted. Similar improvements in freedom are also seen in the economic and political environment in which newspapers are embedded. Despite the entry of the economically powerful into the newspaper industry, Freedom House reports that overall economic restraints on the press fell in this period. Additionally, state efforts to curb journalists' activities through punishment, direct censorship and more subtle attempts to encourage self-censorship fell in this period. As reflected in the increase Freedom House recorded in the political environment, Egyptian journalists found themselves with more freedom to publish, freedom to practice and freedom from punishment in the mid-2000s.

LITERATURE REVIEW

Scholars of comparative politics no longer rely on simple, dichotomous categories of regime-type: democracy and dictatorship. Instead, studies of democracy and autocracy “with adjectives,” to borrow the title of David Collier and Steven Levitsky’s much-cited article (1997), continue to expand our knowledge about the political world. Research into the ways in which economic structures and political institutions, including elections and political parties, vary among autocracies expands our understanding of such regimes. Other variations in phenomena thought to enable free and fair elections in democratic context, such as the free flow of information or the strength of civil society, are only just

beginning to gain attention in the academy. The level of freedom enjoyed by the press in autocracies, the subject of this dissertation, is one area that deserves more attention.

Lack of nuance in study of press & regime type

When thinking about the relationship between democracy and freedom of the press, authors often elide the nuances that are now prominent in studies of regime type. The assumption that these normatively desirable phenomena of democracy and press freedom coincide is often present. Some works conceptualize media as the “fourth estate” and suggest that the media provide a retrospective check on the power wielded by the executive, legislative and judicial branches, both during and between election cycles (Schudson, 2002). Works that focus on the role of media in the public sphere, a term popularized by the translation of Jürgen Habermas’ seminal text (1989), elaborate upon his thesis: discourse fostered by media, unfettered by political or economic powers, is a key protector of democratic processes.

We also find the opposite assumption embedded in the media and social science: Autocrats must ensure a tight hold on the information shared by the media in order to maintain control over their citizens. Pundits who label the uprisings collectively known as the ‘Arab Spring’ or the 2009 post-election protests in Iran “Twitter” or “Facebook” Revolutions reinforce this assumption. Such appellations imply that autocrats are sufficiently powerful to prevent people from organizing successful protests until gifted with technologies that they can use to circumvent government control over the media

environment. An explosion of scholarly works, which explore the dynamics new media technologies create in autocracies (e.g.: George, 2006; Lynch, 2006; Eickelman and Anderson, 1999), further strengthen the assumption that traditional media in autocracies are strictly and uniformly monitored and controlled.

Democracies, on average, provide more freedom of the press than their autocratic counterparts. The above perceptions of media in authoritarianism, however, obscure marked variation in the freedom with which information is collected, covered and circulated by the press across regime type. This is particularly true of authoritarian regimes where the degree of freedom enjoyed by the media varies widely. In the remainder of this section I explore the literatures on elections in autocracies and economic liberalization policies. While early works about regime type and economic liberalization suffered from broad generalizations, the nuances that developed provide lessons which can be used to better understand the determinants of press freedom in non-democracies.

Drawing insights from the literature on elections in autocracies

Despite the continuation of the dichotomous view of press freedom with respect to regime type in much of academic literature and popular discourse, levels of press freedom range widely in democracies and even more widely in autocracies (Egorov, et al., 2009). Similarly, the degree of competition permitted in elections varies within autocracies (Levitsky and Way, 2010; Diamond, 2002). Research into the role of

elections in autocracies can shed light on the reasons some autocrats choose to expand press freedoms.

Like the literature that expects unfettered access to the Internet creates space for organizing protests against autocratic regimes, work on democratization in the early post-Soviet era often included an implicit teleology. Liberalizations in the form of multiparty elections or expansions in civil liberties, including freedom of the press, signaled that a state had stepped onto the “conveyor belt” toward democracy. Social science stepped away from this assumption. Some empirical research shows that elections under authoritarianism may enable significant steps toward democracy (Howard and Roessler, 2006; Lindberg, 2006). Other work demonstrates that elections in non-democracies often strengthen autocrats’ hold on power (Gandhi and Przeworski, 2007).

The debate about the benefits autocrats derive from elections is diverse. Some see elections as the key to managing regime members and controlling opposition. Elections under authoritarianism may reward elites within the ruling coalition by ensuring them opportunity to participate in the policy process (Magaloni, 2006) or distributing financial incentives to them (Blaydes, 2011: 48-63; Lust-Okar, 2006). Alternatively, elections may provide an opportunity for the autocrat to co-opt opposition trends broadly (Gandhi, 2008; Gandhi and Przeworski, 2006) or those opposition parties permitted to participate in elections (Lust-Okar, 2006).

Other schools of thought argue that elections may allow autocrats to send and receive information, as well as develop their internal and international legitimacy. Information may be sent about the futility of resisting a regime strong enough to ‘win’

overwhelming percentages of votes cast. This message may be intended for elites (Simpser, 2013) or the populace more generally (Wedeen, 2003). Conversely, elections may serve as a way for autocrats to gain information about the loyalty and performance of ruling party members and other officials (Blaydes, 2011; Malesky and Schuler, 2011). Further, information about the voting populace can be learned from the results, allowing areas where opposition groups have strong followings to be targeted for punishment (Gandhi and Lust-Okar, 2009). Finally, in autocracies the appearance of participation and competition that come from elections may enhance the legitimacy of a regime among its people (Schedler, 2006) and interested foreign parties (Schatz, 2006, 2009), despite the effective absence of these qualities.

Much like elections, freedom of the press may provide various benefits to autocrats. Early work in this area has looked at the role media play as tools for information gathering and legitimacy building. The media may function as a mechanism by which autocrats gather information on the performance of bureaucrats (Egorov, et al., 2009). More broadly, despite autocrats' desires to curtail the spread of negative information, they need information about the grievances of the population (Wintrobe, 1998). Increasing freedom of the press may ease the transmission of this information. Alternatively, some regimes may choose to increase the freedoms enjoyed by the press to enhance the governments' legitimacy; the Brazilian government in the 1970s is one example (Stein, 2013). Once such liberalizations are made governments may find they cannot curtail freedom of the media without sacrificing some popular legitimacy (Schatz, 2009). The legitimacy derived from freedom of the press, however, may be attainable

through the appearance of freedom, such as the stylistic presentation of information, without notable expansions in published content (Stockmann, 2013).

Elections in autocracies are one form of political liberalization and the broadening of press freedoms is another. Social science has further sought to explore the reasons governments introduce liberalizations, generally. Much of this work is based in works that explore the links between corresponding changes in the economic and political spheres.

Drawing insights from the literature on economic liberalization

Social science has long considered the interrelationship of political and economic systems. Scholars have long sought to explain political changes by examining changes in economic conditions. Many consider political power inherent in control over wealth and seek to determine the political shifts that occur when there is a change in the segment of society that controls considerable wealth. Others explore the conditions under which the political might be insulated from the economically powerful.

Some studies define economic changes broadly and examine the relationship between economic structures, often with a focus on property rights, and political institutions (North, 1981; Brennan, 1976; Moore, 1966). Various authors, most famously Marx, focus on the ways in which economic disparities between social classes produce tensions in the political arena. Recent efforts in this area focus on how economic structures and class relations, including wealth distribution, capital mobility and the

threat of political instability, provide the opportunities for transitions to democracy (Acemoglu & Robinson, 2009; Boix, 2003; Bellin, 2000). Others argue that exogenous changes to population and technology drive economic changes, which by extension alter political structures (North, 1981; Polanyi, 1944).

In the later decades of the last century considerable attention was given to the relationship between economic liberalizations, such as privatization of state-owned industries, and democratization. Social science was examining to the efforts of the International Monetary Fund and the World Bank, among others, to promote economic liberalization policies in the developing world, especially the post-Soviet states. It was widely thought that the introduction of economic liberalizations would produce political liberalizations and eventually lead to a complete transition to democracy (Bueno de Mesquita and Downs, 2005). In other words, if the international community could get authoritarian countries to implement economic liberalizations, they would board the 'conveyor belt' of democracy.

The resulting literature sought to link regime type and economic policy, rather than looking at the intermediate stage, yet this work was quickly challenged. Geddes (1994), for example, points out that it is not just newly democratized countries that commonly enact such policy reforms, but countries that have seen regime change more generally. Simmons and Elkins (2004) argue that policy diffusion can be traced to success and proximity more strongly than regime type. These results suggest that the spread of neo-liberal economic policies need not be traced simply to the spike in the number of democracies in the post-Soviet era.

This debate still fails to examine the intermediate step of political liberalization. It does not ask if economic liberalization produces some political changes that are often associated with democratic governance, without signaling a full transition toward democracy. Political liberalization can include a wide-range of changes. O'Donnell, in his study of bureaucratic authoritarianism, states that political:

Liberalization consists of measures which, although entailing a significant opening of the previous bureaucratic authoritarian regime (such as effective judicial guarantees of some individual rights or introduction of parliamentary forms not based on free electoral competition), remain short of what could be called democracy (1979: 8).

An increase in the space allowed for criticism of the government in the public sphere, generally, and the press more specifically, is one form of such political liberalization.

Some who explore freedom of the press suggests that private money is tied to freedom of the press. During the 1880s in the United States a rise in advertising revenues increased newspaper independence and reduced overt newspaper affiliation with political parties. High advertising revenues, however, do not completely counterbalance the intrusion of political interests into the newsrooms; county seats – the sites of local party power – continued to have fewer independent papers and in presidential election years, fewer newspapers split from a party to become independent (Petrova, 2011). Similarly, Djankov and his co-authors (2003), in a study of media freedom from 97 countries for 1999, find some evidence that state ownership of newspapers, television and radio stations leads to lower levels of media freedom. This relationship is strongest when the likelihood that journalists will face jail time is the metric of press freedom.

The literature, however, is not conclusive. In the 1970s China was among the first large authoritarian states to experiment with the inclusion of private investment in newspapers. The nature of the one-party state in China and the particulars of the media market prevented privately-owned newspapers from significantly expanding the content of the public sphere. At the same time, the introduction of new outlets increased the public's trust in the messages newspapers provided and contributed to authoritarian resilience (Stockmann, 2013; Zhao, 2008). Concerns have also been raised about the power of wealthy corporations to curtail the diversity of voices available in developing democracies (Graber, 2003; Herman and Chomsky, 1988).

Like elections, autocrats can introduce private media, providing sexier headlines, to create the impression of freedom and even the potential for democracy. The introduction of private monies into the media can, but does not by definition lead to more freedom. In the next section I argue that when economic reforms, like the neo-liberal reforms of the latter half of the last century, create a class of entrepreneurs who become politically influential, private media expand freedom of the press in autocracies.

THEORY

As previously mentioned, the rise in the percentage of media outlets that are privately owned in autocracies coincides with the implementation of neoliberal economic policies. Neoliberal economic reforms often change the ways in which wealth is distributed within society; these changes may shift the coalition supporting the

government away from labor and toward the newly affluent segment of society that emerges as a result of the reforms. When the beneficiaries of neoliberal economic policies join the political process and successfully expand the newspaper industry, freedom of the press increases.

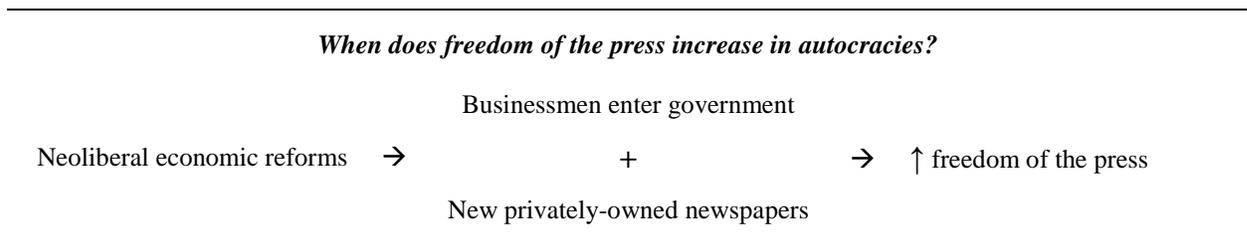


Figure 2: When does freedom of the press increase in autocracies?

Privatization of state-owned enterprises is one of the pillars of neoliberal economic reforms heralded by the international community in the 1980s and 1990s. Individuals in privileged political positions at the time of privatization often reap financial benefits from privatization (Walder, 2003; Hellman, 1998). Others who take up ownership of former state-owned commercial and industrial firms enjoy close relationships with the politically powerful.

The new class of affluent entrepreneurs has much to gain from entering the newspaper industry in addition to the other sectors in which they invested. The commercialization of newspapers often increases trust in the content and, therefore, increases their circulation (Stockmann, 2013). Investors are, of course, interested in the opportunity to sell newspapers in a market where the existing newspapers are

underperforming.² Additionally, higher circulation rates, in comparison to state-owned newspapers, makes their privately-owned competitors better platforms for advertising products of other industries where the newly wealthy hold sway.

Existing institutions, however, are slow to change. Newspapers that push the boundaries of existing public discourse meet with resistance from institutions tasked with monitoring the press. These institutions thereby curtail increases in press freedom. Bureaucrats at such institutions are programmed to fear the free flow of information and the threat from below that might precipitate (Egorov, et al., 2009; Wintrobe, 1998). Freedom of the press, then, does not increase unless the new class of entrepreneurs enters the political field.

When economic elites choose to enter politics following neoliberal economic reforms they seek to deepen and strengthen their economic and political power. The benefits that business owners secure when they serve as members of parliament or high ranking officials in the ruling party often include the faster issuance of various government permits and smoother relationships with banks, especially access to loans (Blaydes, 2011). Political positions ease entrepreneurs through the process of licensing and registering newspapers, as such offices help these individuals obtain permits for various industrial and commercial activities. Additionally, the access to loans improves their ability to finance new ventures across sectors, including the media.

² Usually state-owned newspapers are not sold off to private investors, but instead permission is granted for entrepreneurs to establish new privately-owned newspapers alongside existing official outlets.

The ease in creating new outlets also extends to oversight and restrictions of companies after they are established. Rather than lax oversight of safety regulations that politically powerful industrialists enjoy, newspaper owners that hold political positions find bureaucrats are less willing to censure their publications. In some countries, including Egypt, parliamentarians are immune from prosecution. Immunity from criminal prosecution provides the owner of a paper with some cover, and enables him to loosen the leash of journalists more than occurs at state-owned newspapers. The loosening of oversight and the reluctance to punish those in politically powerful positions creates space for businessmen to leverage their investments. These newspapers become fora to attack their economic and political enemies and to defend their interests. In so doing, these businessmen provide the editorial staff and reporters at their newspapers the freedom to push the established bounds of content found in newspapers.

CONCLUSION

This dissertation argues that neoliberal economic policies allow economic elites to capture some state power in autocracies. As part of expanding their business empires, these new party-members and parliamentarians enter into the newspaper industry. From this position of political security, businessmen provide the space for their new privately-owned papers to expand content to sell more papers, have more readers see advertisements for the products of their other business ventures and to attack political and economic enemies.

In doing so my work contributes to various strands of research in political science. Debates over the role of money in the media continue across regime type. My dissertation adds to works that argue privatization of newspapers is not sufficient to produce increases in press freedom under authoritarianism. Instead, those who stand to benefit from the circulation of these papers must be participants in the political process to overcome the institutional checks on the freedom of the press.

Additionally, while considerable research has explored the relationship between economic liberalizations and regime type, less work has been done to explore when economic liberalizations might enable an expansion of the political sphere. This dissertation provides an opportunity to examine the relationship between economic and political liberalizations. The role of private capital in the media sphere lets us consider the ways in which the two do work together. The role businessmen play in expanding freedom of the press through their role in government has broader implications for when and what types of political liberalizations we might expect autocracies to introduce in the wake of economic reforms.

Further, this dissertation contributes to understandings about the ways in which authoritarian governments manage the societal groups within the ruling coalition and outside of it. As with variations in the competitiveness of elections and the role of ruling parties, tracing the causes of variation in press freedom will further illuminate our understanding of relationships between the powerful in autocracies. Alternatively, studies of the media provide insight into individuals' day-to-day perceptions of their governments. In authoritarian contexts and developing countries where surveys are often

difficult to conduct or unreliable, media often serve as a lens for the information available to citizens and the views they might develop in response.

This dissertation is based on seven months of research in Cairo, Egypt. While there I collected a wide variety of materials, including a considerable number of newspapers. The coming chapters provide an in-depth discussion of the Egyptian case before turning to a discussion of parallel cases. Chapter 2 explores the history of the newspaper industry in Egypt and demonstrates that changes in the socio-economic structure, separate from those tied to the Washington Consensus of the 1980s and 1990s, can also impact the media environment. Then, in the 1990s the World Bank and the IMF helped the Egyptian government introduce a SAP; Chapter 3 considers the effects of these economic reforms. The SAP fostered the growth of the economic elite, some of whom sought to print newspapers, but their efforts in this period met with stiff resistance from the government. The fourth chapter focuses on developments in the 21st century; by 2000 the newly expanded class of entrepreneurs was an important segment of the ruling party, holding high-level positions in the parliament and the party. Their politically powerful positions fostered the emergence of a new wave of privately-owned newspapers. These papers, as part of the business empires of politicians benefitted from lower levels of regulatory oversight and expanded the borders of press freedom in Egypt. Chapter 5 considers shadow cases: Morocco, Tunisia and Syria. The concluding sixth chapter considers the implications of this dissertation for political science research on media and authoritarianism. It also offers some thoughts on the developments known as the ‘Arab

Spring' and the implications these changes have for the role of media in the Middle East and North Africa.

