

Egypt: Rediscovered Destiny – A Survey

By G. Alan Klaum

A decade ago, in 1966, Egypt saw its last flood. For the first time since recorded history began, the annual silt deposit of the Nile no longer fell upon the land. The back-breaking toil of cleaning out the silt-clogged canals each winter abated while the age-old material for bricks was no longer close at hand. The great Aswan High Dam—*Sadd el-Aali*—built of politics and dreams—began generating cheap electricity to drive the pumps, light the mud villages, and make possible the industrialization of a country so lacking, up to that time, in other sources of power. The rule (and prison) of the bountiful Nile, like some benevolent dictator, had at last ended.

The chief town of the area, Aswan, once the little “frontier” town beside the first cataract, had been, until the dream was conceived, a place living on its memories of the great days of Thomas Cook, of wintering Edwardians in search of their health, and gentle lady water-colorists. For Egyptian officials, it was the limbo to which the Cairo “ins” of the moment were accustomed to banish the incompetent—or inconvenient.

When construction of the Dam began, the sleepiness of centuries dissolved. Aswan placed her feet in a new world and woke up to become her country’s show-place, the power house of the New Egypt, the anteroom of the economic and social revolution that was beginning. Few modern structures have attracted to themselves such a weight of symbolism as this great dyke of rock and sand:

“Not only was it the keystone of the Revolution’s grand design for a new Egypt, but it also celebrated that revolution’s hardly less unique moment of world triumph. For it was Dulles’ deliberately punitive withdrawal of the American High Dam loan in an attempt to dictate Egyptian foreign policy that precipitated the nationalization of the Suez Canal, which revitalised the Arab Revolution, allied it to the Asian Revolution and ‘Third World,’ and demonstrated that the famous ‘vacuum in the Middle East,’ which had been pre-occupying the Great Powers since the decay of the Ottoman Empire, might con-

ceivably yet be filled by the people who lived there. To *Sadd el-Aali*’s pilgrims, the liberation promised was not only economic but also spiritual; it was not the Nile alone that had been diverted here, but also the ignoble course of history.”¹

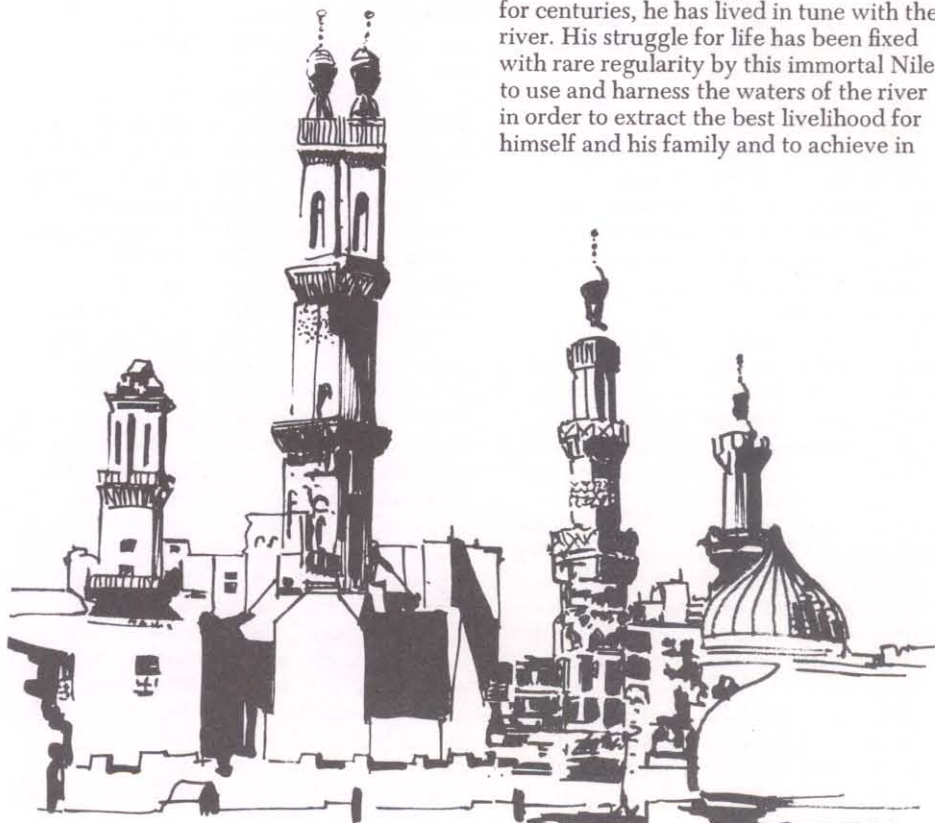
A decade ago, Egypt saw its last flood—and took unto itself the vast questions about the ends of Egyptian life in the twentieth century.

