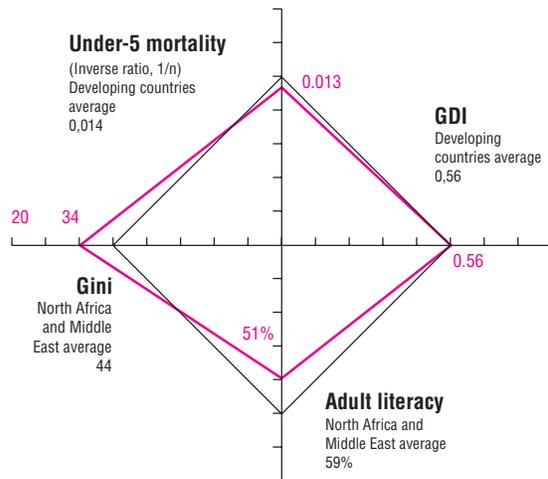


Egypt

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THE ETERNAL PYRAMID



The Equity Diamond: National values in terracotta compared to regional ones in blue.

Figures on income distribution and poverty in Egypt (accurate or otherwise) fail to provide an adequate picture of the polarisation of economic, social and political power and privilege. This is 23 years after the launching of Infitah and six years after the adoption, in 1991, of a full-blown Economic Reform and Structural Adjustment Programme (ERSAP) based on agreements with the International Monetary Fund and the World Bank. Such a picture can be adequately expressed only by taking into account the increasing fusion of big business and the state bureaucracy, the continuing denial of fundamental civil and political rights, and the widespread abuses of human rights by security forces, not only against the political opponents of the regime, but also against the poor and disadvantaged as such.

Equity in Egypt can be assessed only if we take note that: the bulk of government ministers and other top bureaucrats, their spouses, siblings and offspring are partners and/or principal holders in the biggest private sector ventures in the country; the parliament, over 90% of whose seats are dominated by the ruling National Democratic Party, is more a site for conducting business deals, than politics; trade unions continue to be government controlled and trade union rights denied; a government minister can have his cook tortured into paralysis by the police over a suspected theft;¹ and the wedding parties of the sons and daughters of top government bureaucrats/entrepreneurs can now normally cost upwards of half a million pounds, with food and drink being flown in from Maxims in Paris and Harrods in London.

ERSAP's promised trickle down effect is yet to make itself felt, but six years of «economic reform» have unraveled islands of extreme wealth surrounded by a sea of poverty and deprivation – 50% of Cairo's population lives in eight poor neighborhoods. In Egypt, like elsewhere, the adoption of ERSAP in 1991 involved a stabilisation programme, structural reform and a social policy programme.

Under structural reform, the Egyptian government was committed to: an adjustment of the relative prices of agricultural, industrial and energy products; trade liberalisation through the reduction of import tariff dispersions; public sector restructuring

Economic liberalisation in Egypt was launched over two decades ago with the declaration of the Economic Open Door Policy (Infitah) in 1974. It has been associated above all with the increasing concentration and fusion of power and wealth at the summit of the country's social and political hierarchy and with growing disempowerment, marginalisation and degradation of the poor and underprivileged.

Despite its authoritarian character and maintenance of social and economic privilege and associated values, the Nasserist «Socialist Experiment» –from the mid-fifties to early seventies– embraced an egalitarian ethic, which the underprivileged sectors were able to use to access and affect decision-making processes in their interest.

1 Torture in Egyptian Prisons. Report of El Nadim Center for the Management and Rehabilitation of Victims of Violence, June 1997

and reorganisation into autonomous Holding companies; initiation of a privatisation programme for state-owned companies; and regulatory reform in order to make the business environment more conducive to private investment and to facilitate new business start-ups.

The social policies programme involved the reform of the «remaining» consumer subsidies through substantial cuts and the development of a new «assistance» programme for the poor. The different components of the programme have been proceeding with great lack of harmony. On the ground, policies have resulted in the accentuation of poverty, reduced access to basic social services such as health and education and the dismantling of the social security net that was granted through the public sector infrastructure, including government's commitment to providing job opportunities for high school and university graduates and a network of legislation that guaranteed certain rights to government, industrial and agricultural workers vis-à-vis their employers.