Chapter 2: Historical Context

This dissertation asserts that the dual trends of neoliberal economic reform and privatization of the media produce the conditions under which autocrats may expand the freedom of the press. This chapter argues that relationship between the government and the business class, broadly defined, can influence press freedom. When the government expands the power of the business class, it does so to cement its own hold on power. As a disparate group, the business class can best offer such support if it is organized and provided a platform to voice this support.

Through the presidency of Anwar Sadat, this chapter demonstrates that the connection between the state and the business class contributed to the introduction of pluralism in 1970s Egypt. Sadat was not the popular choice to replace Nasser as president, but he did have considerable support from the nascent capitalist class. He sought to elevate his supporters through two key domestic policy changes. *Infitah* (economic opening) expanded the opportunities for these individuals to found commercial enterprises and increase their wealth. Sadat also legalized political parties and allowed them to publish newspapers. The expansion of pluralism in Egypt was not driven by the business class, but rather brought their voices in the public sphere and reduced the monopoly previously held by those who supported other factions within the ruling party. The systemic approach Sadat implemented to affect these changes had wide-reaching results that expanded the variety and content of newspapers available in Egypt.

This chapter serves a second function; it provides historical context. The history of media in Egypt is dynamic. During Mubarak's presidency, those who sought to expand press freedom in Egypt reference the vibrant newspaper culture of the early 20th century. The Diab family, for example, invokes the memory of their grandfather's publication to legitimize their investment in *al-Masry al-Youm*, the most widely circulating privately-owned newspaper of the 2000s.³

HISTORY OF THE EGYPTIAN PRESS

The Egyptian press dates to the late 18th century and it contributed to an active public sphere in the early 20th century. Napoleon Bonaparte introduced the first printing press to Egypt during his brief rule. From 1798 to 1801 his administration established *Courrier de l'Egypte (The Egyptian Mail)*, in French and *al-Hawwadith al-Youmiyya (The Daily News)* in Arabic. Mohammad 'Ali, the Ottoman soldier responsible for ejecting Napoleon from Egypt, replaced these papers with a *al-Waqaa'a al-Misriyya (The Egyptian Gazette)*⁴, which served as the voice of his administration (Amer, 2006: 3, 18-19, 32-33; Nasser, 1979: 3).

The Egyptian newspaper market expanded in the second half of the 19th century. Notably, the Takla brothers founded *Al- Ahram (The Pyramids)* in 1875. It is now the

³ See the blurb about Saleh Diab on the website of the umbrella company for the family's diverse industrial and commercial ventures: <http://picocompanies.com/management-team/our-people>.

⁴ Translation from entry for "waw – qaaf – `ayyn" in: Hans Wehr, *A Dictionary of Modern Written Arabic*, edited by J. Milton Cowen, 3rd edition (Ithaca, NY: Spoken Language Services, Inc., 1977).

oldest newspaper that continues to be published in Egypt. By the turn of the century other prominent families and political parties, including the liberal Wafd Party and the Society of Muslim Brothers, began publishing newspapers. Most privately-owned newspapers in this era took nationalistic positions and voiced strong opposition to the British colonial presence. The anti-British sentiment reached a head in 1919 when Egyptians revolted against the colonial power. In 1923 the British reduced their presence in Egypt and the Constitution of that year ostensibly returned power to the Egyptian monarchy. The political party newspapers remained active, but these changes quieted much of the criticism (Amer, 2006: 32-34; Vitalis, 1995: 52, 71, 95; Tignor, 1982: 31; Nasser, 1979: 4, 36).

In the 1940s, newspapers voiced the public's dissatisfaction with the Egyptian monarchy. In an attempt to curtail this criticism the government closed a number of newspapers, particularly those advocating leftist reforms. Many publications, however, managed to continue publishing and enjoyed increased circulation (Gordon, 1992: 28; Tignor, 1982: 28-29; Nasser, 1979: 37). In 1952, a group of army officers removed the unloved monarchy in a widely popular coup.

THE FREE OFFICERS' REVOLUTION: A CRITICAL JUNCTURE

The 1952 'Free Officers' Revolution,' led by Gamal Abdel Nasser, ousted the monarchy and the British colonial presence. This political change precipitated deep

shifts in the socio-economic strata from which the state derived its power. The new regime also expanded the role of the state in the media sphere following the coup.

Nasser and the Economy

The Free Officers Revolution is often credited with upending society through wide-spread land reforms and nationalization of industry. The economic and political power of the landowners was significantly reduced, even if the regime did not ruin destroy the rural elites as quickly or thoroughly as is often presented. The government did enact reforms that created space for the rise of a “state elite” and a second tier of bureaucrats that supported the new patterns of political power.

The army officers who overthrew the Egyptian monarchy in 1952 did not identify as either socialist or revolutionaries in the first six months of their leadership (Cook, 2011:79; Gordon, 1992: 77; Dessouki, 1982: 58-59). The early focus was on a rather loosely defined understanding of “social justice” and the ejection of European powers from the country. In 1956 Nasser accomplishing the latter goal when he nationalized the Suez Canal and all other property belonging to the British and French, (Gillespie, 1984: 42).

Additionally, the Officers sought to redistribute land ownership in pursuit of social justice. In September of 1952, just months after the coup, the officers enacted the first in a series of land reforms. The redistribution of land from the landlords to the farmers who worked the land temporarily reduced income inequality in rural Egypt. More notably the reforms significantly reduced the economic power base of many of the

landowning elite that previously supported the monarchy (Soliman, 1998: 11; Abdel-Khalek and Tignor, 1982: 4; Dessouki, 1982: 58-59; 66-67).

The Free Officers restructured the state and a new kind of elite emerged as a result. The “state elites,” those who held high ranking posts in the military and bureaucracy, were able to amass significant wealth due to their control over various parts of the state. The black market of imported goods and the need for licenses for businesses, real estate deals and various other activities linked the new elites to one another, as well as to the remaining old elites (Gillespie, 1984: 48; Dessouki, 1982: 69; El-Issawy, 1982: 111; Abdel-Fadil, 1980: 67-69).

The new regime fostered the emergence of an additional key segment of society; the professional class. This class of bureaucrats grew considerably in this era because Nasser fulfilled the Free Officers promise of social justice, in part, by expanding Egyptians opportunities for education, particularly at the university level. Further, his administration guaranteed college graduates employment in the public sector, which included the primary and secondary school systems (Wickham, 2002: 27).

The new class of educated professionals, in addition to secure job prospects, owed loyalty to the state because of the benefits it distributed through professional associations, known as syndicates. The law mandated that the vast majority of college graduates join the professional association relevant to their degree. Prior to implementing this policy, Nasser ousted the leaders of syndicates that pre-dated the Free Officers Revolution and required the leadership of the syndicates to be members of the ruling party (Moore, 1974: 211). The growth in the syndicates, reached as high as 150% to 200% in the scientific

disciplines and, in absolute numbers, more than half of new syndicate members joined the Teacher's Syndicate (Abdel-Fadil, 1989: 95-99; Bianchi, 1989: 92-95).

In these ways Nasser reined in the power of the landowning elites that supported the monarchy and shifted the locus of support for the state to the state elite and the professional class.

Nasser and the press

In addition to the economic reforms that restructured the socio-economic structures supporting the state, the new regime sought to control the politics and information in the public sphere. The initial popularity of the coup spurred generally popular coverage of the Free Officers in the early part of their administration of Egypt. However, the Officers threatened to close newspapers that criticized the new government. In the case of *al-Ghad (Tomorrow)*, a publication espousing a communist ideology, they unsuccessfully tried to follow through on this threat (Gordon, 1992: 63-64, 95). In December of 1953, the new government added its own voice to the mix; it established a newspaper called *al-Jumhuriyya (The Republic)* to present its positions and ideas to the country (Saallam, 1980: 171; Nasser, 1979: 11).

Once Nasser was secure in the presidency, the new government instituted a more thorough approach to controlling the press. In 1960 the "Press Organization Law" (Law 156/1960) nationalized the press. The ruling party, then the National Union and rebranded the Arab Socialist Union (ASU) in 1962, took ownership of all existing printing houses and their newspapers. The ASU was further charged with approving any

new publications (El-Bendary, 2010: 10-11; Al-Amin Abu Hagar, 2007:114; Amer, 2006: 20-21; Waterbury, 1983: 345-346).

Nationalization increased the power of the state over the content of formerly privately-owned newspapers known for their criticism of the government. *Al-Ahram*, originally founded by the Takla brothers eighty years earlier, quickly replaced *al-Jumhuriyya* as the main voice of the state. The close relationship Nasser enjoyed with the editor in chief of this newspaper, Mohammad Hassenien Heikal, was such that many, including political scientists, used Heikal's weekly, full-page column as an indicator of Nasser's thinking (Amer, 2006: 21; Nasser, 1979: 42). Nationalization encouraged conformity across the newspapers and depressed readership. *Ruz al-Yusuf*, a liberal daily founded in 1925 and known for its coverage of political corruption, saw its weekly circulation fall from 80,000 to 22,000 following nationalization (El Attar, 1998: 11, 55).

INFITAH & PLURALISM: SADAT'S PATH TO POWER

Anwar Sadat was serving as Vice President when Nasser passed away in 1970. He was legally in line to take over the presidency, yet there was not widespread support for his ascension among many of the leading politicians of the time. In Samer Soliman's words, Sadat "represented the minority choice" for president (2006: 27). From this position he faced continuous challenges to his presidency, early on making headlines for dismissing the new Vice President Ali Sabri who was working to undermine and even unseat Sadat (Hinnebusch, 1988: 40-44; Waterbury, 1983: 350-351).

In order to solidify his position Sadat had to weaken his enemies, but also shore up his own base. His supporters were from the more capitalistic leaning elites, both within and outside of the party leadership. In creating space for competing opposition voices (in the political and public sphere) he was able to reduce the power of his key critics. In part, allowing some measure of pluralism reduced the percentage of their criticism in the public sphere. Additionally, the perception of pluralism gave him room to quiet those who were critical and powerful enough to pose a threat.

An embattled autocrat, like Sadat, needs to seek support from outside the existing state structures. Expanding the economic power of a collection of entrepreneurs begins the process, but this is not sufficient. Such an amorphous collection of business people requires organization and a platform if it is to provide political support for the top leadership. A political party provides a means of organizing a disparate group and a newspaper provides a platform for supportive voices to enter the public sphere in support of the current leadership.

Infitah: an economic opening

President Anwar Sadat, like his predecessor, is well-known for reorienting Egypt economically. In June of 1974, Law 43/1974, “Concerning the Investment of Arab and Foreign Funds and the Free Zones” was enacted. This was the key legal change that expanded the role for private capital in Egypt and opened the country’s economy toward the West.

The policy originally focused on attracting foreign investment to Egypt in order to expand industrial activities. Egyptians who held on to or amassed some capital during Nasser's redistribution efforts and state-directed import substitution programs, also participated in many new ventures. The 1977 amendment to this law sought to remedy barriers to foreign investment and also eased the restrictions on investments by Egyptians.

In her survey of new enterprises founded under these laws, Gillespie, learned that about one in five were founded by Egyptian investors without foreign partners or in cooperation with domestic state-owned enterprises. In the later years of the 1970s, the state approved more of the solely Egyptian-funded proposals and in doing so increased the profile and power of this wealthy class of Egyptians (Gillespie, 1984: 91-95).

The Egyptians involved in these new private and private-public ventures came from a variety of backgrounds. Some owned firms that relocated to other countries in the 1960s to avoid nationalizations in the era of Nasser, and under Sadat's policies chose to return. Many were new ventures funded by remittances sent home by Egyptians earning money abroad, especially in the oil-rich countries of the Arabian Peninsula (Gillespie, 1984: 118). Still others were high-ranking state officials and military personnel who, as a result of their roles had amassed money under Nasser (Abdullah, 1995).

Despite these differences, some generalizations can be made. Few existing privately held Egyptian companies invested in new firms. Instead the majority of domestic investments were made by individuals working together in groups of ten or fewer (Gillespie, 1984: 119). Most chose to invest in real estate projects and businesses

that imported foreign goods for re-sale. These commercial ventures offered entrepreneurs a relatively quick return on their investments in comparison to industrial projects (Soliman, 1998: 13-15). The quick path to wealth did little to expand Egypt's industrial sector or its economy generally, but it did increase the number of Egyptians who amassed wealth through commercial ventures.

Pluralism: parties and politics

After the start of *Infitah*, Sadat dissolved the ASU into three distinct platforms – right, left and center – to compete in 1976 parliamentary elections. The following year, these trends were allowed to incorporate as political parties under Law 40/1977. In addition to allowing the three trends to form political parties, this law legalized opposition parties if they could collect sufficient signatures. All recognized political parties, under Law 40, were entitled to publish two newspapers without the need to apply for a license (El-Bendary, 2010: 12-13; Al-Amin Abu Hagar, 2007: 117-119; Amer, 2006: 21; Waterbury, 1983: 354-366).

Such newspapers would theoretically benefit from the freedoms enshrined in the Constitution of 1971, which Sadat passed in the first years of his presidency. Article 47 provided for freedom of expression:

Freedom of opinion is guaranteed. Every individual has the right to express his opinion and disseminate it verbally, in writing, illustration, or by other means within the limits of the law. Self-criticism and constructive criticism is a guarantee for the safety of the national structure.⁵

⁵ Articles 47 and 48 are from the official English language version of the 1971 Constitution, as published by the Egyptian State Information Service.

Article 48 guaranteed freedom of the press and the media generally, yet provided significant legal space for the state to censor the media:

Freedom of the press, printing, publication and mass media shall be guaranteed. Censorship on newspapers is forbidden. Warning, suspension or abolition of newspapers by administrative means are prohibited. However, in case of declared state of emergency or in time of war, limited censorship may be imposed on newspapers, publications and mass media in matters related to public safety or for purposes of national security in accordance with the law.

The October 1973 war with Israel justified the Egyptian government's continued censorship of the media. After the war Sadat lifted censorship and removed censors from their offices in newspaper headquarters (Rugh, 2004: 152; El Attar, 1998: 67).

Sadat supported the centrist platform. This platform, called the Social Democrats in 1976 elections, won a majority of the seats in parliament. In 1978, when Sadat decided to lead the party personally it was renamed the National Democratic Party (NDP), which served as the ruling party until February of 2011 (Hinnebusch, 1988: 158-167; Waterbury, 1983: 366-370). The existing state-owned newspapers, particularly *al-Ahram* and *al-Jumhureya*, served as the main voices for the state, and thus the ruling party.

The rightist platform, oriented toward capitalistic economic policies, established *al-Ahrar* Party (The Liberal Party) which issued two different newspapers. The party began publishing its first paper, *Jaridat Misr (Journal of Egypt)*, in mid-1977. Later that year the party put out the first issue of its flagship paper, *al-Ahrar*, which came out weekly, on Mondays. The circulation rates of this paper are reported to have reached 200,000 issues per week. While this party was officially the voice of the right, in practice

it was generally supportive of the government, especially the reorientation of the economy (Kandil, 1992: 38-40; Nasser, 1979: 21-22).

Al-Tagammu' al-Watani al-Taquadumi al-Wahdawi Party (*The National Progressive Union*), commonly referred to as Tagammu', emerged from the leftist platform of the ASU. This is the platform that Sadat's detractors and critics of *infitah* joined. The party launched a weekly newspaper called *al-Ahaali (The People)* that was known for its willingness to criticize the government. The paper was critical of the relationship between Osman Ahmed Osman, the owner of The Arab Contractors, one of the largest contracting companies in the Arab world, and the government. *Al-Ahaali*, like many voices from across the spectrum, was also very critical of Sadat over the Camp David Accords. Perhaps because of its willingness to criticize the government, the paper was able to more than double its circulation from its original run of 50,000 issues a week in about six months, (Kandil, 1992: 39; Heikal, 1983: 203-204; Nasser, 1979: 22-23).

The paper's criticism, however, quickly drew the attention of the government. Heikal asserts that when Sadat got fed up with this criticism he had the public prosecutor bring up a charge against *al-Ahaali* each week in front of a judge that was a former employee of Arab Contracts. Each week the judge would find fault with the paper, and prevent it from reaching newsstands. Legally, papers that failed to appear regularly could have their license revoked. After the judge pulled enough editions of *al-Ahaali*, the government revoked the newspaper's license (Kandil, 1992: 39; Heikal, 1983: 203-204; Nasser, 1979: 22-23).

The New Wafd Party is the first opposition party to form under Law 40/1977. A considerable number of candidates ran for parliament in 1976 as independents. Following the election twenty newly elected independent members of Parliament worked together to form the New Wafd Party, which gained official recognition in February 1978 (Gillespie, 1984: 139; State Information Service). The party was critical of Sadat and his policies from the outset. Sadat removed the party's first president and replaced him with friendly leadership, which owed its wealth to Sadat's economic opening. Despite the party's recognition in the late 1970s, it was not until 1984 that it won permission to publish an eponymous newspaper, *al-Wafd* (Kandil, 1992: 38-40; Gillespie, 1984: 139; Heikal, 1983: 201-203).

The other opposition party that formed legally in this period was *al-Amal* Party, (the Labor Party). Unlike the New Wafd, they didn't have enough members in parliament to petition for legal recognition as an opposition party. Sadat intervened, and had some members of his centrist Social Democratic trend switch their support to the Labor Party so it would have sufficient members to meet the registration requirements for political parties (Heikal, 1983: 205-206). Some, unhappy with the party's loyalty to Sadat were in charge of the party's newspaper, called *al-Sha'ab* (*The People*), first published in 1979, which they used as a platform to criticize the president. In response, Sadat arrested the party leadership and key journalists writing for *al-Sha'ab* in 1981 to silence this criticism (Heikal, 1983: 205-206; Kandil, 1992: 39-40).

The government refused to recognize the Society of Muslim Brothers, an Islamist and nationalist party that formed in 1928, but did allow the organization to publish a

newspaper. *Al-Da'wa* (*The Call* [to Islam]) appeared from 1976 until 1981 when it was closed. At the time it was closed, the newspaper's circulation rates reportedly reached 100,000 (Wickham, 2002: 96).