Geography

Egypt, located in the northeastern corner of the African Continent is a geographical phenomenon. In the north, her boundary is the Mediterranean Sea; in the west, Libya; in the south, Sudan; while in the east, there is the Red Sea, the Gulf of Suez,

and the State of Israel. Although the total surface of modern Egypt within these boundaries is over 386,000 square miles, including the Israeli-occupied area of the Sinai Peninsula (a total area slightly larger than California, Nevada, and Arizona combined), historical and habitable Egypt—the Nile Valley and Delta—occupies only a slender ribbon of land between vast desert. Here, from Aswan to Cairo stretching almost 550 miles, is one of the oldest meeting places of man and the fertile ground upon which a great civilization developed and flourished for over 4000 years. Here, today, in 10,000 square miles of Valley and Delta live 99% of her people.

No one accepts more readily the ancient Greek dictum, “Egypt is the gift of the Nile” than the Egyptian himself. Here, for centuries, he has lived in tune with the river. His struggle for life has been fixed with rare regularity by this immortal Nile: to use and harness the waters of the river in order to extract the best livelihood for himself and his family and to achieve in



some measure his security. But so, too, has been fixed for many thousands of years to come his beliefs and fears, his personality, his habits of thought, and his behavior.

The Population Crisis and Her People

In Pharaonic times, the Nile sustained some 10 million Egyptians; it sustained over 10 million in Graeco-Roman and Christian times; while today it supports an estimated 40 million people. By the end of the century, even with moderation of her growth rate (from the 2.6% average to 2.1% per annum), Egypt's population is expected to exceed 65 million.

Egypt is the most populous country in the Arab world and the second most populous after Nigeria on the African Continent. The population density within the Nile Valley and Delta area is more than 2,700 persons per square mile, making it one of the highest in the world. The capital, Cairo—Africa's largest city, has a population of more than 8.4 million while Egypt's second largest city, Alexandria, on the Mediterranean coast, has a population exceeding 2.5 million. The proportion of people living in rural areas is decreasing as job opportunities in the urban centers draw more and more people to the cities. Port Said, Suez and Ismailia—three smaller cities which lie along the Suez Canal and which were largely evacuated as a result of the last two wars with Israel—now have an estimated combined population of 700,000.

The Egyptian Government has become increasingly concerned about the country's growing population problem. Under the guidance of the Supreme Council for Family Planning (established in 1965) some 2,700 clinics have been set up to provide counseling and contraceptives. These units operate from established public health centers with volunteers organized as the Egyptian Family Planning Association; supplies and training are furnished by the Government.

Lying at the crossroads of Asia, Africa, and the Mediterranean basin, Egypt has developed a fairly homogeneous population. Egyptians basically are of Hamitic origin, with some admixture in the north with people from the Mediterranean and Arab areas and in the south with the Nubian groups from black Africa. But the vast majority of the people remain as they were when the pyramids were built—essentially a single people sharing a common ancestry and culture. Egypt's indigenous minorities include more than three million Copts, who have retained their historic Christian affiliation; 50,000 Bedouins, who are basically nomadic; and Nubians in the south who originally came to the Nile Valley from Sudan. Ninety

per cent of the population is Sunni Moslem, the balance Christian (mostly Coptic), with a small Jewish population. Egypt thus has escaped the divisive Sunni-Shi'ite split that plagues such Arab neighbors as Iraq and Syria, fierce mountain tribes such as the Kurds of Iraq, or the polychotomous division of beleaguered Lebanon with her Sunnis, Shi'ites, Druzes, Kurds, Alaouites, Armenians, Circasians, Maronite Christians, Pales-

standards based on myth and belief. It is a structure which has survived successfully under Christian and Islamic hegemonies.