Within this network of power and wealth, the recommendations of Copenhagen are «history», if at all remembered. Those of Beijing may be setting the agendas for some NGOs, donors and development agencies, but are effectively out of sight and mind as far as official decision-making circles are concerned.

Economic policies have accentuated historical inequities between the rich and the poor, between urban and rural communities, and even between the vulnerable and the more vulnerable. Low income households and those below suitable living standards are increasing steadily as a result of price changes, unemployment and falling real wages. And, in the absence of a serious intervention policy to counteract those adverse effects, more and more strata of the population are likely to be pushed into complete destitution.

In estimating poverty, the Household Income and Expenditure Survey (HIECS) of 1995/96 was used.² The cost of basic needs (lower consumption expenditure) poverty lines are estimated at 4,168 £E³ per household and 814 £E per capita per annum at the national level. It has been found that nearly 23% of all Egyptians live below the poverty line. That is 13.5 million persons who cannot obtain their basic food and non-food requirements. The majority of poor live in upper Egypt (56.8%), mostly concentrated in rural communities. This indicates an unequal distribution of resources between the different parts of the country, with the Capital and other urban centers acquiring the bulk of resources.

If we consider human deprivation in addition to income poverty (% of under five children who are underweight, % of unattended births, % of female-headed households, % of population with no education) the Egyptian Human Development Report for Egypt (1996) estimates that 34% of the population would qualify as poor. The difference between the two measures is exclusively due to the

fact that capability poverty is considerably higher than income poverty in rural Egypt (43% versus 23% in rural Egypt as opposed to 21% against 22.5% in urban Egypt).

TABLE 1

Capability Poverty and Income Poverty in Egypt 1995 (%) ⁴		
	income poor	capability poor
urban	22.5	20.9
rural	23.3	43.0
All Egypt	22.9	33.9

The poor have to bear a disproportionately larger share of the burdens of the stabilisation and structural adjustment programme as compared with the non-poor. Whereas 50% of the non-poor reported either no change or a worsening of their living conditions since the initiation of the programme, the corresponding percentage for the poor was 76%. Distribution of expenditure by population shows that the deprivation of the poor is on the increase while the reverse is true for the rich, indicating that the price of ERSAPs is paid by the poor. El Laithy and Osman (1996)⁵ show that the poorest 20% of the urban population spent 8.4% of the total urban expenditure in 1981/82. Their share declined slightly to 8.2% in 1990/91 and continued to decline to 8.0% in 1995/1996. The richest 20% of the urban population spent 41.0% of total urban expenditure in 1981/82, their share increasing to 43% in 1990/91 and to 43.5% in 1995/96. They also show that the share of the top 10% of the population exceeds the share of half of the urban population and the share of the lower 40% of the rural population.

In addition, rural communities have been recently hit by the initial effects of new land legislation which deprives increasing numbers of tenant peasants and their families of their main source of livelihood, which is land. In June 1992 the agrarian reform law was amended by a new law termed the New Land Law. It involved an increase in the value of land rent from 7-fold to 22-fold the tax value (more than 300%). The amendment stipulated a transitional stage that ends in the agricultural year 1996/97, after which the rental relationship is completely liberalised and made fully open for negotiation between the landowner and the tenant.

The practical outcome of the New Land Law has been widespread peasant uprisings in several locations where peasants and their families found themselves either being evicted or

² CAPMAS (1996): *Central Agency for Public Mobilization and Statistics: Household Income and Expenditure Survey, 1995/1996*, Cairo - Egypt.

³ Egyptian pounds.

⁴ *Egypt Human Development Report, 1996* (pre-editing draft).

⁵ El Laithy, H. and Osman, O. M. (1996): *Profile and Trend of Poverty and Economic Growth in Egypt*.

threatened with eviction from plots of land they have held and farmed for generations. The absence of a strong interest group movement and the fierceness of the police apparatus has resulted in major casualties among the peasants, men and women alike.

