

EGYPT

The many faces of inequality



Although estimates are disputed and the figures of national and international agencies do not agree, the prevalence of poverty in Egypt cannot be disputed. Whether it is the large number of people who seek shelter in cemeteries, or the shocking number of children employed in the cotton industry, the symptoms of impoverishment are everywhere. At the same time, women are not being allowed to play an active role in society, as made evident by literacy and active employment rates.

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It is easy to use national income as a human welfare indicator but it is difficult to measure human development since the criteria do not depend on economic growth and national income standards but rather on how resources are used and whether they are dedicated to developing weapons or producing food. In other words, are resources used to build palaces or to provide clean water?¹

According to the Human Development Index, Egypt is a medium human development country ranking 120th among 177 countries with a score of 0.653 in 2002 which suggests that the country's use of resources should be re-evaluated.²

Poverty

The 2004 Human Development Report (HDR) states that 3.1% of the total population lives on less than USD 1 per day.³ That is roughly 2.2 million people. By the USD 2 per day measure the poverty rate increases to 43.9% or 30.9 million people. As real incomes have declined recently, the number of people living on less than 1 USD per day has risen dramatically.

The HDR also indicates income distribution inequality. The richest 20% of the population receive 43.6% of national income while the poorest 20% only get 8.6%. This is indicative of poor income distribution and the concentration of wealth.

Government and United Nations Development Programme (UNDP) poverty and social development figures do not always agree.

The 2004 Egyptian HDR by the National Planning Institute states that 16.75%, or 11.8 million people, are living under the poverty line.⁴ The report also says that approximately 6.8 million citizens do not have access to health services, that 4.1

million have no access to piped water and that there are almost 2.1 million illiterate Egyptians. Meanwhile the UNDP reports that there are only 2.1 million without access to improved water sources and that illiteracy affects as much as 44.4% of the adult (15 years +) population or 31.3 million people.⁵

Poverty is more severe in some regions of the country than others. In 2003 in Upper Egypt 35.2% of the population were considered poor and this rate stood at 58.1% in Assiut.⁶ The poverty rate in Upper Egypt had been estimated at 30% in 1999-2000 compared to the 17% national average, and GDP growth was only 2.8% compared to the national rate of 6.8%.⁷

Unemployment, pensions and services

Other indicators, such as the unemployment rate and the number of pensioners and informal workers, also provide insight into the poverty situation. The Central Agency for Public Mobilization and Statistics (CAPMAS) and the Labour Force Sample Survey estimated the number of unemployed at 2 million in 2002.⁸ The International Labour Organization publishes a much higher figure. They calculate that 11 million Egyptians are unemployed.⁹ Additionally 7.6 million people work in the informal sector.¹⁰ Pensioners and beneficiaries of the various insurance systems must also be considered since they feel most the effects of inflation, and the deteriorating quality of education and health services. Between 1990 and 2002, the consumer price index rose by 135%.¹¹

The Minister of Social Affairs Aminah Hamzah Mahmoud Al-Guindi says that there are one million families who receive the social insurance pension of EGP 50 (USD 8.72) each month.¹² If the average

family is made up of four people, then 4 million people have a monthly income of 2 dollars. This abject poverty is one of the reasons why wages need to be linked to the prices of certain commodities and services.

The deterioration of free education and health services contributes to the deterioration of the labour force, while causing poverty to increase and spread. According to the UNDP, in 2001 the Government spent only 1.9% of its GDP on public health services, or roughly USD 153 per person.¹³ There are no recent UNDP figures for education expenditures but the 2004 Egypt HDR says that in 2001-2002 the Government spent 5.2% of GDP on this service.¹⁴

Living with the dead

The International Fund for Agricultural Development has stressed that there are 48 million poor Egyptians living in 109 informal areas. The Fund reports that they are suffering from hunger and disease, and are deprived of food, shelter, education, and adequate health care. According to the report, poverty slices across the country and is increasing daily.

A comparison of the results of the 1986 and 1996 population censuses reveals that in Cairo alone roughly two million people live in squatter settlements or slums. In Egypt's urban centres such as Cairo, Giza and Alexandria around 4.5 million people, or 17.6% of the nation's urban population, live in marginalized areas. More than half a million live in slums in the governorates of Fayyum, Minya and Qena in Upper Egypt. These areas were and still are the breeding ground of violence, delinquency and crime. When we consider that many towns and villages are not connected to the public water and sewage networks, other dimensions of poverty and unequal access to services come to light.