The media sphere increased markedly during Sadat's presidency. In contrast to Nasser's presidency when censors held sway over the content of a few newspapers attached to the ruling party from desks in the publication's headquarters. The introduction of political parties and their newspapers inserted a wider variety of positions into newspapers.

SADAT'S LEGACY

Sadat was perhaps unprepared for the level of criticism that the pluralism he legalized brought to the public sphere. Sadat sought to stem this unfavorable commentary by imposing new legal and institutional controls on the press. These reforms, in addition to curtailing the activities of the press also created the basis upon which investors sought to found privately-owned newspapers during Mubarak's presidency.

In 1975 Sadat established the Higher Press Council. This regulatory body was officially part of the *Shura* Council, the upper house of parliament. The speaker of the *Shura* Council served as the Chair of the Higher Press Council (El-Bendary, 2010: 11-12;

Heikal, 1983: 208; Nasser, 1979: 18).⁶ The ownership of the official papers was transferred from the Arab Socialist Union (ASU), the ruling party, to the *Shura* Council which became the legal owner of these papers, including, of course, *al-Ahram*.

In 1980 the government expanded the set of legal entities entitled to own a newspaper. Law 148 of 1980, known as “The Press Authority Law” creates three categories of newspaper ownership. First, the above-mentioned Higher Press Council was affirmed as the legal owner of the state-owned newspapers. Second, public institutions, including ministries and companies, were provided the opportunity to publish newspapers. Finally, private institutions, including political parties, syndicates and unions, and joint stock companies were given the legal right to own newspapers. This was the first time since the 1952 Free Officers’ Revolution that private individuals, in the form of stock holders, were legally allowed to own a newspaper (Abu Haagar, 2007: 114-115; 120-121).

All stockholders were required to be Egyptian, but any one immediate family was allowed to own no more than 50% of the stock in these companies. Further such newspaper companies were required to have a minimum of 250,000 Egyptian pounds for daily publications and 100,000 Egyptian pounds for publications issued weekly in an Egyptian bank prior to the publication of their first issue. (Al-Amin Abu Hagar, 2007: 120-121).

⁶ The body is composed of nineteen members in total, many of whom are not members of the *Shura* Council. The Chairman of the Journalists Syndicate and the Minister of Information are among the members of the body.

While this law provided the basis for future expansions of press freedom, it simultaneously established considerable restrictions on the press. Thanks to this law the newly established Higher Press Council acquired considerable power over the press. As the owner of the state-owned press it gained the power to appoint the editors-in-chief of these newspapers, as well as the Chairs of their boards of directors. It was further awarded the power to determine their publication schedule throughout the year and determine how any revenues the paper accrued would be spent (Al-Amin Abu Hagar, 2007: 116).

Some members of the Higher Press Council were drawn from the press, but many were members of the upper house of parliament and government ministries charged with regulating the press. Thus, as Robert Bianchi writes, the law:

placed control of the press more firmly than ever in the hands of nonjournalists and diminished the syndicate's already marginal authority to the vanishing point (1989: 110-111).

These changes were complimented by Law 95 of 1980, called the "Law of Shame" which enabled the state to prosecute journalists and others for many forms of speech. The law, among other things, criminalized "publishing or broadcasting false, biased or sensationalized news, statements, or rumors" that might damage the "national interests of the country" (Article 3, Law 95/1980). In the months before Sadat was assassinated, the government largest round up of political opponents during his presidency and closed of a number of newspapers (Dunne, 2006: 4; Rugh, 2004: 155).

These legal changes were accompanied by crackdowns on the newspapers which did not go unnoticed by readers. The removal of critical and controversial editors,

columnists and others reduced readership. The removal of Mohammad Hassenien Heikal, the former confidant of President Nasser, as editor in chief of *al-Ahram* cost the newspaper an estimated third of its readers (Nasser, 1979: 114). Similarly, after *Ruz al-Yusuf* covered the 1977 Bread Riots, contrary to Sadat's specific request, a number of its journalists were arrested and more were fired. These changes led to increasing editorial caution and the paper's readership fell from 165,000 issues per week to only 8,000 in less than a year (El Attar, 1998: 73-75).

The appearance of pluralism, however, was maintained with the Wafd along with the parties that emerged and diverged from the regime party still present in Parliament. Mohammad Hassanein Heikal, said that Sadat's crackdown came enveloped in "a velvet glove, and this took the form of a measure of freedom for political parties to operate" (1983: 201).

CONCLUSION

This chapter has illustrated how Egyptian newspapers, since the introduction of the printing press through the presidencies of Nasser and Sadat, have faced state-imposed constraints. While these constraints have waxed and waned over time, when Sadat took office in 1970 they were at a particular high point: the ruling party owned all the country's newspapers and state-appointed censors managed what appeared in newspapers on a day-to-day basis.

Sadat sought to improve his newly gained hold on power by expanding the power of his supporters: the capitalists. To do this he first increased their economic holdings, cementing their loyalty. Then he reformed the political system to provide this disparate group with a clear institutional organization. He also provided them with a platform to voice their support. The political reforms that created the rightist and centrist political parties largely aligned behind Sadat, however, also enabled others to participate in a newly expanded media sphere.

Chapter 3: The Failed Experiment: Newspaper privatization and state push-back, the 1990s

This chapter demonstrates that the concurrent world-wide spread of neoliberal economic policies and privatization of media are not sufficient to increase press freedom. When the business class does not have a strong political presence in the government, media entrepreneurs lack the power to reduce the states' tight regulation of the press.

Scholars agree that a business class, newly enriched thanks to neo-liberal reforms, can make demands of the government, but they offer mixed insights into the results. For example, the authors of a key text on regional economic development argue that the neo-liberal economic reforms in the Middle East might produce a:

process of creeping accountability [that] may take place not through sudden and highly visible shifts toward formal democracy but, gradually, through legal reform and cumulative, reinforcing experiences (Richards & Waterbury, 2008: 409).

In this account, the development of a business class with a new power to make demands of the government is the origin of “creeping accountability.” Critics of this viewpoint, point to the benefits that accrue to the business class at the intermediary stage of reforms. The ‘J-curve’ literature argues that as a result of their newfound wealth the entrepreneurial class leverages the government to stall further reforms (see, for example: Hellman, 1998). This scenario leaves no space for increasing participation in politics (or economics) for other segments of society.

Egypt adopted a structural adjustment program with assistance from the International Monetary Fund and the World Bank in the early 1990s. The Egyptian entrepreneurial class grew as a result of these policies, particularly in the industrial

sector. In this period, however, few assumed positions in the government and the state stemmed the efforts of newspaper entrepreneurs to expand press freedom.

WAR, FOREIGN AID & STRUCTURAL ADJUSTMENT

Egypt's economic difficulties grew throughout the 1980s, due to a variety of shifts in the international political and economic environment. These changes forced the government to rethink its economic strategy. It promised to make neoliberal economic reforms in exchange for loans from the international community to improve the country's economic performance. Egypt implemented these reforms slowly and incompletely. As a result, foreign firms and former members of the government were the first to benefit from the early policy reforms. Few new players entered the business community or assumed an active role in the government during this period. These policies did not redistribute wealth or include economic elites in the formal political arena. Thus, the key independent variable leading to press freedom, even though the state introduced neoliberal reforms, is absent in this period.

As discussed in Chapter 2, Sadat introduced new economic policies, known as *infitah*, or economic opening. This shift in economic policies had important foreign policy implications; it was a key component of Egypt's reorientation toward the United States and Western Europe in the latter half of the Cold War. The Camp David Accords, in which Egypt became the first country to enter into an official peace treaty with Israel, cemented the United States' alliance with Egypt. As part of this shift away from the Soviet Union, Egypt found itself the recipient of increased amounts foreign aid from the United States.

The Egyptian economy (and its leaders) further benefitted from the monetary influxes that the spikes in oil prices produced in the 1970s. Egypt's petroleum production, although moderate in comparison to its neighbors, was non-trivial. Revenues from the sale of petroleum brought in as much as a third of the country's GDP from 1979 to 1981.⁷ Secondary revenues from this oil boom also bolstered Egypt's GDP. These revenues included remittances from Egyptians working in the Persian Gulf in the petroleum industry and related employment; personal remittances comprised an additional ten to twelve percent of GDP in the late 1970s and early 1980s.⁸ As a result of remittances, the Egyptian economy reaped the benefits of well-paid employment for many of its citizens, and the families they supported, without the need to expand the job market.

Economic struggles

These inputs from abroad offset problems in the domestic Egyptian economy. Infitah policies focused on the commercial sector, which created few new jobs. Mubarak recognized this policy and in public statements shifted the focus from commercial enterprises to industrial expansion, in both the public and private sectors. By the mid-1980s, when the external sources of revenue were reduced, the focus turned to supporting the private sector in particular (Soliman, 1998: 63).

The main shock occurred when oil prices plummeted in 1986, hurting petroleum-dependent economies around the region. The annual average price for a barrel of crude oil fell to \$14 in 1986, compared to a high of \$37 in 1981 (in nominal prices). In the year

⁷ "Oil rents (as % of GDP)" is a World Development Indicator. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

⁸ "Personal remittances, received (as a % of GDP)" is a World Development Indicator. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

of the crash, oil rents comprised less than ten percent of Egypt's GDP. It is estimated that more than half of the one million Egyptians working in the petroleum industry in the Persian Gulf returned home and overall personal remittances accounted for about seven percent of Egypt's GDP in 1986 (Pripstein Posusney, 1991). The Egyptian economy was unable to accommodate the rapid return of as many as half a million Egyptians who sought employment. The influx of these working age individuals, as well as rising rates of population growth, accentuated existing problems of unemployment and underemployment.⁹

Falling revenues from foreign aid compounded Egypt's loss of oil related revenues and the structural weaknesses present in the country's economy. Western aid to Egypt stagnated in the 1980s.¹⁰ The United States and other donors provided aid to buy loyalty from governments as a part of Cold War strategy. The fall of the Berlin Wall in 1989 prominently signaled the end of the Cold War and a key motivation for aid.

These factors precipitated a severe economic crisis in Egypt. Inflation of the Egyptian pound hovered around twenty percent from 1986 to 1991.¹¹ . In addition to these indicators, Egypt's GDP growth from the late 1980s into the early 1990s averaged about two and a half percent (Handy, et al., 1998: 1). Similarly, the OECD reported that the country's GNP growth from 1987 to 1989 was just under two percent, down from an annual average of five percent for the previous five-year period (Weiss & Wurzel, 1998: 22). Although these rates do indicate economic growth, the rates of growth were less

⁹ "Unemployment, total (% of total labor force) (national estimate)" is a World Development Indicator. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

¹⁰ One of the various metrics of foreign aid to Egypt is "Net official development assistance and official aid received (constant 2011 US\$)," a World Development Indicator. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

¹¹ "Inflation, consumer prices (annual %)," a World Development Indicator. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

than the rate of population growth (Handy, et al., 1998: 5). Thus in this era Egyptians experienced the economy as if it was in fact contracting.

Adopting economic reform

In light of these changing circumstances, the Egyptian government had little choice but to seek alternate paths to support the lagging economy. It did so by shifting its attention to the expansion of the private industrial sector, in the hopes of expanding employment opportunities quickly to meet the demands of urbanization and the return of workers from the Gulf (Soliman, 1998: 54-55). It first enacted a law that created the opportunity for more than 300 state-owned enterprises to privatize. Additionally, Mubarak's government, as advised by the International Monetary Fund (IMF) and the World Bank, adopted an Economic Reform and Structural Adjustment Program (ERSAP). Under this plan, the Egyptian government agreed to follow the advice of the international financial institutions and implement neoliberal economic reforms in exchange for donations, loans and debt reductions. The World Bank, in particular, guided Egypt's restructuring of some state-owned enterprises, its privatization of others and its liquidation of those that failed to turn a profit (Handy, et al., 1998: 1-2; Weiss & Wurzel, 1998: 22-25).

A key step in expanding the privately-owned industries was the "Public Sector Companies" Law 203 of 1991. The Egyptian government passed this legislation a few months prior to adopting ERSAP. The law established the process for the state to modify the ownership structure of state-owned industries. Under this law the state was able to sell part or all of state-owned industrial and commercial firms that fell under the purview of the law. Later laws expanded the types of state institutions that could be privatized.

The government first legalized the privatization of transportation hubs, including airports (Law 3 of 1997), ports and related maritime services (Law 1 of 1998). Later, state-owned banks (Law 155 of 1998) and insurance providers (Law 156 of 1998) were opened to privatization in consecutive laws.

Few state-owned enterprises privatized in the first years after the government enacted Law 203/1991, but by the middle of the decade the number of privatizations increased. The state sold a majority stake in 14 public firms on the stock market in each 1996 and 1997, or about ten percent of all state-owned enterprises eligible for privatization (*The Results and Impacts of Egypt's Privatization Program*, 2002). By the end of 1997, the state partially or fully privatized, liquidated or rented 84 different state-owned enterprises and earned over 10 billion Egyptian pounds from its efforts. The Egyptian government continued to sell and modify the ownership structures of state-owned enterprises at a similar pace into the early 2000s (*The Results and Impacts of Egypt's Privatization Program*, 2002; National Bank of Egypt, 2002; Weiss & Wurzel, 1998: Table 11, 221).

The international financial institutions largely considered the first decade of the Egyptian ERSAP to be a success. By the mid-1990s, privatizations of state-owned enterprises had made significant steps forward and they were expected to progress alongside new ventures spearheaded by Egyptian investors. Additionally, the international financial institutions noted the changes to tariffs and the reduction of debt as key signals of economic improvement in Egypt (Handy, et al., 1998; Operations Evaluation Department, 2001). Further, while inflation remained moderately high

through the mid-1990s it fell to below 4% per annum by the late 1990s (Handy, et al., 1998: 3).¹²

The African Development Bank (2001; 2000), was more critical than similar institutions. The bank's primary criticism was the Egyptian government's failure to reform the banking system. This meant credit remained difficult to access for small businesses and individuals. Additionally, overlapping regulations made it easy for political considerations to interfere with access to licenses and other permissions necessary to start businesses. The factors gave the government considerable control over which individuals were able to enter into and expand existing commercial and industrial endeavors.

During the first decade of ERSAP, the Egyptian government implemented economic reforms such that their power over economic and political structures remained firm. The state was slow to privatize, but when it did the main beneficiaries were former government officials rather than a new generation of entrepreneurs. The state encouraged investment mainly from foreign firms and impeded Egyptians' access to loans necessary to undertake similar projects. At the same time, plans to ease pain for the lower classes failed to have much effect. Thus, the state was vulnerable to the same threat from below it faced prior to the implementation of reforms.

THE CYPRUS LOOPHOLE: FOREIGN LICENSES, FREE-ECONOMIC ZONES AND PRIVATE NEWSPAPERS

The legal changes, implemented as part of ERSAP, created new business opportunities for investors in part, through the expansion of Free Zones. The Free Zones,

¹² "Inflation, consumer prices (annual %)" is a World Development Indicator.

which served as areas of production for various goods, were physically located within Egypt, but projects located within them were exempt from a variety of laws and regulations. The foreign papers that circulated in the country printed their editions for the local market in the Free Zones. By the late 1980s some Egyptian investors realized they could also take advantage of proximate, but less regulated, spaces to issue various publications. A variety of newspapers, Egyptian except for the country in which they incorporated, published from these free zones during the 1990s.

Law 230 of 1989 for the “Promulgation of Investment” expanded opportunities for investors to establish projects in the Free Zones in the 1970s and the two additional Free Zones created in the 1990s. The “Promulgation of the Investment” Law also exempted industrial and service projects in the Free Zones from various taxes, duties and other fees and a wide-variety of laws and regulations. Firms operating in the Free Zones could avoid considerable government oversight and import many materials without paying taxes. Finally, goods produced in Free Zones and sold in Egypt were exempt from the fixed prices imposed on goods produced and sold within the state. From 1989 to 1997, the number of projects in Free Zones increased by 128% from 257 to 589 (*Recommendations on Egypt’s Free Zones*, 2005).

These legal exemptions provided benefits to investors interested in founding newspapers to be sold in Egypt, as well as those interested in manufacturing or industrial projects. Inside Egypt, privately-owned newspapers made legal by Law 148 of 1980 as discussed in the previous chapter, established the Higher Press Council. This body managed the lengthy licensing process and monitored the publications to which the

organization granted licenses. The Higher Press Council decisions to grant, suspend and revoke licenses were arbitrary and politicized (Al-Amin Abu Hagar, 2007: 114-116).

Investors began taking advantage of the Free Zones as a way to avoid the many hurdles faced by newspapers that incorporated and published domestically. These investors incorporated publications abroad, mostly in Cyprus. Such publications are often referred to as the Cypriot press, yet they were Cypriot in name only. The reporters that worked for these publications were Egyptian. The companies that advertised in them were Egyptian or targeting their Egyptian consumers. The stories that ran in the publications focused on the politics, economics, sports, culture and other events and themes specific to Egypt. The papers were published in Arabic and tended to mix more of the Egyptian dialect in with the formal register of Arabic than seen in state-owned newspapers in Egypt (El-Bendary, 2010: 14; Amer, 2006: 87).¹³

Many of the publications issued from Cyprus were tabloid style publications. They sensationalized criminal and socially aberrant behavior, with a particular focus on sex. By the mid-1990s, at least thirty such publications circulated in Egypt (Napoli, 1998).¹⁴ The competition among newspapers to expand their circulation rates and revenues was fierce; unlike state-owned and political party newspapers, the Egyptian government did not provide any funds to these papers and they had to stay afloat on

¹³ Another way of circumventing the licensing regulations without foreign incorporation was “renting” one of the two papers that political parties were permitted. This benefitted both the investor who could thwart the Higher Press Council without needing any foreign presence and provided political parties with few capital resources the opportunity to add some funds to their party coffers (Amer, 2006: 120).