But even in urban locations Egypt's poverty profile reveals that the poor are usually occupied in marginal activities, low wage employment or are unemployed. Most are illiterate or of low educational level. The informal sector is the major absorber of urban poor, especially those rural out-migrants who live in slums and squatter areas and are a major source of urban degradation and poverty. While those privately employed outside the establishment constituted 27% of the total workforce (15–65 years of age) in urban areas in 1990 (Labour Force Sample Survey), their number reached 1.9 million in 1994, thus constituting around 60% of the total labour force in the private sector.

The government's major mechanism to counteract the adverse effects of ERSAPs has been the establishment of a Social Fund for Development (SFD). The SFD was established to facilitate the implementation of the Programme by mitigating the adverse effects of this programme on low income population groups. However, the project-based approach of SFD to poverty alleviation and employment generation excludes those who cannot work and those who are too poor to apply for project funding or wait for their implementation. The fund requires the submission of applications and proposals, soliciting estimates, etc., procedures which are far from accessible to the most deprived, both women and men. Awareness and usage of the SFD has been limited. Only 18% of the households surveyed in the HIECS were aware of the fund and no more than 5% reported using it.

GENDER EQUITY

Two years after Beijing and despite official adoption of the Beijing resolutions for the advancement of the status of women, actual measures taken hardly go beyond the offices of development organisations and public speeches. Development indicators leave a lot to be desired as far as the status of Egyptian women is concerned, and the rates of improvements are well below real needs.

The proportion of girls in primary education increased from 38% in 1972/73 to just 44.2% in 1985/86, and female illiteracy increased to 77% in some rural areas. The female/male gap with respect to the mean years of schooling does not exceed 51%, a decline from the 55% average achieved in 1960. Even among those who have attended school, there is a gender gap in the number of years of schooling (6.1 years for men versus 3.3 years for women). Regarding health, women are the most underprivileged with 73% of deliveries undertaken at home, a maternal mortality of 300/100,000 (of those one in eight die of postpartum complications), and a rate of anemia of 22.1% for pregnant women and 25.3% for breastfeeding women.

Although predominant discourse attributes such gender inequalities to traditions, culture etc., effectively laying the «blame» on the people themselves, we have reason to believe that the government of Egypt is reluctant to work towards gender equity beyond paying lip service or providing the bare minimum necessary to maintain economic and social stability.

Egypt hosted the 1994 UN Conference on Population and Development, where women's health and reproductive rights were high on the agenda. It participated in the Beijing Conference on Women and is party to the subsequent platform document of action. Hence women's issues are on the agenda of many official speeches and plans.

National surveys reflect increases in rates of school enrollment and reduction in maternal mortality rates. The country is overwhelmed with small income-generating projects all targeting women with small, mainly household-based production. Microcredit schemes are increasingly being taken up by NGOs in remote parts of the country who provide small loans to women to enable them to increase family income.

However, several major issues that pertain to women's exploited position in society remain unaddressed if not perpetuated by state policies. Two examples illustrate this position.

One of those is the labour context. With the growing unemployment rate, men and women compete for fewer public sector jobs, while in the private sector, women's access to jobs, scarce as they are, is limited and working conditions are worsening. As more workers are laid off from privatised public sector workshops, factories and companies, women are forced into a labour market with the worst possible working conditions. Even the smaller private industries, which sometimes recruit female labour on a seasonal basis, hire for short periods of time, at very low wages, and without guarantees for rights.

The Egyptian General Federation of Trade Unions (GFTU), the only legal trade union structure in the country, is totally government-controlled, bureaucratised and male-dominated. Neither the GFTU leadership, nor its branches, have shown the slightest initiative to defend workers rights, male or female. They are rather concerned with forestalling any attempt to introduce pluralism into the trade union movement, a task in which they are solidly backed by the repressive bodies of the state. Women industrial and services workers, at the lowest and least protected end of the labour market, naturally suffer the most from this effective absence of trade unionism.