History and Its Impact

Egypt has a continuous recorded history of 5,000 years, the longest in the world. The centuries were marked by periods of



Village life in Abou El Nomroos, near Cairo

tinian exiles, and the other half dozen occasionally inimical sects. Egypt's literacy rate is now 38%. Fifty per cent of the total population is less than 20 years of age, while life expectancy has risen to 54 years.

That Egypt is a country mainly inhabited by villagers is to state the obvious, for it is the Nile that has so decreed. It is the rural character of Egypt that so strikes a visitor. To study the development of modern Egypt outside this perspective is to misrepresent her. The "rural mentality," however, is beginning to change, slowly perhaps, but change nevertheless.

The contrast that exists between town and countryside was nurtured by the historical evolution of Egyptian society. While the priests and clergy of ancient Egypt were the depositories of tradition since Pharaonic times, and the *ulama* the standard bearers of traditional Islamic knowledge, the educated urban elite, influenced by European ideas and conceptions, tended to become the agents of change. The rural masses, on the other hand, remained isolated for a long time in their village existence, in constant communion with earth and nature. These *fellah* constituted a society in which rituals of family and village hierarchy and solidarity were reinforced by an elaborate structure of conservative ethical and moral

strength, when neighboring territories fell under its domination, and by periods of weakness, when it came under foreign rule. Underlying the emergence and development of modern Egypt, however, are three epoch-making events in its history:

1. The Arab-Islamic conquest in the 7th Century A.D. which imposed on a Christianized Egypt—an Egypt that spoke Coptic and Greek—a new faith and a new language. The ready acceptance of Islam reflected in great measure a protest against Christian misrule.

2. The non-Arab-Islamic Kurdish, Turkish, and Ottoman conquests from the 12th to the 16th Centuries. It was Saladin (1169–92) and the Mamluk Sultan Baybars (1260–77) who led their Kurdish and Turkish armies from Egypt to repel the Christian conquerors from the West and the Mongol and Tartar invaders from the East.

3. And the European encroachments that began with the Napoleonic expedition to Egypt in 1798. It was Muhammed Ali, a young Macedonian in the Turkish expeditionary force against the French who laid the foundations of the modern Egyptian state. Under his rule, the framework of a modern government was fashioned, Egypt's agricultural economy was strengthened and revolutionized, and

large-scale industry was begun. From 1820–39 Muhammed Ali extended his dominion at the expense of the Ottoman Empire and to the exclusion of European influence.

The legacies that these influences left in the areas of social, cultural and economic change and adjustment constitute some of the most basic and crucial elements in Egypt's development.

Independence and Revolution

The revolutionary leadership of the Egyptian Free Officers Committee in the 1950's that deposed King Farouk and the monarchy and ultimately brought to power Lt. Col. Gamal Abdel Nasser sought, in the name of Arab Nationalism and Arab Socialism, to remove from Egypt once and for all the elements that traditionally had exploited the country. It sought to raise her standard of living, develop the country's military strength, and to unify the Arab world under Egyptian leadership. On June 18, 1953 the Free Officers declared Egypt a republic.

President Nasser's leadership and identification with Arab nationalism and social aspirations acted as a powerful



Half of Egypt's population is less than 20 years old.

magnet during the early years of the regime. A union of Egypt and Syria as the United Arab Republic was proclaimed on February 1, 1958 and subsequently ratified by plebiscite. The union was troubled by political and economic incompatibilities, and Syria seceded three years later. Egypt retained the name, United Arab Republic.

In April, 1971 Egypt agreed to join both Libya and Syria in a supranational confederation (which still reserved a high degree of member sovereignty) that was to be known as the Federation of Arab Republics. Arrangements were made to draft a constitution and submit a Federation plan to plebiscite in the three countries five months later. Some 10 million

voters—98.1% of those eligible for the ballot in the three countries—approved the Federation. On the same day, Egypt changed her name to the Arab Republic of Egypt.

The F.A.R. constitution provided for common approaches to foreign policy and national security and contained agreement in principle on nationalization of economic policies, customs conventions, and development plans. Realization of all these goals, however, required extensive negotiation before passage into law.