¹⁴ This is a conservative estimate. Various press reports place the number at closer to 200 publications. See for example: Hussein Sha’alaan and Haazim Mohammad, “Misr: al-saHaafa al-safraa’ tantahak ‘aadaab al-mihna” [“Egypt: The yellow press violates professional ethics”], *al-Wasat* [*The Center*], September 3, 1998, 18-19.

advertising revenues and sales. The fight for readers and increased sales drove the sensationalization of the newspapers' content (El-Bendary, 2010: 14; Amer, 2006: 51, 87-89, 119-120; Tallawi, 1998: 113).

Not all of these thirty or so publications, however, exhibited a complete disregard for the truth. Cyprus granted licenses to a number of newspapers that did not eschew sensationalism completely, but did push the boundaries of political discourse and the acceptable targets for criticism in this era.

The most widely respected newspaper incorporated in Cyprus was *al-Dostor* [*The Constitution*]. Essam Ismail Fahmy, son of Sadat's Foreign Minister during the Camp David negotiations, was the principle investor. Fahmy hired Ibrahim Eissa to serve as editor in chief of the new publication; Eissa had criticized the regime in the state-owned weekly *Ruz el-Yusuf* during the 1980s. *Al-Dostor* acquired a license from the Cypriot government in 1995 to issue a daily newspaper. It published from Cyprus from 1996 to 1998 and many consider it the most well-read of the Cypriot papers. Estimates of *al-Dostor's* circulation during this period vary widely; the newspaper likely enjoyed circulation rates similar to those of *al-Wafd*, the most popular opposition party newspaper, and some suspect its circulation reached numbers comparable to that of *al-Akhbar*, the second largest state-owned newspaper of the 1990s (Afifi, 2014; Amer, 2006: 28, 125; El-Ghitany, 2005; Coleman, 2001; Kienle, 2001: 105-106).¹⁵

¹⁵ El-Ghitany (2005), for example, suggests the circulation rates of *al-Dostor*, when published under its Cypriot license, reached 150,000 issues per week or near the lower estimates of *al-Wafd's* circulation in the 1990s. Rugh (2004) estimates *al-Dostor's* circulation was about that of *al-Akhbar*, reported at approximately 780,000 in the mid-1990s by Hafiz and Rogan (1996). Djankov and his co-authors (2003) report a similar circulation rather for *al-Akhbar* in 1999.

Al-Dostor built its reputation by taking on controversial topics and criticizing top level politicians and calling for democratization. The controversial newspaper further attracted readers because it employed colloquial language, particularly in headlines, and cartoons to share its perspective (Afifi, 2014). Eissa argued that, in the 1990s, his paper was a “unique [and] successful attempt at transforming a stagnant pond into a renewable, active one” (as quoted in El-Ghitany, 2005).

In 1998, *al-Dostor* pushed too far beyond the ‘red lines’ of acceptable content and the state banned the newspaper. *Al-Dostor* published a letter from *al-Jamaa’a al-Islamiyya* [The Islamic Group], an organization that was attacking Egyptian Christians and targeting tourists. In this document the Islamist organization threatened the lives of three prominent Coptic businessmen. The government banned the newspaper for fomenting sectarian tensions. It was six years before the Egyptian government stopped intervening to prevent Eissa’s return to journalism (Afify, 2014; Amer, 2006: 28, 125; El-Ghitany, 2005; Coleman, 2001; Kienle, 2001: 105-106; El-Attar, 1998: 113).

Cyprus also granted daily licenses to two other companies that produced newspapers that circulated relatively widely in Egypt: *Al-Nabaa al-Watani* [*The National Informer*] and *al-Midan* [*The Square*]. *Al-Nabaa al-Watani* was the first Egyptian newspaper to incorporate in Cyprus. Mamdouh Mahraam funded this newspaper and his sons served as editors. The Mahraam family published 311 issues under a daily Cypriot license. They enjoyed close ties to the Egyptian government and, following the 1996 law, acquired a weekly license to publish as an Egyptian paper from the Higher Press Council (Amer, 2006: 77-78).

Al-Midan first published under its Cypriot license in November of 1995. In the first years of his paper, Mahmoud al-Shanawi sought market share through a focus on sports reporting. To this end he hired ‘Alaa Saadiq, the editor of the sports section at *al-Akhbar* (one of the top three state-owned dailies) to served as editor-in-chief of *al-Midan*. The newspaper’s second editor-in-chief, Waheed Ghaazi, expanded the content of the paper. Under his guidance *al-Midan* became a more comprehensive newspaper covering political, economic and cultural topics, as well (Amer, 2006: 85-86).

The 1980s and 1990s saw an expansion in the number of newspapers and other publications on the stands in Egypt. In his seminal text on the 1990s in Egypt, Eberhard Kienle writes,

the number of newspapers and periodicals published in Egypt would seem to indicate a relative freedom of the press. However, many of these publications were controlled by the handful of public-sector press conglomerates, which, in turn, were controlled by the regime (2001: 99).

Number of publications is one part of the dependent variable in this study, but freedom of the press requires the opportunity for these publications to print differing opinions and to do so absent interference from the state. The following section explores the Egyptian government’s efforts to curtail the space for freedom of the press and punish those who overstepped the narrow and largely unwritten bounds of speech.

CRACKDOWN ON PRESS FREEDOM AND CIVIL SOCIETY

Scholars of Egypt often characterize the 1990s as the harshest period of Mubarak’s presidency (Kienle, 2001). The press was not exempt from the tightening grip

of the regime experienced by various other actors in human rights organizations and Islamist groups. The entry of *al-Dostor* and other publications incorporated abroad into the Egyptian media sphere might suggest that the early introduction of neoliberal reforms led to immediate improvements in press freedom. The opposite, however, is the case.

The state and violent groups engaged in a low-level civil war during this decade. *Al-Jamaa'a al-Islamiyya* (The Islamic Group) and Islamic Jihad were among the key groups engaged in violence with the state. These groups sought to enforce behavior their members saw as moral on Egyptian communities; the Islamic Group briefly took control of a lower-class neighborhood in Cairo, which it declared the "Islamic Republic of Imbaba." The state reacted harshly, with reports of forced disappearances, mass arrests, detentions without charge or conviction and military trials for civilians accused of violent and non-violent political crimes (Kienle, 2001; Bayat, 2007, especially 136-186; Meijer, 2009).

The Islamic Group and Islamic Jihad were the main targets of these efforts, but the state also used this conflict as cover to curtail activities of non-violent civil society groups. The state focused particular attention on the widely popular Muslim Brotherhood, an organization deriving its political platform from Islam, like the violent groups. Other opposition parties and NGOs that challenged state policies, regardless of their sympathies toward the role of Islam in politics, also suffered from the state's crackdown on opposition.

The state relied heavily upon extrajudicial actions to punish critics in this period. In the early and mid-1990s, domestic and international human rights organizations report unusually high numbers of detentions and executions, often outside the normal process of the judicial system. In 1993 and 1994 the Egyptian Organization for Human Rights counted more than fifty executions of civilians ordered by military courts, an additional

eighteen extrajudicial executions and nineteen forced disappearances. In 1994 alone, the organization worked on the cases of 190 individuals who remained in detention despite court orders for their release and estimated that 16,700 individuals were held in arbitrary detention that year (El-Borai, 1995). Amnesty International offered a more conservative estimate for the number of administrative detainees at the end of 1993. The international agency determined that the Interior Ministry, under the Emergency Law, detained approximately 2,000 Egyptians without charge. Amnesty International further confirmed the presence of sixty prisoners of conscience in Egypt's jails in 1996 and reported that Egypt imprisoned hundreds of new individuals for their political speech, excluding calls for violence in 1997 (Amnesty International, 1998; Amnesty International, 1997; Amnesty International, 1994).

Journalists also suffered in this era of repression. A United States Department of State *Country Report on Human Rights Practices for 1993* (1994) concerning Egypt, asserted that:

in 1993 there was a pattern of government interference with freedom of expression, including the arrest or harassment of Egyptian journalists, the increased harassment of foreign journalists, and the confiscation of printed material from the market.

The Egyptian state deployed various tactics to quiet journalists throughout the 1990s. It harassed journalists, sometimes violently, arrested them arbitrarily, and imprisoned them in accordance with legal proceedings. Somewhat less frequently the government closed the offices of domestic newspapers and expelled foreign journalists. Journalists who worked for *al-Dostor*, *al-Tadamun* [*Solidarity*], a monthly magazine based in London,

and the English language *Middle East Times* frequently found themselves subject to legal proceedings at the hands of the state.¹⁶

The Egyptian state also punished staff members at political party newspapers and state-owned outlets for their reporting. The reports produced by journalistic watch-dogs, The Committee for the Protection of Journalists and IREX, during the 1990s the Egyptian state took the most punitive measures against the reporting and editorial staff of *al-Sha'ab* [*The People*], the newspaper of the Workers' Party. Journalists at *Rose el-Yusuf* and the Egyptian state's newswire service, the *Middle East News Agency*, were also among those punished by the state during this decade.

Tightening of legal constraints on the Press

In addition to the extra-judicial efforts at suppressing voices critical of the current political, economic and social systems, Mubarak's government sought to impose legal controls on the press. It first increased the punishments journalists would face for libel and other journalistic 'crimes' when it passed Law 93 of 1995, most commonly referred to by its opponents as the "Assassination of the Press Law." This set of amendments to the punishments for journalistic crimes was passed in a special, late night session of parliament which only a third of the members attended. President Mubarak signed the law the same night and it was published in the *Official Gazette* the next day. This law expanded conditions under which publishing false information was a crime to include:

disturbing the public peace, provoking fear among the people, damaging the public welfare, or showing disdain for state institutions or their leaders.

¹⁶ For regular reports on arrests and other repressive efforts experienced by journalists, see the following annual reports: The Committee for the Protection of Journalists, *Attacks on the Press*; International Press Institute, *World Press Freedom Review*. The Index on Censorship also publishes a bi-monthly publication of the same name, which reviews violations of the freedom of expression, including freedom of the press.

Egyptian lawyers and NGOs focused on protecting human rights condemned this definition of libel as vague. They feared that it would enable the state to prosecute journalists widely, especially those seeking to report on corruption in the state institutions and by top-level bureaucrats (Abdel Fattah, 2008: 35-36; Hafez and Rogan, 1996: 57-58; Abdel Raazik, 1995: 17-18; Napoli, 1995).

Additionally, this law increased the punishments for journalists convicted of publishing false information. Once this law was signed, journalists faced up to five years in prison and a fine as high as 20,000 Egyptian pounds (the approximately equivalent of \$5,650 in 1995) if convicted of publishing false statements. Previous punishments were capped at one year in prison and a maximum fine of 500 Egyptian pounds. Further, the law gave the state prosecutors the power to arrest journalists before any trial, while investigations were still underway (Abdel Fattah, 2008: 36-38; Hafez and Rogan, 1996: 57-58; Napoli, 1995).

The state quickly went to work punishing journalists from a variety of outlets. The state charged 33 reporters, editors and other newspaper staffers under the new law, and initiated investigations into an additional sixty. Charges were leveled at reporters and editors working for the Wafd Party newspaper, *al-Wafd*, the Socialist labor party newspaper, *al-Sha'ab*, the Liberal Party newspaper, *al-Ahrar*, the National Progressive Unionist Party (Tagammu') newspaper, *al-Ahali*, and the Nasserist Party newspaper, *al-Arabi*. Journalists at state-owned newspapers were not exempt from the state's stricter regulations; charges were brought against reporters at *al-Gomhureyya*, one of the three main state-owned dailies known for its strong support of the government since it was first founded under the leadership of Anwar Sadat in 1953. Reporters from the state-owned newspapers *Ruz al-Yusuf* and *Sabah al-Kheir* were also charged with libel. Additionally, the General Prosecutor launched an investigation into Ibrahim Nafie, the editor-in-chief

of *al-Ahram*, the flagship paper of the Egyptian state, and state-appointed President of the Journalists' Syndicate (Moustafa, 2007, 143-144; Kienle, 2001: 99-100).

The case of Magdi Hussein, of *al-Sha'ab*, demonstrates the broad application and interpretation of this law. Editor in chief Hussein was convicted for publishing a story in which he accused the son of the Interior Minister of failing to pay his bill at a restaurant. The son produced the paid bill during the trial and Hussein was required to pay a fine of 15,000 Egyptian pounds and damages of 5,000 Egyptian pounds. He was also sentenced to one year in prison; this sentence was suspended until 2009 when it was finally imposed in conjunction with other charges. In this case, then, it was not just false information that “showed disrespect” for a leader of the state, but also for his family members (Hafez, 1996: 58-59; Committee to Protect Journalists, 2010).

Journalists were widely upset by the secret passage of this legislation and rallied to oppose it. Within weeks of the law's passage, journalists protested at their Syndicate's headquarters in downtown Cairo. Many papers, including some owned by the state, voiced strong opposition to the passage of this law, with *al-Wafd* offering particularly strident commentary, and a number of papers temporarily pausing publication. Journalists closely tied to the state also called for the repeal of this law. Mohammad Hassenein Heikal, editor-in-chief of *al-Ahram* under Nasser, said the law ““reflected the crisis of power aging in place.””¹⁷ Ibrahim Nafie, then editor-in-chief of *al-Ahram* and government appointed Syndicate President, and Hassan al-Rashidi, editor-in-chief of *al-Jumhuriyya* and an officer in the Syndicate, along with many other reporters called for a strike (Moustafa, 2007: 143-145; Hafez and Rogan, 1996: 57-60).

¹⁷ As quoted in: Qutb al-‘Arabii, “ ‘shikhna’ misr fii riqba al-qdaa” [“The Judiciary bears responsibility for Egypt’s senility”], *al-Youm al-Saaba’* [*The Seventh Day*], May 23 2013, accessed June 5, 2014, available at: <http://www1.youm7.com/News.asp?NewsID=1080013#.U6idlfk7vLL>.

These very visible efforts by the journalists forced the government to rescind the “Assassination of the Press” law. It commissioned a committee of thirty legislators, bureaucrats and public figures tasked with the revisions, but it included few journalists which resulted in more outcry from the reporting community. The state added a symbolic group of four journalists who were known for their opposition to Law 93/1995 to the committee (Moustafa, 2007: 143-145; Kienle, 2001: 98-102; Hafez and Rogan, 1996: 58-60; Abdel Raazik, 1995; Napoli, 1995).

This victory makes the press look powerful and independent from the state. The apparent retreat of the state, however, was superficial and left journalists vulnerable to systematic punishment by the state for political slights and made it more difficult for non-state voices to participate in the public sphere. These superficial legal changes came via two laws passed at the end of June 1996. Thirteen months after the “Assassination of the Press” Law was enacted, Law 95/1996 modified the punishments journalist could face and Law 96/1996 revised the requirements for private individuals to establish newspapers.

Law 95 of 1996 failed to limit the definition of journalistic crimes, although it did reduce the punishments journalists faced when charged with such crimes. Under the new law journalists faced a maximum of one year in prison if convicted of defamation, but this was raised to two if the false statement was directed at a public official’s conduct of his duties and these sentences could be doubled if the accusations were made in print. Additionally, journalists who published any text or images “contrary public morals” could be imprisoned for up to two years. The vague definition of these crimes, however, was not repealed by the new law. The state remained free to prosecute and punish journalists for reporting on corruption criticizing the state (Kienle, 2001: 98-102; Amnesty International, 2000).

Law 96 of 1996, which also concerned the press, was enacted on the same day as Law 95. Law 96 increased the prices established in 1980 for private individuals to establish newspapers to one million Egyptian pounds for a license to publish a newspaper daily and 250,000 Egyptian pounds to publish weekly. This law added a further requirement: no one investor (defined as one individual and his close familial relations) could own more than ten percent of a newspaper. Additionally, the law reaffirmed the power of the Higher Press Council to regulate many of the internal structures and operations of privately-owned newspapers, and to suspend or revoke the licenses of newspapers in violation of such regulations (Moustafa, 2007: 144-145; Kienle, 2001: 101-102).¹⁸

The changes made to the law allowing private individuals to found joint-stock companies or cooperates to publish newspapers did not dissuade publishers. Only about ten percent of applications were approved by the Higher Press Council in the remainder of the decade, including *al-Naba'a al-Watani* (1996), *Sawt al-Umma* (1997), *al-Usboua* (1997), and *al-Midan* (1999). Obtaining a license did not guarantee these outlets the right to continue publishing; two years after granting *Sawt al-Umma* a license, the Higher Press Council revoked its approval for the newspaper. This revocation occurred soon after the newspaper was sold to Essam Ismail Fahmy, the founder of the recently banned Cypriot paper *al-Dostor* (Amer, 2006: 77-85; Kienle, 2001: 102, 108).

The state further indicated clear boundaries of acceptable speech when it stopped allowing a number of Egyptian newspapers in to the country via the Cyprus loophole. In 1998 *al-Dostor* published a letter from *al-Jama'a al-Islamiyya* (The Islamic Group). In this letter the Islamist group threatened the lives of three leading Coptic Christian

¹⁸ Law 96 of 1996 “Concerning the Regulation and Organization of Journalism and Press Freedom.” *Official Gazette* 25(A), 30 Jun 1996.

businessmen. At this point the Ministry of the Interior banned al-Dostor from entry into the country. Additionally, it temporarily suspended the opposition party newspaper, *al-Sh'ab*, and fired the editor-in-chief, 'Adl Hamuda, at the state-owned Rose el-Yusuf weekly magazine for reprinting the threatening letters (Amer, 2006: 124-125; El Attar, 1998: 102).