GFTU, moreover, has refrained from trying to expand its own government-controlled trade union umbrella into the new private sector industries and services, which for the most part are not unionised. **Women working in these new industries work either with no contract, or with a contract annexed to an undated resignation signed by the worker upon employment.** Considering the reductions in public expenditure on health, education and basic services, these women will have to increase the time they spend on unpaid household work to save their incomes for other necessities. While estimates of women's participation in the labour force are around 22.5% of the total, this figure neglects and under-reports women's activities in the family and in the informal sector.

It is not accurate to associate women's work with women's empowerment in the Egyptian context. Economic need is the main reason why women enter the labour market. The prevailing conditions leave little space for self-actualization or empowerment.

TABLE 2

Reasons why women work			
Reason for working	Urban	Rural	Total
Helping family/rising prices	64.7	90.7	78.8
Separation from family	3.9	3.0	3.4
Future insurance	1.3	0.2	0.7
To prove oneself	22.7	3.8	12.2
Independence	3.5	0.9	2.1
Not determined	3.8	1.3	2.5
Total	100	100	100

A second example of state complicity in gender discrimination is female genital mutilation (FGM), the widely debated and famous practice that provides a delicate indicator of the extent of the government's commitment to women's rights in this country. Ignorance, conservatism, illiteracy and poverty among other things have been blamed for the persistence of the practice (97% of Egyptian women who are or have been married according to the Egyptian Demographic Health Survey, 1997). Yet, although the term reproductive health has been substituted for family planning in the language of health officials, the fact of the matter is that the government's position vis-à-vis the practice has been greatly moderated by political calculations influenced by religious institutions.

A state decree banning the practice would have been a measure against doctors and traditional healers performing FGM. But even in this matter, the state was quick to back down. A public commitment to eradicate FGM by law (made by the Minister of Health in the ICPD, 1994) was soon changed into a decree issued by the same Minister allowing its performance in public sector hospitals after parents are «informed» of its harmful effects. The current Minister of Health later issued an «alternative» decree, prohibiting traditional healers from practicing FGM and restricting its practice to hospitals in cases «where it is required», upon the recommendation of the treating doctor. Being a doctor himself, the Minister is aware of the fact that there is no such thing as a case where FGM is «required». This area of allowance indicates a hesitation to ban what the normal penal code and medical ethics already deem an abuse.

Whether in the case of women's labour rights or reproductive rights, the organisations of civil society, such as they are,

are too feeble and constrained to offer a counter-balance. While women worker's rights are marginalised within the existing trade unions, establishment of an independent trade union is banned by law. Also, while several organisations are working on issues related to women's rights and are monitoring the preservation, protection and violation of those rights, the impact of those civil structures remains limited by their inaccessibility to media, public mobilisation and widespread advocacy. Follow-up machinery for Beijing is semi-official and conservative. It hardly goes beyond «consciousness raising» activities among their target population – the women themselves.

POLITICAL PARTICIPATION

The official position on several women's rights issues remains in stark contradiction to the Beijing recommendations. Although children born to mothers married to non-Egyptians receive some facilities in education, residence etc., Egyptian women do not have the right to pass their nationality on to their children. The official state position on FGM is that its performance by non-medical personnel is prohibited, but it may be performed by medical professionals. Political participation of women is encouraged to the extent that election cards are issued to them. However, a temporary quota system for women in parliament has been deemed unconstitutional by the Supreme Constitutional Court. Women are denied judicial appointment, although this ban is nowhere circumscribed by law and is in fact unconstitutional. Access to authorities, policy-makers and state officials is limited by the weakness of available channels and by the threat of state control over advocacy structures, which under prevailing legislation can be closed down and deprived of their right to public activity.

Yet within this climate, the last decade has witnessed the development of a few advocacy organisations and pressure groups who work on development issues for different sectors of society. Initially focused around human rights issues, they have gradually moved into other fields. Until now, they have found legal space in which to organise outside state control, although they are not spared the slander of state media. Women, labour and, most recently, peasants are the three main target populations for these organisations. They lack strong lobbying channels with the government and act mainly through the mobilisation of interest groups.

- **New Woman Research Center is a feminist NGO who works through lobbying and rallying, in issues regarding the political, socio-economic and citizen rights of women.**