In July, 1972 Egypt and Libya further agreed to a more extensive unification. However, the continuing political tensions in the Middle East, the advent of the Sadat Government in Egypt (with all its implications and new attitudes), and the policy differences between the two countries and its leaders have slowed and hampered the transition.

The Government

With the overthrow of the monarchy in 1952, political parties in Egypt were outlawed. A decade later, under the Nasser regime, a National Congress of the People's Forces was convened. Its 1,750 delegates (mostly elected) adopted a "Charter for National Action," setting forth the guidelines for national development. Under this charter, the Arab Socialist Union was formed as the single state political organization.

Egypt has a strong presidential-type government. Under the Permanent Constitution proclaimed on September 11, 1971, executive authority is vested in the President. He is popularly elected to a 6-year term and must receive an absolute majority of the votes cast. The President then appoints the Vice President, the Prime Minister, and his Cabinet—the Council of Ministers. When the People's Assembly is not in session, he rules by decree, but any legislation must be submitted to the Assembly in order to have the force of law.

In normal circumstances the President may veto a bill or draft law and return it to the Assembly within thirty days of its enactment. If the specified time limitation is exceeded or the Assembly passes it a second time by a two-thirds majority, it becomes law.

If a temporary event prevents the President from exercising his functions, the Vice President may act for him. If he resigns, he addresses his resignation to the People's Assembly. In case of a mid-term permanent vacancy due to death or disability, the Presidency is then assumed by the Speaker of the People's Assembly. If the Assembly is dissolved at that time, the President of the Higher Constitutional Court would assume leadership, provided

that neither he nor the Speaker are running for President at the same time.

The unicameral People's Assembly has 360 members—350 elected from the 175 parliamentary constituencies and 10 appointed by the President. An Assembly term is 5 years. At least half the members must be workers or peasants (*fellahin*). Under the Constitution, the People's Assembly has the sole authority to enact legislation while it is in session.

Egypt's judicial system is based on European legal concepts and methods (principally French). The highest court is the Court of Cassation, whose judges are appointed by the President.

The Nasser Era

From 1952 until his death in September, 1970, Gamal Abdel Nasser dominated virtually every aspect of life in Egypt. As one of the Free Officers that took power on that fateful July day in 1952, Nasser



Midan Al Tahrir in Cairo

typifies so well the product of that special Egyptian social mobility syndrome through which so many of his political confreres also evolved. It is his story as well as the others that now shape current policy and Egypt's future.

Nasser's father, Abdel Nasser Hussein, was the son of a relatively well-to-do *fellah* in Upper Egypt in the village of Beni Morr. The location of the village on the East Bank of the Nile was a fortunate one: the soil was good, there were no big landlords as those who dominated the countryside in the north and south, and in Assiut—the nearest town with its many Copts—the American Baptist Mission had set up a school at a time when schools, in general, were non-existent in Upper Egypt. From the one-room *kuttab* of Beni Morr, where the local sheikh taught the village boys to recite the Koran by heart, Nasser's father moved on to a Western-style primary school in Assiut. Although the grandfather insisted on taking his son away because he had to read the Christian Bible, it was not before Nasser's father collected the all-important certificate that was to be his passport to a Government job, a passport that would



Alexandria shoreline.

take him from the wilderness of Upper Egypt.

Now stationed in Alexandria and a clerk in the postal service, the father made a good marriage to the daughter of a local coal merchant and canal boat transport contractor who also hailed from Upper Egypt. By the time the first son, Gamal, was born in 1918, the father had risen to District Postmaster. The family lived in a four-room villa, a humble enough place, as author Harry Hopkins described it in his book, *Egypt, The Crucible*, with its shutters and tiny gardens, yet a far cry from the mud houses of Beni Morr “straggling along that long, dusty lane, full of ruts and chickens and children and buffaloes and laden donkeys and women bringing water.”²

One of Nasser’s uncles also escaped from the village to become an official in the Ministry of Wakfs, a ministry that looks after Islamic affairs, welfare and education, and supervises the Wakfs—the Islamic trusts that are based on entailed estate, a device once widely used in Arab countries to circumvent the rigid Koranic law of inheritance. Today this ministry plays a critical role in Egypt’s plans for the modernization of Islam.