The neo-liberal reforms increased privatization and opportunities for new industrial and commercial ventures, yet the opportunities for a class of entrepreneurs from outside the state remained limited. The government remained firmly in control of the economy in this period; few economically powerful individuals entered government in this period.

To the extent that Egyptian entrepreneurs existed in the media field, they were largely excluded from direct access to the domestic market. A legal loop-hole did enable some Egyptian newspapers to incorporate abroad, but most of these did little to add substantively to public discourse in Egypt. Those that did, notably *al-Dostor*, were periodically banned from newsstands and their reporters were often charged with journalistic crimes. The Egyptian state made this judicial approach to repression of journalists easier through a series of laws passed in the middle of the decade.

The Egyptian government curtailed freedom of the press, along with other civil liberties, in the 1990s. The first decade of neoliberal economic reforms did not precipitate political liberalizations, but rather curtailed them. The economic changes did expand business opportunities, but the range of Egyptians who benefitted from these developments was limited and they remained outside the government during this period. The next chapter explores how the expansion of the business class and its role in the state affected the expansion of press freedom.

Chapter 4: Expansion of Press Freedom: Businessmen and their Newspapers, the 2000s

My dissertation employs the case of Egypt to answer the question: Why does the level of freedom of the press vary in nondemocratic regimes over time? Throughout this dissertation I argue that when neoliberal economic reforms precipitate a re-alignment in the relationship between the regime and the elite that provide it support, press freedom often expands. In the case of Egypt the Structural Adjustment Program (SAP) initiated by the Mubarak government in 1991 precipitated just such a re-alignment. This shift in the societal underpinnings of the regime occurred because the SAP enabled the emergence of a new class of businessmen. These commercial and industrial businessmen integrated themselves into the ruling party and were important players in the rise of privately owned newspapers in the mid-2000s and the concurrent rise in freedom of the press.

In the previous chapter I described the changes in economic policy that were called for as a part of the SAP. These neoliberal reforms, as they often do, increased the economic hardships faced by most Egyptians. In this period society responded to this hardship by increasing its demands of the state. The state response was characterized by repression rather than accommodation. Crackdowns on civil society organizations, political parties and the media, including newspapers, defined the political atmosphere of the 1990s.

This chapter examines the impact of second decade of Egyptian SAP reforms on politics and media. As we learned from post-communist economic transitions, while these reforms often cause widespread hardship they also benefit a small group of capitalists (Hellman, 1998). Egypt is one of many cases where equilibrium was reached at a state of partial reform. In this chapter I will describe the rise of the new ‘businessman class’ of Egyptian industrialists and entrepreneurs. Their economic gains enabled many of these businessmen to take on political roles. From this platform they became key figures behind the founding of private media – particularly newspapers and satellite television channels. These outlets, in turn, pushed the bounds of existing discourse and expanded the relative freedom enjoyed by the media in Egypt.

POLITICIZATION OF THE “BUSINESSMAN” CLASS

There are two key drivers behind the economic and political rise of the business class. The first, discussed in depth in the previous chapter, is the economic changes that resulted from the SAP. The privatization of some state-owned enterprises is the principle change that enabled these entrepreneurs to gain platforms for their economic enrichment. The second is the concurrent emergence of Gamal Mubarak as the heir-apparent to his aging father, President Hosni Mubarak (r. 1981-2011). The businessman class and Gamal Mubarak were natural allies because they were from the same generation and shared a neoliberal economic outlook, unlike many regime leaders.

Early economic and political gains, 1989-1998

The legislation that enabled the privatization of state-owned enterprises was passed before the SAP began. Law 230 of 1989, named “Promulgating the Investment Law,” was a wide-ranging law that revised the rules for joint stock companies, foreign investment and regulations of the Free Zones, in addition to allowing for the privatization of state-owned enterprises under the Board of Directors of the General Authority for Investors (“Egypt: Law No. 230 Promulgating the Investment Law”). Despite the substantial legislative changes, the General Authority for Investors authorized the privatization of few state industries in the first years the law was on the books. Those who were granted the rights to buy state-owned companies were military officers or other individuals who enjoyed close ties to the regime (Brownlee, 2012: 66). Two later waves of privatization enabled a wider swath of investors to buy up former state-owned enterprises, first in 1996 and then in 2004 (Schlumberger, 2008: 632).

In addition to privatization, easy access to loans was another avenue available to entrepreneurs interested in building economic power during the 1990s. The loans to private businessmen and their ventures were often backed by insufficient collateral. As a result, the state-owned banks that granted these loans found it difficult to recoup their investments and by 2004 as many as 20% of the loans held by state-owned banks were non-performing (Schlumberger, 2008: 630). Today most banks in Egypt remain publicly owned, despite years of the IMF pressuring the government to privatize them.

Schlumberger suggests that the Mubarak government wanted the banks under state control in part because they are an “extremely powerful instrument to maintain control over a growing private sector, and even more so a powerful tool for rewarding clients and punishing illoyal entrepreneurs” (Schlumberger, 2008, 631).

The stories about the loans extended to businessmen with little or no collateral reached a head in the *Nawab al-Qurud (the Parliamentarians’ Loans)* scandal. In 1998, more than 30 businessmen, bankers and parliamentarians were indicted for accepting or extending loans with little collateral during the mid-1990s. One story that surfaced during the prosecution of these individuals suggests that a bank chairman authorized loans after a single phone call with the businessman investor. Following the court’s indictment of those involved in the loan scandal, even those close to Mubarak found there was pressure on them to repay some of their loans. Ahmad Bahgat, a close friend of Alaa Mubarak the President’s older son and investor behind one of the major satellite television channels, is one such person (Adly, 2009: 12, 16).

Many members of the new businessman class sought to secure and expand their new-found wealth by entering the political sphere. A large number of businessmen ran for and were elected as members of the lower house of parliament, *Majlis al-Sha’ab* (The People’s Council). The policy-making powers of parliament were limited under Mubarak – the parliament is correctly described as a rubber stamp for the executive. As Members of Parliament (MPs) the businessmen were minimally important in designing policy, but they built networks with party leaders and high-level bureaucrats with a voice in policy design and implementation. Additionally, Egyptian MPs, for the duration of their

service, enjoyed freedom from prosecution for criminal charges related to or outside of their legislative duties. Parliament can remove the immunity of one of their colleagues and such votes, while rare, do occur. The MPs involved in the *Nawab al-Qurud* scandal provide a significant example (Adly, 2009).

The first cleavages between the old guard of the NDP and the nascent economic elite emerged in the 1990 parliamentary elections. This was the first election when individuals could sponsor their own candidacies and run as independents, rather than needing the backing of a legally recognized political party. Under this system senior NDP parliamentarians lost their seats to more junior party members and businessmen. Most of these independent candidates, however, re-joined the NDP following their election preserving the NDP's parliamentary majority. In both the 1990 and 1995 parliamentary elections, nearly one hundred (or slightly more than one in five) MPs were elected as independents only to then join the NDP (Brownlee, 2007: 132). In the 1995 election 37 of these seats in the lower house of parliament were from the new businessman class (Soliman, 2011: 145-146).

Despite the new path to entry into parliamentary and party politics, the NDP remained firmly in the hands of the older generation. This generation was much more socialist in outlook than their new colleagues in parliament; many entered politics under Nasser and continued to support his socio-economic policies known as Arab Socialism. The old guard was also highly skeptical of the neoliberal reforms slowly being implemented as part of the SAP. A number of top-ranking NDP officials sought to slow

the culling of the bureaucracy and the layoffs at state-owned factories that preceded privatization (Brownlee, 2007: 132).

The return and rise of the heir apparent, 1998-2011

Gamal Mubarak, the son of former President Hosni Mubarak, started his political career in Egypt in the late 1990s. Prior to his return to Egypt he worked as an investment banker in London first at the Bank of America and then for Medinvest, an investment firm he founded (Essam El-Din, 2011; Schanzer, 2002). Upon his return to Egypt in the summer of 1998, Gamal established the Future Generation Foundation along with a number of leading businessmen, including Ahmed Ezz, Ibrahim Kamal, Ahmed el-Maghrabi and Rashid Mohamed Rashid (Essam El-Din, 2011). This organization promoted neoliberal economic policies and, additionally, gave lip service to political liberalizations (Essam El-Din, 2011; Schanzer, 2002).

Soon thereafter rumors started circulating that Gamal was planning to found a new political party, called “The Future Party.” These rumors suggested that this proposed party, like the similarly named NGO, would provide a platform for Gamal and his businessman friends who favored a strong shift toward neoliberal economic policies. The old guard reacted strongly to these rumors and no such party was ever founded (Brownlee, 2007: 133).

Instead, in February 2000, Gamal and some of his closest allies in the business class, including Ahmed Ezz, joined the General Secretariat of the ruling party (Essam El-

Din, 2011; Brownlee, 2007: 133-134). It is possible that the threat of a competing party, connected to the Mubarak family and promoting neoliberal economic policies smoothed Gamal's ascension to a leadership role in the NDP. Later that year Gamal's role in the party expanded when he joined a committee within the party charged with reforming the party (Essam El-Din, 2011). Over the next three years, Gamal's power within the party and the number of his cronies with key appointments to the party leadership demonstrate that "the NDP had renovated its coalition to reflect demographic and economic changes" in the party's social base (Brownlee, 2007: 134, 147).

Gamal's rise to power within the NDP coincided with the continued election of independent candidates to parliament. The 2000 parliamentary elections were the first time since the party's founding that NDP candidates did not win a majority. Candidates sponsored by the NDP won only forty percent of the seats in parliament. It is estimated that about fourteen hundred NDP members, who were not sponsored by the ruling party to run for parliament, ran as independents. Some of these candidates, in addition to those officially affiliated with the NDP, won seats. Many (re-)joined the party, allowing it to maintain dominance in parliament. The success of the independent candidates with links to the ruling party wrought significant changes to the make-up of the parliament where more than 40% of the members in the 2000 parliament were freshmen. Additionally, entrepreneurs captured 50 seats, bringing the percentage of seats they controlled from 12 percent to 17 percent (Soliman, 2011: 145-146; Brownlee, 2007: 135, 145).

The rise of the business class in parliament can, in part, be explained by their new power with respect to labor. The first years of privatization, especially thanks to the

wave begun in 1996, put a variety of industries with large labor forces into the hands of businessmen. Private companies banned labor unions in their factories and offices (Soliman, 2011: 153). Despite the absence of traditional labor organizations spurring turnout among the working class, industrial enclaves, most notably Six October City, reported some of the highest rates of voter turnout in the country. These statistics suggest that privatization enabled private clientelism to compete with the public clientelism that drove NDP support in previous elections; again increasing the power of the newly rich capitalist class at the expense of the ruling party (Soliman, 2011: 159-160).

In addition to their raw numbers in parliament and power within the ruling party, some businessmen became key power brokers in the parliament. One of the key players was Ahmed Ezz, a former iron and steel magnate and close friend of Gamal (Adly, 2009: 12-13). In 2000 Ezz became Chair of the Planning and Budgetary Committee in the People's Assembly (*Majlis al-Sha'b*), the lower house of parliament. Ezz leveraged this political position to get legislation favorable to his particular economic interests enacted (Soliman, 2011: 146; Adly, 2009: 15).

Then in the summer of 2004 President Mubarak changed his cabinet and increased the status and power of the younger pro-business generation that had inserted itself into politics over the past two election cycles. Ahmed Nazif, a friend of Gamal and proponent of neoliberal economic policies, became Prime Minister, a position he held until the 2011 uprising. In 2005, five other businessmen and friends of Gamal's were awarded key portfolios: Finance, Investment Development, Industry and Foreign Trade (Brownlee, 2012: 122-123; Farah, 2009: 48-49).

By the mid-aughts, Egyptians and foreign observers saw Gamal as the clear heir-apparent, despite continued denials from the President and his son. Many, for example, pointed to the additional adjustments to the leadership of the NDP that were made following the 2004 cabinet reshuffle, as a key sign of the Mubaraks' succession plan. Gamal was appointed assistant secretary general of the NDP, a title held by three party members. When he assumed this position, there was only one official of the older generation of NDP officials within the ruling party that occupied a more senior post. He also continued to chair the Policies Secretariat, which served as a forum for younger party members to make a name for themselves (Brownlee, 2007: 150-151).

Mubarak's 2004 cabinet reshuffle ushered in a second wave of privatization of state-owned enterprises. More than eighty different companies were sold to private investors within the first two years of Nazif's appointment as Prime Minister. These sales included more than a quarter of the companies sold off by the state since privatization was first begun (Brownlee, 2012: 127).

The next round of parliamentary elections took place in 2005, months prior to the first multi-candidate presidential election in Egypt's history. During the parliamentary elections, regime agents engaged in widespread election fraud and also engaged in significant violence at the polls in an attempt to keep the allies of President Mubarak's principal opponent in the coming presidential election from gaining a stronghold in parliament. These efforts successfully kept the liberal democrats and supporters of Mubarak's principle opponent out of parliament (Brownlee, 2012: 95). Instead, the businessmen again increased their presence in the lower house of parliament from 17 to

22 percent of the total seats (Soliman, 2011: 146). The Muslim Brotherhood also made a strong showing in this election, capturing close to 20% of the seats in parliament. In the Presidential election Mubarak won a fifth six-year term with nearly 89% of the votes.

The 2005 elections took place in a new media environment; it was the first occasion when online coverage of Election Day infractions was available in (near to) real-time. The pro-democracy *Kefaya (Enough)* Movement, strongly linked to the rise of political blogging in Egypt, was founded in December 2004. *Kefaya's* opposition to hereditary succession helped it bridge various social and ideological gaps. A handful of young *Kefaya* bloggers quickly formed a modest online community that included young Muslim Brotherhood activists and other Islamists. On Election Day it was Muslim Brotherhood networks that provided very active and accurate information on violence towards voters and other violations at polling stations. The private newspapers, a number founded in the year and a half before this election cycle, took advantage of this online information and gave front page coverage to the events (Tallawi, 2009: 11; Tammam, 2009: 203, 206; Rutherford, 2008: 94-95).

EGYPTIAN PRINT MEDIA IN THE 2000s: PRIVATIZATION & FREEDOM

A wave of privately-owned newspaper began publishing in 2004 and 2005. The Higher Press Council granting licenses to these papers occurred at the same time journalists were enabled to operate with more freedom. These factors, together with the economic incentives toward covering moments of contentious, if still limited, politics

expanded the content available about domestic politics in the Egyptian public sphere. This section details these developments in the Egyptian press during the second half of the 2000s.

Who are the new players in print media?

As discussed in the previous chapters a few private newspapers were allowed to publish in the late-1990s and early 2000s.¹⁹ Many of these newspapers, however, only had licenses to publish weekly editions. They also suffered from low circulation rates and state-repression. These newspapers, therefore, did little to raise the level of press freedom in Egypt.

This situation changed in the following years. In 2004 and 2005 nine new privately-owned newspapers entered the Egyptian market, resulting in 13 media corporations to which the Higher Press Council awarded licenses for sixteen different private papers (Amer, 2006: 73). The new additions to the market were:

¹⁹ 1996: *al-Naba'a al-Watani* (most important, especially because it briefly had the daily sister paper, *Aakhr Khabr*); 1997: *al-Usboua* (owned by Bakri, a Nasserist); 1999: *al-Midan*; 2000: *Sawt al-Umma*; 2002: *Watani* (Coptic).

NEWSPAPER (ENGLISH TRANSLATION)	DATE OF FIRST ISSUE
	2004
<i>Nahdat Masr (Egypt's Renaissance)</i> ²⁰	May 3 rd
<i>al-Masry al-Youm (The Egyptian Today)</i>	June 7 th
<i>al-Jamaahir (The Masses)</i>	October 6 th
	2005
<i>al-Khamiss (Thursday)</i>	January 6 th
<i>al-Haadatha (The Event)</i>	January 6 th
<i>Huwaadiith (Events)</i>	March 1 st
<i>al-Dostour (The Constitution)</i>	March 23 rd
<i>al-Fajr (The Dawn)</i>	June 4 th
<i>al-Karama (Dignity)</i>	September 27 th

Table 1: Newspapers first issued in 2004 and 2005

In 2004, three new privately-owned newspapers began publishing, launching the second and more successful wave of private newspapers. In this year *Al-Masry al-Youm (The Egyptian Today)* and *Nahdat Masr (Egypt's Renaissance)* obtained licenses to publish daily and *al-Jamaahir (The Masses)* obtained a license to publish a weekly newspaper. Previously, *Akhar Khabar (The Latest News)* was the only other paper to obtain a daily license, but it enjoyed this right for less than a year and a half. In 2001, the government suspended this newspaper's license. Six additional privately-owned papers entered the market in 2005. A few others entered in the later-half of the decade, among the most notable is *al-Shorouk (The Sunrise)* which began publishing daily in 2009.

Al-Masry al-Youm Foundation for the Press, Printing, Publishing and Advertising obtained its license in 2003, in part, by finding a legal loophole. The secular

²⁰ This is the date of the first issue after the paper acquired the license to publish daily, the first issue of *Nahdat Masr* under its weekly license was issued on October 22, 2003.

businessmen who founded this company purchased a license awarded to a newspaper called *al-Zaman (The Times)* in the era of the monarchy, before the 1952 Free Officers Revolution. This license, still valid under Egyptian law, enabled them to bypass many of the hurdles created by the Higher Press Council and other institutions. The founders changed the name of the paper to *al-Masry al-Youm* and published the first edition on June 7, 2004 (Amer, 2006: 91-92).

The founding investors in *al-Masry al-Youm* were notable businessmen. Salah Diab, the grandson of a famous Egyptian journalist and owner of a major gas and oil company, was the founding investor. Nagib Sawiris, a telecommunications mogul, and Ahmad Bahgat also invested in *al-Masry al-Youm*. Bahgat owned real estate and consumer electronics companies, as well as Dream TV a satellite television station. He was one of those pressured to repay his outstanding loans after the *Nawab al-Qurud* scandal (Sakr, 2013: 34; Pintak, 2009: 123). When explaining the investors' decision to found a newspaper to Lawrence Pintak, a scholar of journalism in the Arab world, Diab noted:

“every businessman is aware that it's in his best interests to work in a stable political and social environment and having an independent media is a way of achieving that” (2011: 76).