A report by CAPMAS states that 12 million Egyptians have no shelter and are forced to live in cemeteries, shacks, garages, mosques and under staircases. It estimates that in Cairo alone, 1.5 million people live in cemeteries. When cemeteries were built in Egypt, the custom was to build a small one or two room house with a bathroom in order to allow people to visit their deceased loved ones more often. With increased housing problems, people

1 United Nations Development Programme (UNDP). *Human Development Report 2004. Cultural Liberty in today's diverse world*, 2004a, <http://hdr.undp.org/reports/global/2004/>

2 *Ibid.*

3 *Ibid.*

4 UNDP; The Institute of National Planning. "Egypt Human Development Report 2004", 2004b, www.undp.org/eg/publications/HDP-2004-E%20.pdf

5 UNDP (2004a), *op cit.*

6 UNDP (2004b), *op cit.*

7 *Ibid.*

8 Global Policy Network. "GPN global labour market database: Egypt". October 2003, www.gpn.org/data/egypt/egypt-data.pdf

9 International Labour Organization. "Laborstat Internet", <http://laborsta.ilo.org>

10 *Al-Ahram*. 25 April 2005, <http://weekly.ahram.org.eg/2005/739/index.htm>

11 Globalis. http://globalis.gvu.unu.edu/indicator_detail.cfm?IndicatorID=152&Country=EG

12 Mariz Tadros. *Al-Ahram*. "Leviathan revisited". 21-27 September 2000.

13 UNDP (2004a), *op cit.*

14 UNDP (2004b), *op cit.*

started to live in these structures permanently.¹⁵ The report also states that outlaws are using the cemeteries for criminal activities. It adds that there are approximately 1,032 informally built areas in the governorates.

Children at work, not at play

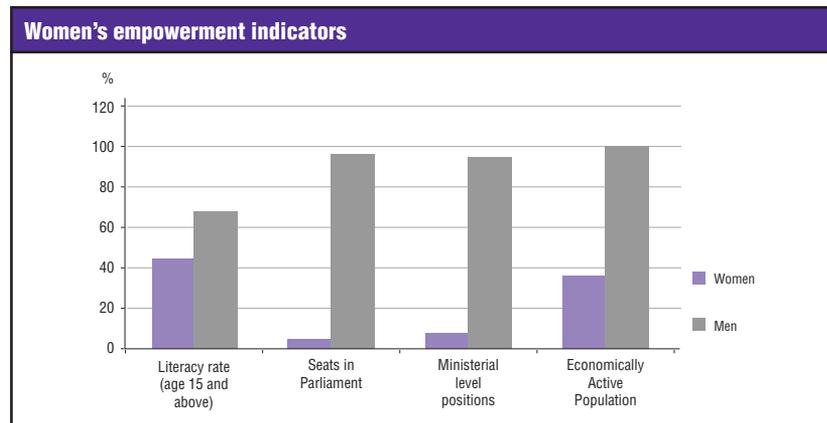
Undernourishment among children is brought to light by indicators such as the proportion of under-height children. The UNDP estimates that 21% of children under the age of 5 are below the average height for their age.¹⁶ Furthermore, around 52% of schoolchildren are reported to suffer from anaemia while roughly 20% have vitamin and protein deficiencies.¹⁷

Child labour exists in Egypt as it does in other countries with similar socioeconomic conditions. UNICEF figures estimate that 6% of children aged 5-14 years old work.¹⁸ A 1999 survey of girls and boys in Cairo showed that on average they work no less than nine hours per day and for more than six days a week, even exceeding the working hours of adults. The survey also brought to light that these children are working informally without working cards or health certificates, and therefore have no legal protection. Roughly one third of the children surveyed suffered from maltreatment and violence at the hands of their employers and work supervisors.