Another uncle, though remaining in the Assiut area, became a coal dealer while two others stayed behind in the family’s two-story brick house near the center of the village. From the seventy *feddans* (1 *feddan* = 1.038 acres) once owned by the grandfather (who felt rich enough to build a private mosque), the patrimony is now only eleven *feddans*—a familiar theme in Egypt. By the standards of the Nile Valley, the income from eleven *feddans* still constitutes comparative wealth. Thus it was the fecund soil of Beni Morr that conferred on the first-born of Abdel Nasser Hussein the freedom of the big city and the freedom of his mind.

Because of his mother’s death and his

father’s remarriage, Gamal spent brief periods living alternately with his uncle, his maternal relations, and his father. He attended no less than nine different schools, yet managed to pass the necessary examinations and to spend one term reading law at Cairo University before entering the Military College. When he reached the rank of major, Nasser married a girl from a well-to-do Persian-Egyptian family which had prospered in the carpet trade.

Nasser was one of the most politically evolved and articulate of the Free Officers. Literally born with the banner of Egyptian nationalism over his cradle—one of his uncles who lived with the family was jailed by the British for subversion—he made student politics the focus of his boyhood. In 1935 he spent so much time at political meetings that he managed to attend but forty-five days at school and almost found himself expelled.

It was a period of ferment in which political transformations of the thirties began arousing sympathetic echoes in the Middle East. It was an obvious appeal to frustrated Arab youth impatient with the complacency of the old politicians. In Egypt the undercurrent bubbled to the surface. Nasser, for a short time, enlisted in the Wafd’s Blue Shirt Youth Movement and then in Ahmed Hussein’s para-military Green Shirts, engaging in numerous violent demonstrations and acquiring in the process a three-inch scar on his forehead.

By the time World War II had ended, the Russian star had eclipsed those of Rome and Berlin. Ahmed Hussein, politically agile, renamed his movement “The Egyptian Socialist and Democratic Party” advocating nationalization, a Russian alliance, and offers to work with either the Muslim Brethren or the Egyptian Communist movement or both. The latter, much repressed, foreign in origin, and

badly splintered, had gained a new lease on life. Its influence, through various national fronts and the small left-wing of the Wafd, was far greater than its small but growing numbers would suggest. An Egyptian Marxist writer, Hassan Riad, claimed that in Egypt at this time it was the influence of the Communists with their stress on a social program that “radicalised political life, polarised the ideologies, put the traditional in question, and pushed to its limits the work of the first generation of the intelligentsia.”³ Gamal Abdel Nasser was not immune to these growing currents.

It was one of Nasser’s friends, Khaled Mohieddin, youngest of the Free Officers, a tank corps major who had studied for a degree in Cairo University’s Faculty of Commerce, who introduced and exposed Nasser to some of Egypt’s left-wing intellectuals and their clinical Marxist analysis. There was Dr. Rashed Barawi, a university lecturer who had translated *Das Kapital* into Arabic, and a young Communist lawyer, Judge Ahmed Fuad, who lent Nasser the works of Harold Laski, Nehru, and Aneurin Bevan. But only a few of the left-wing intellectuals in Egypt possessed any real working analysis of modern society with any grasp of sociology and economics. Still, they would inevitably have a role to play as the Free Officers groped towards a program. By 1949 the terms they had used—“social justice,” “feudalism,” “monopoly capitalism”—all found their way into the flow of circulars written and distributed by the Free Officers along with their own arguments against army corruption and imperialism which they saw as the immediate enemy.