Diab further states that the newspaper itself was not supposed to be profitable, thus suggesting that his other businesses were most likely to profit in a political environment that allowed freedom of the press (Pintak, 2011: 76).

Many see *al-Masry al-Youm* as the trailblazer among the privately-owned papers. Hesham Kassem, its first editor in chief, sought to make the publication, what he called a

“publication of record” (as quoted in Afifi, 2013: 4). He did this in part by paying his journalists well and rewarding them financially for high quality work. He also sought to insulate his reporting staff from state efforts to intervene in their work. Additionally, he endeavored to keep the advertising staff from influencing the reporters. Kassem and his staff's, including their coverage of the irregularities during the 2005 election, quickly made *al-Masry al-Youm* the highest circulating privately-owned newspaper and a challenge to the leading state-owned and political party-owned newspapers (Sakr, 2013: 33-35; Amer, 2006: 91-92).

Despite these successes, *al-Masry al-Youm* was not free of the common criticisms made of the privately-owned Egyptian newspapers. Sensationalist headlines covering much of the front page were common. More importantly, the strict independence of the editorial staff was not inviolable. Kassem left the paper in October 2006, citing pressure from the businessmen behind the paper to affect favorable coverage for themselves and their friends and negative coverage of their political and business adversaries. The founding investor, Salah Diab, asked Kassem to support a friend's campaign for political office and Nagib Sawiris wanted Kassem to defend him against insults he suffered at the hands of Mustafa Bakri, the editor in Chief at *al-Usboua* (Afifi, 2013: 4).

Good News 4 You started publishing *Nahdat Masr (Egypt's Renaissance)* in 2004. Emad al-din Adeeb, a long time journalist and Mubarak supporter, founded this company in the early 1990s to expand his influence in the media. The first newspaper published by this company, *al-Alaam al-Youm (The World Today)* was founded in 1991.

Of the other privately-owned papers started in 2005, *al-Dostor* (*The Constitution*) and *al-Karama* (*Dignity*) are among the most respected. Ibrahim Eissa and Essam Ismail Fahmy previously ran *al-Dostor* with a license from Cyprus in the mid-1990s. It was shut-down in 1998 along with the other ‘Cypriot newspapers.’ These two men founded an Egyptian company, al-Dostor Press and Publishing Company, and in 2005 obtained the necessary Egyptian license to re-launch their firebrand newspaper (Tammam, 2009: 206). Eissa regularly violated the unofficial ‘red lines’ and criticized President Mubarak; within the first two years of the papers’ reincarnation he found himself the subject of three separate trials for insulting or libeling the President (Abdel Fattah, 2008: 50-67).

In 2010, Fahmy sold *al-Dostor* to al-Sayyid al-Badawi, a businessman with other media holdings and a leader of the Wafd party. Soon after his take over al-Badawi and Eissa found themselves at odds, despite the new owners assurances that the editors would remain independent. Reportedly Eissa insisted on printing an editorial submitted by popular opposition leader, Mohammad al-Baradei. Al-Badawi, opposed to the inclusion of this article fired Eissa over their clash and the editorial did not appear in *al-Dostor* (al-Aswani, *al-Shorouk*, 12 Oct 2010: 20; “Sayyid al-Badawi”).

Privately-owned *al-Karama* also issued its first edition in 2005. This newspaper was affiliated with the leftist political party of the same name. Despite its numerous applications, the government repeatedly refused to grant al-Karama Party legal status. The party’s lack of legal standing meant they were unable to publish newspapers as other political parties. Hamdeen Sabaahi, a prominent independent member of parliament formerly a member in the Arab Democratic Nasserist Party and briefly in al-Karama

party before it was disbanded, served as Editor-in-Chief of *al-Karama* newspaper from its founding until 2010.

Two other papers gained respect and credibility in the Egyptian media market in the late 2000s: *al-Badil (The Alternative)* and *al-Shorouk (The Sunrise)*. *Al-Badil*, another leftist voice, was first published in 2007, but closed two years later in 2009. The paper's funders explained the closure was due to the financial struggles facing the paper, yet some suspect the government pressured the owners to shut down *al-Badil*. A year and a half later, some of the editorial board revived the paper online (at: elbadil.com) where it continues to be published today (El-Hennawy, 2010). In February 2009, *al-Shorouk* entered the milieu (Sakr, 2013: xvi).

Freedom: its boundaries and its consequences

This new wave of privately-owned newspapers in the Egypt coincided with an increase in press freedom. At a cross-national level, the Freedom House Freedom of the Press Index indicates a rise in freedoms enjoyed by the media in the mid-2000s. In 2005 and 2006, after many of the new newspapers were first found on stands in 2004 and 2005, the Freedom House index reached the very upper end of the “not free” category at 39 and 38, respectively. For the first time, in 2007, Egypt broke into the partly free category and remained in this middle range, with the exception of 2010 – an election year in which “journalists and bloggers faced numerous instances of legal harassment, spurious arrests,

and violations of due process against journalists and bloggers” (*Freedom of the Press 2011*, 2011).²¹

An editor at the state-owned flagship paper, *al-Ahram*, believes that the privately-owned newspapers increased the freedoms enjoyed by all papers (Cooper, 2008: 7). The privately-owned newspapers informed readers about events they would not otherwise have heard about – protests and strikes, for example – and provided a wider range of interpretations of these events in their editorial pages. The government loosened its restrictions on the content in the state-owned papers so they could remain credible in the face of the content found in the privately-owned papers.

The expansion of the private newspaper industry and the freedom of the press is linked to the broader changes in the business culture. First, media (television, as well as print media) is an industry in which entrepreneurs invest in the hopes of turning a profit (Pintak, 2011: 76). In addition, members of the business class from across the industrial spectrum were looking for advertising space in credible widely-available sources. Egyptian newspapers, in addition to the traditional placement of advertisements common to American newspapers, place ads in the mastheads, dedicate the entire bottom half of the front page to a single advertisement, and include advertisements that are, in terms of appearance, indistinguishable from the news content of the paper (Amer, 2006: 104-106). For example, *al-Masry al-Youm* (see below) devoted the bottom half of its March 14, 2007 front page to an advertisement for Mobinil, one of Egypt’s mobile phone providers whose chairman, Nagib Sawiris, was also a key investor in the newspaper.

²¹ See Table X in Chapter 1 for an illustration of these data.



Illustration 1: Al-Masry al-Youm, March 14, 2007²²

Many investors continued to put money into private newspapers, even when papers struggled to make a profit. Profit making was constrained by the state which controlled printing and distribution, the Higher Press Council which limited the prices of the papers and advertising space, and competition from similar private papers. Nonetheless, investors continued to fund these endeavors because their papers offered indirect benefits. Monetarily, investors were interested in creating space to advertise their other business enterprises. Salah Diab, the founding investor in *al-Masry al-Youm*, suggested that his investment in a newspaper was driven by his need to create a context favorable to business generally (Pintak, 2011: 76).

²² Photograph by author.

Businessmen also benefitted by allowing their papers to engage in limited conflict with the state. Criticism of the government reflected the public's displeasure with existing political and economic circumstances. The mid-2000s, when these papers first emerged, was also marked by the rise of the *Kefaya* (Enough) Movement, which spoke out against the expected succession of Gamal Mubarak to the presidency. Pictured below is the front page, above the fold, of *al-Masry al-Youm* from December 13, 2004, the day after the *Kefaya* Movement was founded. The headline about the center photograph depicting the protest reads, “Silent protest against the extension (of Mubarak’s presidency) and the succession (of his son Gamal).”



Illustration 2: Al-Masry al-Youm, December 13, 2004²³

²³ Photo available at the *al-Masry al-Youm* website; available at: <http://www.almasryalyoum.com/node/1081736> (last accessed 20 September 2013).

The following year's parliamentary elections and the first multicandidate presidential election saw considerable violence towards voters and other violations at polling stations. The private newspaper took advantage of photographs and live reports available online and gave front page coverage to the events. (Tallawi, 2009: 11; Tamam, 2009: 203, 206; Rutherford, 2008: 94-95).

The criticism of the regime found in these papers pushed boundaries, yet it was still largely circumscribed by unofficial "red lines." The military and its budget were off limits, as were religion and sectarianism (Soliman, 2011: 26; Cooper, 2008: 8). After the mid-2000s the state rarely pulled newspapers from the stands or revoked their licenses when journalists crossed these red lines. The government instead, relied heavily on the judiciary to fine journalists and editors for transgressions (Sternfeld, 2009: 43).

The government's legal abilities to punish journalists were also modified in the mid-2000s. In 2004 President Mubarak suggested that he planned to abolish punishments for libel and other crimes of the press. Ostensibly Law 147/2006 was his realization of this promise, yet it made very few strides in that direction. The law did end imprisonment as a punishment for some journalistic crimes, but it doubled the fines charged to those found guilty of these crimes. Additionally, imprisonment remained a required punishment for those found guilty of maligning a "sect of people on the basis of race, origin, language, or faith" (Abdel Fattah, 2008: 46).

Within a year of the passage of this law, the government was regularly employing the judicial system to reign in offending journalists and, by extension, encourage self-censorship among the rest. In 2007 an official at the Journalists' Syndicate estimated

about 1000 of its members had been summoned to court, leading to 500 trials in 2007 (Eid, 2007: 5). This number underestimates the number of journalists charged with various crimes, such as libel and insulting the president, because young journalists and freelancers cannot become members of the union. Further, neither radio or television reporters, nor bloggers are represented by the Syndicate, many of whom found themselves jailed for their writings (Soliman, 2011: 26). Between 2007 and 2009 journalists and editors from many privately-owned papers were put on trial for the content of their reporting. These include *al-Masry al-Youm*, *al-Fagr*, *al-Karama*, *al-Badil*, as well as individuals from *al-Dostor* in addition to Eissa and staff from the political party paper *al-Wafd* (Eid, 2007; Eid, 2008; Eid, 2009).

Not all voices, however, were given the opportunity to enter the public sphere regardless of the risk of post-hoc punishment. Members of the Society of Muslim Brothers, some of whom became wealthy thanks to the economic liberalizations enacted as part of the SAP, sought licenses for privately-owned newspapers. The government denied each of these applications (Rutherford, 2008; Tammam, 2009). Certain critical voices could not be tolerated in the print media; the Brotherhood and other stridently Islamist voices were at the top of this list. The limited criticism found in newspapers owned by entrepreneurs who owed their successes to the government's economic policies were not perceived to present the threat posed by Islamist politics.

Many of the new privately-owned newspapers established themselves as credible through limited criticism of the government and attracted readers that bolstered their circulation rates through sensationalist coverage. The staff at these papers was able to

make these advances even as the government used the judicial system and other semi-formal tactics to curb their influence.

Social Challenges

These new additions to the Egyptian media sphere, like earlier print media, privately owned and otherwise, faced a readership limited by socio-economic conditions. High rates of illiteracy and low household income in Egypt mean many are without the skills or the resources to acquire and read newspapers. As the chart below illustrates, it wasn't until the mid-2000s that a majority of adult Egyptian women were literate and in the year before the Jan 25th Revolution, almost 30% of Egyptian adults were illiterate.

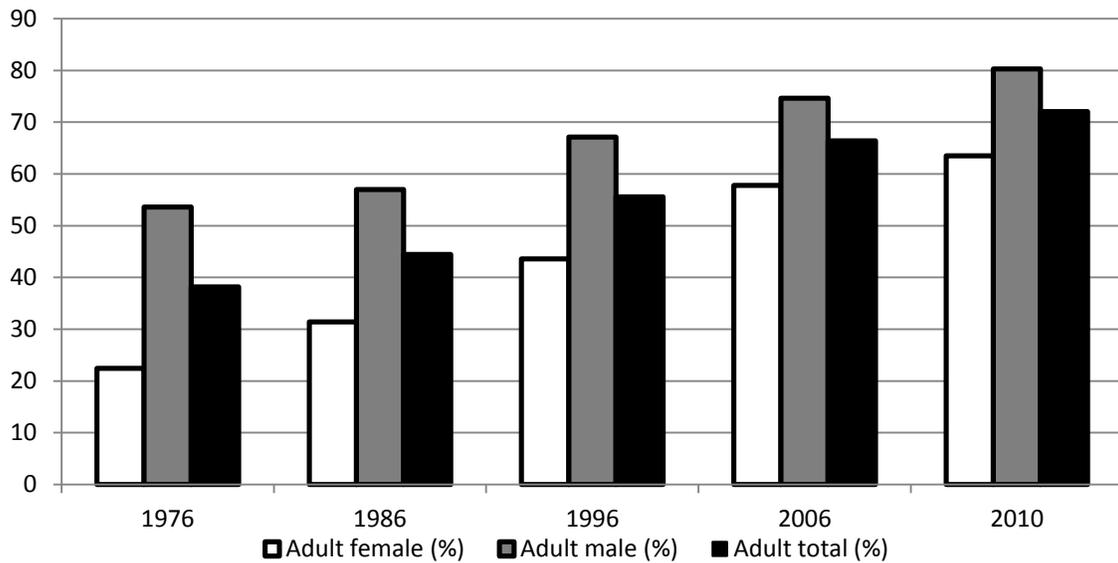


Figure 3: Adult Literacy in Egypt

Adults in Egypt are defined as individuals ages 15 and above. SOURCE: World Development Indicators, WorldBank [Downloaded 26 Jun 2013].

Similarly, in 2005 more than 18% of Egyptians lived on \$2 or less per day (adjusted for purchasing power parity in the World Bank's World Development Indicators). A newspaper, considering 2005 exchange rates, ranged from \$0.15 to \$0.35 in 2005. As such a high proportion of daily income, one in five Egyptians was unable to purchase newspapers. In light of such statistics, Hani Shukrallah, the editor-in-chief of *al-Shorouk* newspaper estimates that the market of Egyptian newspaper readership is perhaps a million people strong. He adds that a newspaper requires about 200,000 readers to stay afloat without a major input of investments or subsidies from the state (Tallawi, 2009: 82-83).

Economic Challenges

The income from papers comes from a variety of sources. Typically the start-up investments come from the founding businessmen. These investments may continue over the course of a paper's operation and may also come from other sources, including government institutions, political parties, and individuals. The two primary sources of income for papers once they begin publishing, however, are circulation and subscription fees in combination with advertising revenues. Additionally, many of the corporations that own the newspapers offer additional services that produce income such as commercial printing, book publishing, microfilm production and archival research (Amer, 2006: 102).

Circulation and subscription as a source of revenue, however, are constrained by the state. In the Mubarak era, Egyptian state papers held a near monopoly on printing presses and the government also supplied the newsprint on which all papers were printed. By controlling the prices of these goods they could reduce the revenue produced by circulation. Additionally, few private papers had their own means of circulating papers and, therefore, relied on the company (mostly *al-Ahram*) that printed their paper to get it to newsstands. Indeed it is estimated that 35-40% of the circulation fee went toward paying for the paper, printing and circulation alone (Amer, 2006: 104).

Additionally, the Higher Press Council set the price of the papers when they were licensed; papers could not increase the cost of an issue to try and raise revenues. Most

private papers cost either one or two Egyptian pounds. Here is a partial list (Amer, 2006: 102):

1LE	2LE
<i>al-Usboua (The Week)</i> <i>al-Midan (The Square)</i> <i>al-Masry al-Youm (The Egyptian Today)</i> <i>al-Jamaahir (The Masses)</i> <i>al-Haadatha (The Event)</i>	<i>Sawt al-Umma (Voice of the Nation)</i> <i>al-Dostour (The Constitution)</i> <i>al-Fajr (The Dawn)</i>

Table 2: List of prices of privately-owned newspapers in the 2000s

It should also be noted that while these prices are seemingly low very few Egyptians could afford to purchase them daily. Even if the papers had been granted the opportunity to set the prices of their papers, higher prices would have put them out of the reach of many current readers.

Private newspapers also faced intense competition from one another. First, the private papers that sought to criticize the government provided similar content, largely from a secular and pro-business perspective. This lack of differentiation prevented the development of brand loyalty; most sales took place at newsstands and few individuals or offices took out subscriptions to these papers (Amer, 2006: 103). Additionally, the state printing presses the papers relied upon for distribution meant the private papers were always on the same stands. Further, the mechanics and costs of distribution limited the circulation of the privately owned newspapers to the major urban centers – Cairo, Alexandria and the provincial capitals (Amer, 2006:104).

Bureaucratic Challenges

Fees for advertising were crucial sources of additional revenue in the face of the challenges presented by circulation. For private newspapers more than 40% of an average issue's content was comprised of advertisements. The circulation revenues were expected to cover the cost of newsprint and distribution, while the advertising revenues covered the remaining cost of publication and also, when all went well, produced profits (Amer, 2006: 104-105). Nonetheless, the state constrained advertising prices as well; the Higher Press Council, as with the price of the newspapers themselves, set advertising prices, based on a variety of criteria (Amer, 2006: 105).

The Mubarak government made it even more difficult for the private newspapers to expand their circulation and attract advertising because it did not permit the newspapers to conduct marketing research (Amer, 2006: 104). It was, thus, unclear who in Egypt consumed media, much less which outlets they chose to access. As mentioned above, most of the circulation of these papers was restricted to urban areas and many Egyptians lacked the income necessary to regularly purchase newspapers. Yet, there is no specific information on just how urban and affluent readers were. Not only were papers unable to target potential readers and expand their circulation, but the absence of information about readers made attracting advertisers more difficult. Often advertising beget advertising; in the absence of evidence about readers, potential advertisers used the choices of other advertisers to choose the publication in which they advertised (Amer, 2006: 104).