A 2001 national survey conducted by CAPMAS in cooperation with the National Motherhood and Childhood Council used a 20,000 household sample and was based on the procedural definition of child labour as "any economic activity done by a child belonging to the age group 6-14 during the past three months preceding the survey." The survey estimated that there were 2,786,000 children working at that time and that 83% of them were living in rural areas. By gender, 73% of working children were male and 27% female. The national survey also indicated that 28.4% of the child labourers had permanent work. Children who only work during summer vacation represented 54.1% of child workers. Roughly 74% of working children were paid for their labour and 64% were engaged in agricultural activities. They also worked in craft-making (14%), commercial activities (11%), services (9%) and industrial activities (2%). The study also states that the work exposed children to health hazards and rights violations.

The cotton industry is notorious for its employment of children. A 2001 study by Human Rights Watch, states that each year over one million children between the ages of 7 and 12 years old are employed in the cotton fields, although the mini-

CHART 1



mum age for this work is 12 years old. The children's task is to manually remove cotton leaf worm infestations. They work 11 hours a day, 7 days a week and they face maltreatment by their supervisor as well as exposure to pesticides.¹⁹

Street children are another symptom of poverty with an estimated 150,000 street children in Cairo alone. A rapid situation assessment carried out by the UN Office on Drugs and Crime in cooperation with UNICEF and the World Food Programme collected data on these children in Cairo and Alexandria. This first study of its kind estimated that 66% of street children consumed substances of abuse on a regular basis including glue, cannabis, hashish, solvents and tablets. The assessment exposed that 70% of these children had dropped out of school and 30% had never attended school. Another worrying finding was that 80% of the street children were exposed to real or constant threats of violence, be it from employers, community members or peers.²⁰

Women

Egypt's Gender-related Development Index ranking and score make it clear that gender inequality is still prevalent in the country. In 2002 Egypt ranked 99th out of 144 positions with a value of 0.634. The index measures the 3 basic dimensions of human development - a long and healthy life, knowledge, and a decent standard of living - but then adjusts these dimensions for existing inequalities between men and women.²¹

Partially due to an increase in the use of contraception by married women, fertility rates are declining. Women now experience 3.3 births on average as compared to 5.7 births in the 1970s. An estimated 56% of married women aged 25-49 use

some form of birth control. Maternal mortality per 100,000 live births stands at 84.²²

Women continue to face discrimination, as illustrated by education and economic participation indicators. Only 43.6% of women aged 15 and above are literate compared to 67.2% of men in the same age group. The female economic activity rate remains low, with only 35.7% of woman above 15 years of age working. The majority, that is to say 54%, work in the service sector and only a very small proportion, 7%, work in industry. In 2002, women's estimated annual income was USD 1963 compared to USD 5216 for men - a ratio of 0.38.²³

There is low representation of women in governmental positions. Egyptian women only hold 3.6% of the seats in Parliament, and 6.1% of ministerial level positions in the Government. The Gender Empowerment Measure which takes into consideration economic participation and decision-making, political participation and decision-making and power over economic resources ranked Egypt 75th out of the 78 countries included in its latest ranking.²⁴

Concluding remarks

The Economic Research and Studies Center at Cairo University has raised the issue of rising living costs and worsening living conditions. It argues that in the absence of state control, there is excessive importation, including the importation of agricultural products that are being produced in the country, and that this is harming both the economy and the consumers.

The spread of poverty is a reflection of the State's privatization policies. The slow adoption of legislation on unfair competition and monopolies, and the increased influence of foreign funding organizations have contributed to the spread of poverty and increased crime and violence. These negative social impacts are a result of the so-called economic reform. ■

15 UN Press Release. 3 May 2000, www.unhchr.ch/hurricane/hurricane.nst/0/00B63216450B610D802568D6002C06F4?opendocument

16 UNDP (2004a), *op cit*.

17 UN World Food Programme. "Settling in to a stable life in Egypt's Upper Nile". 2005, www.wfp.org/newsroom/in_depth/africa/egypt/040514_egypt.html

18 UNICEF. Statistics, www.unicef.org/infobycountry/egypt_statistics.html

19 Human Rights Watch. *Underage & Unprotected: Child Labour in Egypt's Cotton Fields*. January 2001, www.hrw.org/reports/2001/egypt.

20 UN Office on Drugs and Crime. "Hope for Street Children in Egypt". December 2001, www.unodc.org/unodc/newsletter_2001-12-01_1_1_page007.html

21 UNDP (2004a), *op cit*.

22 *Ibid*.

23 *Ibid*.

24 *Ibid*.