In assessing the bubbling political cauldron of Egypt in those pre-revolutionary years, author Harry Hopkins described it well:

“It was a steamy ideological bouillabaisse, bringing together ingredients from Mecca, Moscow, the London School of Economics and Mussolini’s Rome, in the much-reheated stock of Egyptian nationalism.”⁴

The mark left on the history of Egypt by the Free Officers, Nasser so notable among them, was thus forged not only by their family background and their origins but by what they felt and by the intellectual eddies that swirled around them. With few exceptions “they were serious-minded young men who believed in God, believed in Egypt, and wished to be able to believe in themselves. They were the sort of Egyptians foreigners [at that time] rarely met.” They were “grandsons of the soil, products of the Egyptian village and of that rural middling class from which many of Egypt’s great leaders have sprung. Unlike some earlier leaders, however, they had risen, not so much out of this class as *with* it as, multiplying and

expanding via secondary schools, trade schools and new commercial opportunities, it grew out from the five-or-ten acre patrimony and became more ramified, diversified and urbanised.”⁵

At the time of the 1952 coup, most of the Free Officers—majors and colonels—were in their mid-thirties. They were part of the “Class of ’37” when the threat from Italian aggression in Ethiopia forced not only the conclusion of the Anglo-Egyptian Treaty of 1936 (which declared the end, in principle, of the British military occupation), but also the urgent expansion of the Egyptian Army, and more particularly of its officer corps. For any lower middle-class boy, the Egyptian Army in 1937 was a promising career: in Law, one might, by the age of forty, hope to be a *Maitre*; in the army one could, by that time with luck, be a General. The choice to an ambitious young man was not difficult.

The officers, into whose hands supreme power fell that summer, had little in common with the rich, ostentatious, cosmopolitan upper class who formed the café society of Cairo and looked upon the young military officers as ignorant and uncouth, just as the officers, in turn, looked at this largely self-appointed aristocracy as alien and undignified.

Bound together by social origins, by a common disenchantment and disgust, by their sense of military organization and discipline, by the mystique of their increasingly technical profession, by the shared excitement and humiliations of the wars with Israel, and on the eve of their revolution a growing consciousness of being somehow “new men,” they found their common strength as “brothers”—a sentiment of great potency in Islam. On June 22, 1952, the new era had begun.

The Economy

Egypt remains today essentially an agricultural country. Half of her total labor force of 10 million is engaged directly in the agricultural sector while many others are engaged in processing or trading agricultural products.

Egypt’s agriculture is confined to the 6 million *feddans* in the Nile Valley and Delta, although double cropping has increased the country’s productive area to over 10 million *feddans*. Except for the Mediterranean coastal belt where up to 7 inches of rainfall enable nomadic grazing and except for several oases in the western desert where artesian wells support a subsistence agriculture, the remaining land is barren. Land reclamation is a major effort and concern of Government planners.

During the period 1961 to 1971, more than 850,000 new *feddans* were brought

under cultivation. A further 600,000 are to be reclaimed using the waters from the Aswan High Dam. But with reclamation efforts, the problems of waterlogging and salinity have had to be confronted as well. Increasing the area of irrigated land has proven to be an expensive program, and higher priority is now being given to the improvement in productivity of land already under cultivation.

Waterlogging and Salinization

One such project in the Nile Delta is having an immediate impact on Egypt’s economy and on the lives of its intended beneficiaries.

In times past, when the Nile Valley was inundated once each year by water, the upward groundwater pressure reached into or above the topsoil. Once the flood waters receded, the pressure dropped to six feet or more below the land surface.

With the introduction of perennial ir-



Along the Nile at A Wan

rigation in modern times, the natural drainage of the Delta has been increasingly incapable of discharging the large quantity of surface run-off and year-round seepage from the fields, the canals, and branches. Despite the construction of a widespread system of surface drains and pump stations, the groundwater has gradually risen. In many areas of the Delta it is now less than two and a half feet from the surface.

The water supply for irrigation has increased, but with it has come an increase in the salinization of the soil. Although the Nile is considered an excellent river for the purpose of irrigation (the natural salt content of the water is quite low—200 parts per million), more salt has been left in the soil through irrigation than has been removed by drainage canals, which typically alternate with irrigation canals in parallel rows across the Nile Valley.

Originally it was thought that the Aswan High Dam would reduce the

groundwater pressure, permitting adequate natural drainage. Instead, the upward pressure has only been intensified. This increase is now attributed to greater seepage losses from new irrigation canals, deep percolation losses due to increased cropping intensity, excessive irrigation, and reduced pumping from tube wells as irrigation water through the Dam has become available.

Waterlogging and salinization are thus serious problems for Egypt’s planners, affecting her major crops—even rice—with only two exceptions: the shallow-rooted clover and her wheat.