To combat these challenges many privately-owned newspapers sensationalized the news to attract readers. These papers devoted many columns to crime, including economic and political corruption. The privately-owned papers also gave the private lives of celebrities and well-known figures of all stripes, especially those who led morally scandalous lives, considerable coverage (Tallawi, 2009: 39; Amer, 2006: 112-114). Editors at these papers sought to draw attention to this content through headlines on the front pages which took up more space than the text of the articles; such headlines would be in very large fonts and cross most if not all of the papers' columns and occasionally they would appear above the masthead. Additionally, the use of photographs and other images grabbed attention, as did the use of the Egyptian dialect, as opposed to Modern Standard Arabic, in the headlines (Amer, 2006: 100).

The state-owned media responded in kind. In 2005, the Ruz al-Yusuf Organization, a state-owned printing house known for a magazine, began issuing a daily newspaper. Both the daily newspaper and the weekly magazine are named *Ruz al-Yusuf*. Abdallah Kamaal, the editor in chief of the newspaper, was reportedly part of Gamal Mubarak's circle. Some rumors suggest that Ahmed Ezz, a wealthy businessman friend of Gamal's who rose to politically powerful positions, financed the founding of this newspaper, not the state itself (El Amrani, 2006). This paper's sensationalist (and suspect) content targeted opponents of the regime, such as members of *Kefaya*. Most egregiously, Kamaal published a column intimating a sexual relationship between Ayman

Nour's wife and her dog after Nour lost his presidential bid to Hosni Mubarak and was imprisoned on charges of vote fraud (Rizq, 2008).

CONCLUSION

Despite the various challenges faced by the privately-owned newspapers in the mid- to late-2000s, they were a key factor in expanding freedom of the press in Egypt. These papers introduced information into the public sphere about corruption and political activism that the state-owned papers overlooked before the arrival of these new outlets. The sensationalism that the newspapers used to attract readers created questions about their credibility and respectability, yet, at the same time it enabled their coverage of political and economic topics to spread further than they might have otherwise.

In the light of their content and reach, the authoritarian state, as in earlier periods, sought to maintain certain "red lines." The government's efforts certainly had a chilling effect on certain types of content. Newspaper employees who pushed against the boundaries set by the state, however, generally met with punishments that were less severe and more transparent than those seen in the mid-1990s, when state repression during Mubarak's era was at its height.

The wave of new privately-owned newspapers that took place in the mid-2000s was a result of the SAP the Egyptian government initiated in the 1990s. The economic liberalizations strengthened the nascent business class in Egypt. A sliver of these individuals became massively wealthy while a second tier amassed smaller, but

significant business empires. These individuals, collectively known as “the businessman class” sought to ensure their newfound wealth by entering the political realm. The coalition they developed with the regime, in part thanks to the close relationships a number of them enjoyed with Gamal Mubarak, gave them the position to enter the newspaper industry. The print media was a path to economic power, especially through advertising, and also gave businessmen a platform to defend their business holdings and personal moral character to the public.

The next chapter will explore the relationship between economic liberalizations and the rise in freedom of the press in a number of other countries.

Chapter 5: Shadow Cases

In this chapter, I consider how the theory of this dissertation applies outside of Egypt. This dissertation argues that when members of a newly expanded business class assume high level political positions press freedom will increase. Authoritarian states ruled by a single strong party, which privileges loyalty over nepotism and other factors, will be less susceptible to the entry of the business class and a resulting rise in freedom of the press. In countries where there are moderate levels of pluralism and electoral competition, on the other hand, a newly expanded business class may open more routes to political positions.

China in the 2000s and Russia in the 1990s are cases of these two phenomena. They, like Egypt, both shifted their economic system toward a more capitalist-style system. These countries also commercialized their media in ways that led to the creation of new outlets. The Chinese government, a strong one-party state, minimized the political power its entrepreneurial class wielded and modified its institutions so they retained considerable control over the media. Russia undertook political reforms that expanded pluralism broadly at the same time it enacted economic reforms. The semi-democracy that existed under President Yeltsin in the 1990s included the new business class in the government; the freedom of the Russia press expanded in this period.

President Putin reversed Russia's transition toward democracy. As part of this reversal Putin curtailed the political power of the business class and increased restrictions on the press. Russia's trajectory since Putin's ascension to power provides an important

counterpoint to the narrative of this dissertation; press freedoms, and other liberalizations, are not permanent fixtures once they are established.

CHINA IN THE 2000S

Since the Third Plenum of the Eleventh Central Committee in December of 1978, the economic structure of China and its media sphere have undergone profound changes. By the 2000s the state had made considerable changes to the ownership structure of state-owned enterprises and media companies, but the state retained ownership of substantial portions of new industrial joint stock companies and media conglomerates. The institutional structures surrounding these changes enabled the Chinese state and the Chinese Communist Party to retain dominance over those who might seek to take advantage of economic power or the power of the press.

Economic situation

The 1978 Third Plenum of the Eleventh Committee is the first public statement by Chinese officials favoring neoliberal economic reforms. Early reforms expanded the autonomy of farms and factories and, then, in the mid-1990s the government started to restructure state-owned enterprises, cooperatives and other industrial firms (Yusuf, et al., 2006: 1-4, 87-90). By 2001, the vast majority (86%) of firms had experienced some sort of restructuring and 70% were fully or partially privatized. The state, however, retained

an average of about two-thirds (65%) of the shares in the new joint stock companies (Yusuf, et al., 2006: 1-5, 12-16; 87-90).

These changes fostered a considerable expansion of the wealth. In the 1980s the wealthiest twenty percent of Chinese earned slightly less than 40% of the national income and the wealthiest ten percent earned slightly more than 20%. In the 2000s, the wealthiest Chinese earned just under half of the national income and the wealthiest ten percent taking home a little less than a third of the income.²⁴ Wealthy entrepreneurs enjoyed additionally economic benefits if they had political connections (Guo, et al., 2014).

These economic benefits, however, did not translate into political power and positions. The state owned a majority in most of the newly “privatized” joint stock companies and limited liability stockholding corporations left individual shareholders with little power to influence the direction of the company. They were unable to vote on major decisions about control of the firm or to sue managers who employed their investments unsuccessfully. These changes meant that privatized firms rarely saw a change in management (Yusuf, et al., 2006: 87-90; 225).

Press freedom

The Third Plenary Session of the Eleventh National Party Congress in December 1978, which marked the shift to a more capitalist economy, was also a turning point for

²⁴ “Income share held by highest 10%” and “Income share held by highest 20%” are World Development Indicators. Available at World Bank Databank: <http://data.worldbank.org>, last accessed May 25, 2014.

the media in China. The Congress produced a document that called for freer flow of information to stimulate economic growth (Stockmann, 2013: 50). In the year these changes were introduced 186 newspapers circulated in China. These newspapers averaged four pages in length, all were subsidized by the state and none included advertisements (Zhao, 2006: 6).

Chinese media began to commercialize in earnest in the 1990s. In 1992 the main regulatory agency for print media, the State Press and Publication Administration (SPPA),²⁵ mandated that all but a few key state newspapers would be required to fully finance their own operations with circulation and advertising revenues (Zhao, 2006: 6). Although most papers would no longer be offered state subsidies, they were still required to find a state agency or party office to sponsor their application for a license (Hassid, 2006: 419; Zhao, 2006: 6-8).

These changes resulted in an explosion of newspapers: 1,800 were licensed by 2004 and the number rose to 1,938 by 2010 (Hassid, 2008: 416; Stockmann, 2013: 15). Some papers retained their state subsidies and today journalists refer to these as “official” newspapers. The remaining “nonofficial” newspapers generally fall into one of two broad, loosely defined categories: “semi-official” and “commercial” newspapers. Generally those papers considered “semi-official” rely almost entirely on advertising revenues to finance their operation rather than either subsidies or funds from investors.

²⁵ In 2001, the SPPA was reconstituted as the General Administration of Press and Publication (GAPP). Then, in 2013, the Chinese government announced plans to merge GAPP with the main regulatory agency for radio, television, film, the State Administration of Radio, Television and Film (SARTF). The resulting ministerial-level agency is the State Administration of Press, Publication, Radio, Television and Film (ChinaDaily.cn.com, 22 Mar 2013; Stockmann, 2013: 57).

“Commercial” newspapers, on the other hand, are funded in considerable part through investments received from entrepreneurs, domestic and foreign. The state, however, retained majority ownership of both types of nonofficial newspapers (Stockmann, 2013: 31, 68-69).

The boom diversified China’s newspapers and the variety of people who influence content expanded. Editors and other top staffers at newspapers are no longer all members of the Chinese Communist Party, even at some “official” newspapers. Additionally, the leaders of commercial papers endeavor to meet shareholders’ expectations and consider investors opinions when making top level appointments in the newspaper (Stockmann, 2013: 59).

Nonetheless, experts largely agree that the expansion of outlets did not increase the freedom of the press in China. Freedom House scores, similarly, classified the Chinese press as “not free” from the 1980s and the numerical rating issued since 1994 puts China in the less free half of that rating bracket. This is because the state retains majority ownership in all media ventures.²⁶ Additionally, the majority of full-time journalists, licensed to work by the state, continue to be members of the CCP (Stockmann, 2013: 31, 59, 68-69). The Chinese state further solidified its control over the proliferation of newspapers when it merged multiple outlets into large conglomerates. This effort that began in the latter half of the 1990s stemmed the potential for fragmentation of the media sphere. Finally, the state centralized and solidified its

²⁶ There are rumors that a secret document, Number 17 of 2001, transferred ownership of all media from the state to the Chinese Communist Party (Zhao, 2008: 101-103).

institutional control over the print media by introducing a stricter licensing regime, with an annual review process. (Lorentzen, 2013: 410; Zhao, 2006: 14).

The resulting coverage is best described as marketization or commercialization rather than liberalization (Boyd-Barrett & Xie, 2008; Stockmann, 2013). Newspapers print sensational stories about titillating topics with little political import to sell newspapers. Although some report on corruption among lower level bureaucrats and regional officials, content does not question the behavior of more central government leaders, major policy decisions or the institutional structure of the state.

Stockmann (2013) argues that the institutional flexibility of one-party states, like China, are able to retain tight control of the media through a wide variety of institutional mechanisms and, at the same time, increase state legitimacy through the marketization of the media sphere. The introduction of new outlets and sensational content encourage readership, provide the illusion of media independence and foster trust in the reporting of new outlets. The absence of deep criticism of the government and state in commercial newspapers in turn increases the legitimacy of the Chinese state. The strength of the Chinese Communist Party over the state's institutional structures enables adaptation to changing circumstances.²⁷

The National Democratic Party (NDP) in Egypt was also a powerful part of the state, yet it never matched the control of the Communist Party in China. As shown in Chapter 4, the NDP in the 2000s was a considerably more permissive institution. It allowed the president's son and wealthy friends to insert themselves into positions of

²⁷ Related arguments can be found in Zhao (2008) and Stockmann & Gallagher (2011).

political power without advancing through the ranks of the party. In this sense, my theory expands upon the work done by Daniela Stockmann and others who point to the ability of one-party states to maintain control of a more diverse media environment through institutional flexibility. A newly wealthy entrepreneurial class cannot penetrate the upper levels of the powerful and flexible institutions of one-party states.

RUSSIA

Mikhail Gorbachev initiated both economic and political liberalizations shortly before dissolving the Soviet Union. After the dissolution of the Soviet Union, Russia began this period as an independent democratizing state. The economic liberalizations in Russia, as they did elsewhere, fostered a business class. Some of its members assumed leadership positions in the new, semi-democratic Russian government. Similar to more autocratic cases, these entrepreneurs opened more space for freedom of the press.

Economic reforms in the 1990s

Privatizations began when the Russian Federation Supreme Soviet passed the “June Plan,” shaping the economic changes experienced in Russia (Moors, 1997: 5-6). The following year Edict Number 721 placed Russian industry directors in charge of the plans to privatize. In general, these Soviet-era appointees established themselves as the leaders of the governing boards of newly minted joint-stock companies (Moors, 1997:

24).²⁸ Such positions proved lucrative, even as the state retained at minimum a plurality, and often a majority control, in all industries that were privatized.

In light of the changing dynamics of political power and economic policy, Soviet-appointed leaders at various levels of government and in state-owned enterprises sought to secure their future through economic power. They did this by securing positions in lower ranking levels of the federal government and in regional offices and, more importantly, by usurping ownership of various state properties, including factories and firms (Aslund, 1994: 64, 71; Kryshtanovskaia, 1996: 22-30). Moors (1997: 15-23) argues that these former Soviet officials had no interest in returning to politics. Instead, they had the best position to make money and influence policy from their role running and owning industrial firms and various commercial enterprises built from former state run services.

As the former Soviet officials deepened their hold on economic power, a new dynamic emerged. Under the Soviet state each industry was organized hierarchically with the center as the top of the pyramid. After portions of the state were privatized, the new owners and bankers built broad conglomerates, which included various industrial and commercial enterprises. This shift from a vertical to a horizontal economic structure placed considerable economic power in the hands of relatively few business people, many of whom were politically powerful in the Soviet era (Kryshtanovskaia, 1996: 33; Moors, 1997: 52).

²⁸ All state-owned enterprises employing 200 or more people were required to transition to joint-stock companies when they privatized (Moors, 1997: 23-24).

These new business empires created a new class of economically powerful individuals, often referred to as ‘oligarchs.’ These extremely wealthy individuals were often active in the banking and oil industries. In the 1990s, President Yeltsin worked closely with these individuals, boosting his own political career, particularly his reelection in 1996 (McFaul & Treyger, 2004: 153-154; Shevtsova, 2010: 105). Some of his allies did find themselves included in the government. Notably, Viktor Chernomyrdin who served as the chairman of Gazprom, the Russian oil company created after the fall of the Soviet Union, found himself as Prime Minister for the majority of Yeltsin’s presidency (McFaul & Treyger, 2004: 153-154, 309fn52).

Press freedom in the 1990s

Russia’s post-Soviet experiment with democratization began in the Soviet period when Gorbachev initiated some reforms, including *glasnost* (openness). Gorbachev’s policy drastically reduced the topics on censorship lists and gave newspaper editors more leeway. This mild liberalization, however, did not allow the press to produce wide-ranging criticisms of the regime or other markers of press freedom (Becker, 2004: 155; Gibbs, 1999).

The press gained considerably more freedom during the 1990s while Boris Yeltsin was president. Oligarchs used the newspapers they owned to attack those with competing business interests and some criticized Yeltsin. As the 1996 election approached, Yeltsin unsuccessfully sought to reign in the press and reduce its criticism of his presidency. His efforts, however, were largely overridden by the economically

powerful owners of Russia's new media empires. In 1998 the owners of media conglomerates used their new found positions to criticize Yeltsin as too communist when his policies no longer supported their economic goals. This criticism is credited as a key factor in Yeltsin's resignation as president only half way through his second term in office (Shevtsova, 2010: 104-106; Arutunyan, 2009: 32-33; Becker, 2004: 147-148, 154).

Putin's Russia

The reversal of democratization during the Putin presidency offers further evidence of the link between the business class' political power and press freedoms. Putin pushed the Russian oligarchs out of the main halls of power in the state. His first targets were owners of large media conglomerates (Shevtsova, 2010: 104-108). Vladimir Gusinsky, the owner of large media conglomerate that included television and radio stations, and a newspaper, as well as a bank, was arrested for money owed to the state. As part of this process, the newspaper and the bank were closed and Gusinsky sold the remainder of his media empire to the state to avoid imprisonment. At the same time, Boris Berezovsky was forced to give up his ownership of a major television station. Attacks on media companies were often based on owed taxes (Becker, 2004: 151; Shevtsova, 2010: 104-108).

In 2003, Putin deepened his efforts to unseat the oligarchs from positions of political power. His government arrested Vladimir Khodorkovsky, a key gas baron and funder of his political opponents. His efforts signaled to the oligarchs that they were subordinate to state power, not participants in policy decisions. Putin further solidified

the superiority of the state by expanding state ownership of major industries, especially petroleum (Sakwa, 2008: 187).

Putin also targeted individual journalists, thus signaling that stemming information flows (and not just a few wealthy critics) was his goal. As early as 2001 the Committee to Protect Journalists reported that repression of journalists, through legal and extra-legal mechanisms, surpassed that seen since the collapse of the Soviet Union (Becker, 2004: 151-152). These efforts include legal proceedings in which journalists are tried for various offenses from libel to fraud (Arutunyan, 2009: 75). The government has also used harassment to intimidate journalists, including placing them in psychiatric institutions (Becker, 2004: 151-152).

CONCLUSION

The cases in this chapter – China in the 2000s and Russia in the 1990s – roughly parallel this dissertation’s primary cases. Unlike Mubarak in the 1990s, the Chinese used institutional rather than repressive mechanisms to maintain control over the media sphere. In the 1990s, the Russian regime was more pluralistic than Egypt in the 2000s. In both cases, members of the business class secured high ranking positions in the state. As a result, freedom of the press increased in both Russia and Egypt

Russia in the 2000s provides an important contrast to these parallel cases. Putin ousted the oligarchs from their positions of power in the government and their influence over politics waned considerably. This expulsion suggests an important corollary to the

theory of this dissertation: the increase in media freedom ensured by the inclusion of the business class in the political process is not permanent. Strong leaders who remove entrepreneurs from the halls of government can trigger a retrenchment in the freedom of the press. In the case of Russia, Putin accomplished both simultaneously by targeting the oligarchs in the media industry.

Post-Mubarak Egypt may prove to be a similar case. Key entrepreneurs were removed from their political posts, during the initial protests. After Mubarak's ouster a number of the businessmen have been convicted of corruption. The military assumed a larger role in politics, including former Field Marshall Abdel Fattah al-Sisi's assumption of the presidency. Since February 2011, press freedom has varied but the current government is making efforts to curtail the activities of the media.

