

The ships tug serenely down the newly built Suez canal expansion, a testament to President Sisi's force of personality. In his first year, this was his showcase project, the achievement that would crown the rebirth of Egypt from three years of turmoil and the crow of an inept Islamist government. But the photos from further away show the half-built concrete blast walls that line the side of the canal, and the 55,000 troops deployed for the Pharaonic style opening tell a different story; Egypt is as close to the precipice as it has ever been, and a vicious cycle of repression and radicalisation unleashed in the course of crushing the Islamist opposition take it closer each day, writes Charlie Pratt.

Shortly after the Suez opening last week, a bomb exploded near an HQ of the internal security services, the NSS, in Northern Cairo. The bomb was claimed by Daesh affiliate IS-Sinai, and comes on the back of previous attacks in and around Cairo, including a bomb outside the Italian Consulate and attacks at Karnak and Heliopolis. International media coverage of IS-Sinai has been muted, perhaps concentrating instead on the more virulent strain of Daesh that has emerged in Libya, with the beheading of 29 Copt Christians at its forefront. But make no mistake; IS-Sinai is the more dangerous, capable big brother, and its movement to Cairo is far more significant for the future of Egypt and North Africa than the dominance of IS-Libya in Sirte.

Over the past year, IS-Sinai has travelled from a predominantly Bedouin, Salafist insurgency linked to AQ, to a far more radical, transnational Jihadist organisation now associated with Daesh. The forerunners of IS-Sinai were once focussed on the imposition of Sha'ria law and contestation of Egyptian state power in Sinai, fuelled mostly by what they saw as the economic marginalisation and political oppression of Bedouin. It was a fight they took to the Morsi-led government, and the Egyptian Armed Forces, and that they continued during the fall of Morsi. And while it was in large part successful in bogging down the EAF in Sinai and increasing the endemic insecurity across a large part of the province, it was at least controlled and contained in Northern Sinai.

The rise of Sisi changed the dynamic completely. Inadvertently timed with the evolution of the ultra-brutal Takfiri jihadist employed by Daesh, his effective criminalisation of any element of the Muslim Brotherhood, including the condemnation to death of Morsi, meant that he also effectively outlawed Islamist political opposition. This was a historic mistake, born of arrogance and separation from the Egyptian reality where Islamism spoke directly to large parts of the population, mostly poor and disaffected by the corruption and elitism they saw in the Mubarak regime. This was as true for those in the Nile delta, as in traditionally poor areas like Sinai. Of course, the Morsi regime did little for them in its ineptitude, but much of this was forgotten as Sisi set about brutalising the Brotherhood.

Sisi's core belief is that Egyptians want stability, and a return to secularity. He has followed this belief by offering a stark choice; you are either with him, and the return to a secular one-party state, or you are against him, whether that be through involvement in liberal politics, or Islamist. If you are against him, the full might of his rule falls against you, especially as the state has become the EAF, and vice versa, during his year in power. His rule has been a return to that of Mubarak, but with even less pretence at democracy, and even more emergency discourse. Despite this, many Egyptians still support Sisi ♦ he is a canny politician, and his desire to return to secular stability is shared by many. But many oppose him, and where once this was often done through Islamism, that avenue no longer exists.

Where does this leave many of the Egyptians drawn to Islamism? For most, aware of what might befall them, political quiescence. But for those stung by the injustice, or radicalised by the brutality of Sisi, radicalisation is all that is left. Egypt has always had domestic terrorists, but the current upsurge in support to radical groups such as Afnan Misr, a radical Salafist splinter group formed by remnants of AQ-aligned Ansar

Bayt al-Maqdis and operating around Cairo, and IS-Sinai, is unique to Sisi's era. The emergence of this upsurge completes Sisi's path to political legitimacy. For him, the radicalisation of opposition means there is no alternative but military rule; fire must be met with fire.

While he may think he can, the increased radicalisation of political opposition poses a threat to Sisi that he may not be able to control, particularly when it comes to IS-Sinai. This is a serious and capable group, as evidenced in their rocket attack on an Egyptian naval vessel. It is also a group that Sisi can brook no accommodation with. Nor can IS-Sinai co-exist with Sisi. Each finds themselves an existential threat to the other, and so they are at war until one ceases to exist.

In itself, this is not so much of a problem. The internal war enhances legitimacy for both, and supports the military-industrial complex that much of Egypt has come to be due to the EAF domination of the economy. But the economy is the critical problem. Egypt's economic projections are colossally worrying, and an internal terrorist campaign will snarl up just about every avenue away from the crisis; the precipice is not just one of insecurity, but of bankruptcy too.

The economic figures are stark. GDP growth has fallen to 3.5% when it needs to be at around 7% to cope with the huge numbers coming into the economy. Unemployment is over 12%, but estimated far higher for those under 25, a critical factor in a country where the median age is 25.1. The balance of trade is hugely unequal, with exports falling by 6% in 2014, and tax ranked at only 23.8% of GDP in 2014. Debt, on the other hand, ranked at 93.8%. In response, Sisi's Egypt concentrates on subsidies to keep the economy afloat. But this form of tax expenditure is a poverty trap. The escape is hopeless.

For now, Sisi is propped up by the Gulfis, most recently for the sum of \$12.5bn. They cannot afford to see Egypt fall but, with falling oiling prices, nor can they afford to insulate him from reality; Sisi must make reforms to the Egyptian economy and politics if Egypt is to survive, let alone prosper. But these changes are beyond him. He is no economist and relies on a small coterie of ex-military to advise him, none of whom are economists. He has been unable to break the umbilical link with the EAF, and because of that, he cannot tackle their position in the economy. The monopoly position they occupy in industries such as construction constricts wage growth and kills the dynamism that is the locus of capitalism. Equally, his link to the EAF has meant that he can only see one way to deal with the threats to his economy and political stability; might. His world is an echo chamber, obsessed by threat and besotted with force. It is not a country in which hard economic and political changes can be made, but in which new vanity projects with little economic benefit are focussed on. It is a country in which insecurity and instability will only worsen, with little new from the Government.

The continued round and round of terrorism-oppression, repression-radicalisation and in political instability/economic instability, spurred on by Sisi's obsession with might, and the relentless brutality of IS-Sinai and others, drags Egypt to the edge. Economy and security cannot grow in this forlorn, dashed environment. And much as Sisi may say it, it is ultimately not the Islamic State in Sinai that will bring about the fall of Egypt, but the economy ♦ insecurity will only quicken the fall. Egypt is slowly heading towards the nightmare scenario where its people cannot afford the cooking oil to heat their limited diet, or the money for the staples such as bread. And when that occurs, Egypt will totter over the precipice, bankrupt and terrorised..