Almost six years ago, \$13 million in funds from the International Development Association (IDA) were committed to help finance a project designed to drain effectively about a million acres of valuable farmland in the Nile Delta. The project—technically simple but logistically complex—involves the use of a single machine which simultaneously digs a trench and lays the drainage tiles.

Simple as this may seem, the project is complex in actuality because it calls for: timely setting-out of the designed drains layout; an adequate and continuous supply of cured and inspected drain pipes laid along the drain line; readily accessible fuel and water supplies; adequate gravel supplies for filter material; well-trained operators, relief operators, and inspectors; trained field maintenance crews and ready spare facilities; and experienced engineering supervision.

In 1975 more than 90,000 *feddans* of irrigated land were drained. Since the project’s beginning in 1971, more than a third of the total project area—some 350,000 *feddans*—have been rehabilitated. Crop productivity has increased on the rehabilitated land a remarkable 20%.⁶

Crop Production

Economically, Egypt’s most important crops consist of cotton, corn, wheat, millet, rice, onions, potatoes, vegetables, fruits and berseem (clover). Cotton, rice, onions and oranges—in that order—are her principal export crops, although vegetables and other fruits are becoming increasingly important due to their suitability for cultivation on newly reclaimed land. The country is not self-sufficient in foodgrains. In 1974 it was reported that the importation of wheat alone that year was 3 million tons at a cost of more than \$1 billion!

Egypt’s field crops are planted on a 3-year rotation pattern. Wheat and berseem are winter crops; cotton is planted in February and harvested in September; while rice, corn, and millet are summer crops. Seasons for others are less well-defined.

Crop plantings by importance and by their yields per *feddan* are as follows:

| Crop | Acreage (Feddans) | Yield per Feddan |
|------------|-------------------|-----------------------|
| 1. Berseem | 2-3 million | 0.3 tons |
| 2. Corn | 1.5 million | 1.6 tons |
| 3. Rice | 1.2 million | 2.2 tons |
| 4. Wheat | 1.2 million | 1.0 tons |
| 5. Millet | .5 million | 1.7 tons ⁷ |

Production is gradually shifting away from cereals, particularly wheat, and towards vegetables, fruits, and cotton. To limit development of a one-crop economy (cotton is the favorite crop because of its profitability), the Government restricts the planting of cotton to one-third of each owner's land. Although wheat is less profitable than several other crops, the law requires that most landowners plant at least one-third of their land in wheat. Even with such efforts, the annual shortfall between cereal production and consumption averages 2.5 million tons.

Land Distribution

In 1947 half of the cultivable land was held by less than 2% of the landowning population. Maximum holdings have now been reduced to 100 *feddans* per family. Acreages in excess of that were taken by the Ministry of Agrarian Reform and paid for with long-term bonds.

Some 300,000 families (8% of the rural population) have received 3-5 *feddans* per family since 1953. Recipients are obliged to belong to agricultural cooperatives. Foreigners, with the exception of Palestinians, are prohibited from owning agricultural land.

Agricultural development is proceeding along technical lines. Cotton and the use of fertilizer are increasing. Experiments with American cotton and Mexican wheat strains have substantially improved yields while aerial application of pesticides is now being used. The Government has placed more than 10,000 agricultural extension service workers in over 100 village and district level units. Development, however, continues to be hindered by the continued pressure of population on the land and by the lack of education of most farmers.

Industry, Entrepreneurs, and the Open Door Policy

Since the per capita resources of water and cultivable land are limited, Egypt has concentrated on industrialization as a means of raising productivity. During the Nasser era, the Government, in its aim to erase the iniquities of the past, assumed larger and larger managerial responsibilities while the role of the small entrepreneurial class dwindled. Many Egyptian businessmen, fearful of an uncertain future in the new regime, fled the country in self-imposed exile. The miscellany of Greek, Italian, and Lebanese businessmen who had once dominated the economy, found themselves squeezed out.

Since the nationalization of the early 1960's, all major industries and public utilities have been run by organs of the Central Government. But even during this period, the principle of private enterprise continued to be recognized at least: most agricultural land, as well as a large proportion of trade, remained privately owned.