Chapter 6: Conclusion

This dissertation, has considered why autocracies permit different levels of press freedom. Autocracies, like democracies, are far from monolithic. The proliferation of ‘autocracy with adjectives,’ to complement the existing collection ‘democracy with adjectives,’ in political science demonstrates that the field understands variation exists. However, scholars continue to debate the key differences are and what causes these variations.

The variation in freedom of the press across non-democracies is wide. Freedom House annually publishes a rating for each country that indicates that there is considerable variation in the freedom enjoyed by the media in countries rated not free in the governmental rating produced by the same organization. At the extreme, North Korea proscribes pluralism, including freedom of the press, while electoral democracies like Tanzania and Bangladesh enable moderate levels of participation in government and freedom of the press. The index, however, indicates that overall general levels of freedom may differ from levels of press freedom. In 2013 Freedom House rated Burundi’s government partly free and its press unfree. Conversely, the organization rated Mali’s government not free and considered its press partly free.

This dissertation has explained variation within autocracies by building on existing literature about the links between economic policy, social class and politics. Economic liberalizations lead to increased press freedom, when those entrepreneurs benefitting from the neo-liberal reforms, especially privatization, have the power to

create space for new outlets. Entrepreneurs invest in newspapers to avail themselves of a platform in which they can advertise their other business ventures and defend themselves and their businesses from attacks. Papers that enjoy the freedom to criticize the status quo demonstrate legitimacy and attract readers, benefitting advertisers and spreading investors' positions widely. Entrepreneurs who hold government positions have the power to push for policy changes and judicial and bureaucratic exceptions that make possible a relative increase in press freedom.

This argument builds on a large body of literature about the link between an entrepreneurial class and political outcomes. Additionally, it recognizes that in recent decades the number of privately owned media around the world has increased (Stockmann, 2013; Zhao; 2008). This trend corresponds with the spread of neo-liberal economic reforms, including the privatization of state-owned enterprises and a reduction in overt state-control over business enterprises.

Two cases demonstrate the role businessmen can play in expanding the freedom of the press. The first case is Egypt in the 1990s. The second is Egypt in the 2000s. In 1989 Egypt initiated a series of neo-liberal economic reforms that expanded the economic power of the entrepreneurial class during the next decade. It was only in the 2000s, after significant numbers of the business class entered parliament, the cabinet, and the ruling party that freedom of the press increased. I will briefly review the causal narrative of these periods.

In the 1990s Egypt initiated a structural adjustment program (SAP), expanded the wealth of the business class and increased its repression of civil society and the media.

The International Monetary Fund (IMF) and the World Bank guided Egypt through the introduction of banking reforms and the privatization of state-owned enterprises. Egypt initiated these reforms, but failed to fully implement them. There was a business class, dating to the era of *infitah*, which grew and benefitted from these changes. Although some of these individuals entered parliament they did not take charge of the cabinet and the ruling party.

Some entrepreneurs sought to enter the print media industry. Few of them were able to successfully shepherd their fledgling publications through the Egyptian bureaucracy and obtain the necessary licenses. As an alternative, investors incorporated newspapers in Cyprus and other countries and printed their publications like foreign publications. These newspapers and magazines, however, were Egyptian newspapers in all but name. The government had little tolerance for these ‘Cypriot newspapers’ and other critical publications. The state prosecuted journalists and editors for libel and defamation, even expanding the legal basis for such punishments, and banned the boldest of the critics, *al-Dostor*.

By the 2000s the political status of entrepreneurs and the freedoms enjoyed by the print media had changed drastically. Parliamentary elections in 2000 and 2005 brought the share of business leaders in parliament to about one in five. Gamal Mubarak, the president’s son, and some of his business associates assumed leadership positions in the ruling National Democratic Party and the cabinet. These leaders ushered in a second round of privatizations.

Concurrent with these political and economic changes, nine new media companies successfully navigated the bureaucratic process and obtained licenses for newspapers. When these newspapers covered the protests prior to the 2005 elections and the violence that happened on voting days, circulation grew. The state continued to expect reporters to observe key ‘red lines,’ and punished some critical journalists and editors via the judiciary. Still, in comparison to the prior decade, the state did not close whole newspapers in this period and generally showed greater tolerance for a range of criticism.

In addition to the main studies that this dissertation presents, three shadow cases support this thesis: Egypt in the 1970s, China in the 2000s and Russia in the 1990s. Sadat’s implementation of economic reforms in the 1970s, known as *infatih*, indicates that the business class affected the role of the media even before to the Washington Consensus came into vogue. In China economic reforms, which include the privatization and commercialization of the print media have not automatically led to a significant increase in freedom of the press, precisely because the business class has *not* assumed positions of political power. Russia, like other post-Soviet countries, moved simultaneously toward political and economic liberalizations. There entrepreneurs played a central role in expanding the space for media criticism during Yeltsin’s presidency, as they sought to protect their business interests. The case of Russia in the 2000s offers a final lesson: increased press freedoms are not permanent. Factions within the government can reduce the political power of the entrepreneurial class and trigger a reduction in freedom of the press.

The remainder of this conclusion considers the implications of the argument for political science theory and our understanding of real world events. My research advances knowledge on: the relationship between economic and political liberalizations and on mass demands for political change, especially democratization.

ECONOMIC AND POLITICAL LIBERALIZATIONS: A CAUSAL RELATIONSHIP?

The debates over the relationships between economic and political liberalization began in the 1980s in response to real world events. Three decades later, there is a general consensus concerning the impact of democratization on the implementation of neo-liberal economic reforms: on average, the closer a state gets to being fully democratic the ‘freer’ its trade policies will be (Milner & Mukherjee, 2009; Milner & Kubota, 2005; Frye & Mansfield, 2003).

Of course, not all countries democratize *prior* to implementing economic reforms. The World Bank (1993) credited neo-liberal economic policies for the successes of the East Asian “Tigers;” South Korea and Taiwan transitioned to democracy following these changes. The dissolution of the Soviet Union marked the fall of an entwined political and economic ideology and pushed many post-Soviet states to simultaneously reform their governmental and economic systems. Many non-democracies, under the guidance of the international financial institutions (IFIs) and independent of them, reformed their economic policies absent any significant political liberalizations.

When it comes to the impact of economic liberalizations on political liberalizations, the literature is less conclusive. This is, in part, because it re-ignites the debates between supporters and critics of modernization theory, which contends that economic development contributes to democratization.²⁹ Such notions underlie the package of neo-liberal reforms collectively known as the ‘Washington Consensus’ (Bueno de Mesquita & Downs, 2005).

Some research suggests that economic reforms can improve the practice of democracy. Studies in Latin America demonstrate, where relative political openness exists, economic reforms expand pluralism (Arce & Bellinger, 2007). Research on the ‘color revolutions’ in the same region argues that the events that precipitated regime change were possible because the independent business class, created by neo-liberal reforms, allied with civil society organizations (Junisbal, 2012; Radnitz, 2010).³⁰

Other works suggest that economic liberalization may prevent democratization. McFaul (1995), for example, suggests that neo-liberal reforms in Russia prevented the extensive economic restructuring necessary to allow deep political reforms and enduring democratization. These policies advocate a reduction in state interference in the economy, he argues, thus preventing such deep changes. Hellman (1998) elaborates that the broader reforms remain incomplete because those that benefit economically from the partial reforms or at least slow further changes. They do so in order to accumulate as much wealth as possible, at considerable expense to the “losers” of liberalization.

²⁹ Lipset (1959) is the seminal work on modernization theory; Inglehart & Wezel (2005; 2010) are key authors in the contemporary version of the theory.

³⁰ Look at Way 2008 (JoD) for comments on color revolutions.

Gallagher (2002) argues that economic liberalization has not weakened the authoritarian state in China, at least in the short term. The Chinese government, she demonstrates, introduced foreign direct investment before allowing privatization. The state, thus, prevented the emergence of an independent business class capable of challenging the regime and afforded itself time to shift the core sources of its legitimacy from communism to nationalism (Gallagher, 2002: 371).

Cross-national studies indicate that neo-liberal economic reforms bring political instability and impede democratic consolidation. Governments that work with the World Bank or the International Monetary Fund (IMF) and adopt structural adjustment programs (SAPs) are more likely to face crises with the potential to lead to their fall from power (Dreher & Gassebner, 2012).³¹ In addition, civil war is more likely to break out in those countries that implement SAPs under the auspices of the IMF (Hartzell, Hoddie & Bauer, 2010). Some political upheaval is necessary to spark a transition to democracy, but politics outside the established system, especially violent forms of politics, are counterproductive to the process of democratic consolidation.

This dissertation pushes forward the debate over neo-liberal economic reforms and political liberalization. Rather than assume a direct relationship between the two, I argue that neo-liberal reforms may or may not re-shape socio-economic structures. The power these structures hold, post-reform, puts countries on different paths from economic to political liberalization. In particular, the status of the business class following these

³¹ Dreher & Gassebner (2012: 354) employ the Databanks International dataset which defines a “major government crisis” such that violent efforts aimed at ousting the current regime are excluded.

reforms – the existence of such a socio-economic segment and its relationship to political power – is key to explaining the expansion of press freedom.

This project also brings nuance to typical discussions of political liberalization. Rather than focusing on electoral processes or political liberalizations broadly, this dissertation homes in on freedom of the press as one aspect of political liberalization under autocratic government. An autocratic government may allow increased liberty in certain areas, such as freedom of the press, without expanding all civil rights and liberties or administering free and fair elections that would mark a transition to democracy.

Democratization is a complex phenomenon that extends beyond check-marks on ballots. For conceptual clarity, some scholars prefer a definition that focuses on the minimal qualities of the electoral process to distinguish between regimes (Przeworski, et al., 2000). Others suggest that this approach disregards important context for ensuring truly free and fair competition, namely civil rights and liberties (Collier & Levitsky, 1997; Schmitter & Karl, 1993), including the freedom of religion (Stepan, 2004) and freedom of the press (Levitsky & Way, 2010: 6). The need for freedom of association and assembly is suggested by those who argue civil society is necessary for democracy (Diamond, 1999; Putnam, 1993). Further, scholars of judicial politics suggest that an independent judiciary capable of ensuring these civil rights and liberties is also important for a country to be considered a democracy (Howard & Carey, 2004).

This dissertation joins efforts that consider the link between economic reforms and the expansion of individual political liberties. Privatization of the media, when

linked to broader patterns of privatization in a country, that expand freedom of the press are part of this category (Arutunyan, 2009; Jones, 2002).

There is a considerable body of work that considers other individual liberties. With respect to the independence of the judiciary, Moustafa (2009) writes that Mubarak awarded the judiciary more freedom to protect himself and the ruling party from public dissatisfaction in the face of neo-liberal reforms in the 1990s. The expanded role of the judiciary did not supersede the power of the executive, but it was part of a process that brought the courts to the attention of the citizenry (Moustafa, 2009; El-Ghobashy, 2008). Citizens came to see the judiciary as a forum to access aid from the state; from 1993 to 2002 the number of cases filed in the administrative courts increased by 520% to 15 million (El-Ghobashy, 2008: 1598).

Future work would do well to consider the parallels between this dissertation, the works mentioned above and similar studies. Doing so will expand our understanding of the impact of economic liberalizations on political liberalization. Such meta-studies will then allow us to ask: can we generalize about the relationship between economic reforms and political liberalization broadly? And, if such generalizations can be made, under what conditions do we see a causal relationship between the two?

Regardless of broader patterns, works on the determinants of individual political liberalizations are valuable. The expansion of freedoms, even in limited spheres, changes the daily relationship between citizens and their state. No autocrat rules without some consideration for the masses. The expansion (or reduction) of a civil liberty, be it judicial

independence or a press freedoms, changes the dynamics of the interaction between the state and the people.

INFORMATION FLOWS AND CONTENTIOUS POLITICS

A second area of research that this dissertation speaks to is that of the relationship between information flows and contentious politics, including revolutionary events. As I argue above, focus on this relationship detracts from the more circumscribed changes in dynamics between citizens and autocrats. Information flows are, nonetheless, a necessary, though hardly sufficient, condition for contentious political events.

Totalitarian regimes and other autocracies often expect their citizens to express public support for the regime. Syrians, for example, used their public performances to express support while simultaneously criticizing Hafez al-Assad's regime (Wedeen, 1999). Kuran (1991) calls this public show of support, when it is at odds with privately held dissent, "preference falsification." Individuals in countries around the world join together, take to the streets, express frustration with the status quo and demand political change despite the high risk of punishment they will face for failing to falsify their preferences.

Social science explains that significant numbers of people make this dangerous choice in part through the spread of information. Kuran (1991) argues significant numbers of individuals stop falsifying their preferences when they observe a significant number of others calling for political change. People choose this behavior, he argues,

because at a certain threshold of participation the cost of collective action for each individual, i.e. the threat of harm, decreases. A similar concept for understanding this behavior is the “information cascade,” which:

occurs when it is optimal for an individual, having observed the actions of those ahead of him, to follow the behavior of the preceding individual without regard to his own information (Bikhchandani, et al., 1992: 994).

In the case of protests this means once a sufficient number of people are observed protesting, despite existing information about the dangers of dissent, others chose to join them.

Others scholar argue that individual calculations are more complex than Kuran presents (Ellis & Fender, 2011; Lohmann, 1994). Those who are motivated to participate do not do so based just on the raw numbers of participants, but in comparison to their own estimates of fellow citizens who are not always motivated to contest the political status quo (Lohman, 1994: 52-54). The information cascade is tempered by the free rider problem that reduces turnout (Lohman, 1994: 50-51). Mobilization networks and structures that bind people together may help overcome the free rider problem, bringing people to the streets (Lohman, 1994: 56; Tarrow, 1998). The language and symbols used in the organizing phase and during the preliminary protest events, sometimes called the “repertoires of contention,” spur more people to participate in the protest events when they are culturally significant (Tarrow, 1998).

Additionally, the state’s response to initial protests can encourage or dissuade others from participating in ongoing contentious political actions. The regime will base the severity of its repressive actions to current political protests on the turnout at previous

events (Lohmann, 1994: 55). The response by the state is part of the “political opportunities and constraints” in which mobilization takes place (Tarrow, 1998: 19).

In the age of the television and social media, what role do the print media that this dissertation focuses on play in the information cascade? Regardless of regime type television and radio are the most widely accessed and the most regulated of media (Djankov, et al., 2003). Print media often enjoy more freedom than their broadcast counterparts; this sometimes affords newspapers and magazines the space to report on protest events and other forms of contentious politics.

Prior to the Arab Spring Egyptians did not engage in preference falsification to the degree seen in the Soviet Union or contemporary Syria. None the less there was considerable fear of the regime. Wael Ghoneim (2012: 90) an Egyptian who became an active organizer of protests in the year before the January 25th revolution worked to protect his anonymity because of his fear of the security apparatus.

Since 2005 when the new independent newspapers flourished, thanks to their coverage of the violence surrounding the elections of that year, they continued to cover issues of violence, corruption and police brutality (the issue that spurred Ghoneim and many others to participation). Not only were the government’s violations splashed across the front page, but instances of public opposition to the government over these issues, among others, made front page coverage.

Initial evidence supports this point in Egypt and suggests that further research in other settings may be worthwhile. The private media, in the year before the January 5th revolution, were much more likely to cover various forms of collective action than their

state-owned counterparts. A survey of the front pages of *al-Ahram*, the leading state-owned newspaper, and *al-Masry al-Youm*, the most widely circulating privately owned paper, on 50 randomly selected days from 2010 shows that a greater portion of front page headlines in the privately-owned newspaper covered various forms of collective action.

	<i>al-Ahram</i>		<i>al-Masry al-Youm</i>	
	N	%	N	%
COLLECTIVE ACTION	6	1.11	23	7.30
Protest, Clash	3	0.55	16	5.08
Strike, Sit-in	3	0.55	7	2.22
PHOTO				
Collective action	5	3.94	21	18.55

Table 3: Coverage of Collective Action

This disparity is even more apparent in the number of front page photographs used to illustrate protests, strikes and other events, with almost one in five front page photographs depicting such incidents.

Social media are powerful tools, but they do not exist within a vacuum. Micro-blogging platforms, like Twitter, and social networking sites, such as Facebook, are often used to share reports from traditional news outlets. Conversely, newspapers and broadcast media respond to information shared in online fora from Egypt (Faris, 2013: 55-60) to the United States (Thompson, 2003). Newspapers print information they encounter online and, in so doing, confirm and add legitimacy to the content.

Print media can, thus, serve as an important part of the public sphere for sharing information about protest activity. This is particularly true where the censorship of television and radio is markedly more severe than that of print media. Additionally, in

places where internet access remains low, print media can serve as a conduit between the information available on social media and a wider public.

Contentious politics grab the attention of news media and social scientists alike, yet they do not always produce lasting change or cement advancements in civil liberties. Post-Mubarak Egypt is a clear case of this. Freedom House ratings state that the Egyptian press was not free in 2012 or 2013. The reduction in freedom includes pulling individual newspaper issues from stands, closing of entire newspapers (Sakr, 2013: 7-9), and imprisoning the *Al Jazeera English* journalists Peter Greste, an Australian, and Mohamad Fahmy, a dual Egyptian-Canadian national.

There is space in political science to understand not just moments of historic change, but also more nuanced shifts in the day-to-day relationship between people and their governments. This dissertation has shown that autocracies expand freedom of the press when the business class takes up economic and political power. Such changes may carry momentous consequences. Egypt's press may have contributed to the 2011 protests that led to the ouster of Mubarak. Other paths are also possible, as the shadow cases illustrate. In Russia, Putin reasserted power over the press and the business class. Hence, the increased spread of information to a range of outcomes.

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