Under President Anwar el-Sadat—a fellow-Free Officer in the "Class of '37" (a man whose family story is not so very different from that of Nasser), a new impetus has been underway these past years in more liberal economic strategies. His has been a more pragmatic approach to encourage private capitalism to coexist with state capitalism, an approach that has led to a dramatic political disengagement from Russia and the adoption of an "Open Door" policy in the international arena both economically and politically.

Behind this move was Sadat's realization that while Nasser's alliance with the Soviet Union had enabled Egypt to buy arms, build its show piece—the Aswan Dam—and in the last war was Israel seize the East Bank of the Suez, it with the West who could now do more for him: the United States could provide the wheat he needed, while the Western powers in general could provide Egypt with infusions of technology that would move the economy forward.

It was a complicated changeover, accomplished with much finesse (no doubt, with the assistance and encouragement of Henry Kissinger), while at the same time monitoring the down-grading of Nasser's reputation. "He still is dogged," Edward Hoagland writes in a current *Harper's Magazine* article, "by a Nasserite-socialist element in the bureaucracy that is slow to cooperate with Western businessmen, but he made no impolitic moves, such as purging the Mogamma offices [huge central office building in downtown Cairo] of Nasser's picture. Instead, he saw installed as head of the mass-circulation newspaper *Al Akhbar* a right-wing editor who had been imprisoned and tortured by Nasser's police."⁸

The results of the shift of the Sadat Government have become clearly visible to Egyptians. French correspondent J. P. Peroncel-Hugoz, writing in *Le Monde*, reported with concern on the changes now taking place:

"Once again Port Said has its sequined dancers, Ismailia its Nautical Club and Suez its Marseilles bouillabaisse, well before the debris of war has been cleared from the streets. As before, the eight million inhabitants of Cairo must continue to acquire a packet of tea, to make a phone call, or squeeze into one of the 1,200 buses that serve the huge city; but the nightclubs and apparel shops flourish and everywhere there are festive gatherings celebrating religious or private occasions. . . .

"Fortunes have been accumulated over the past twenty years by members of the military who are directors of State enterprises, the mandarins of the Administration, and the suppliers of the army. They have benefited from Sadat's liberal orientation, the gradual freeing of foreign trade, and the resumption of construction. A Cairo real estate promoter can currently double his original investments in two years.

"Money is also to be made importing semi-luxury products (clothing, trinkets, perfumes, razor blades, candy, drinks, and medicines) transported by a squad of 'suitcase merchants' commuting between Libya, Lebanon, and even Western Europe. One sees the new millionaire riding around in a plated Mercedes crammed with gadgets (bar, record-player, erotic dolls) plus a Koran encased in purple velvet."⁹

The imagery may be tawdry, but the basic truth remains: the scene has changed.

An estimated one million Egyptians (5,000 of them millionaires) are now said to comprise the new-rich bourgeoisie. Their wealth spills over a multitude of bookkeepers, middlemen, tradespeople, decorators, owners of taxicabs or houses of pleasure. Some citizens are buying their first car or their first apartment.

Prices have climbed more than 25% annually in the inflation while the minimum monthly salary remains only \$30. For many, that \$30 wage is made to go a long way: in Cairo it is still possible to eat four vegetable sandwiches (20 cents) accompanied by two heavily-sugared cups of tea (15 cents), smoke two Cleopatra cigarettes (7 cents), buy a newspaper (5 cents), take the bus twice (5 cents), and even go to the movies (9 cents).

According to the Minister for Economic Planning, 98% of the Gross National Product is devoted to consumption (including military expenditures which absorb a third of the total). Only 2% goes to public and private savings. The new Egyptian bourgeoisie appears ready to do anything with its capital except invest in industry.¹⁰

Government Planning

The planning of the Central Government—very much in evidence—has been more accelerated, in the opinion of Economics Professor Albert L. Gray, Jr., by the nature of the events that followed so rapidly after the Revolution up to the present time than as a result of preconceived socialistic or communistic economic doctrines.

Professor Gray, in analyzing those developments in the recent winter issue of *The Middle East Journal*, writes:

"The agrarian reforms of 1952 established government planning in agriculture. The nationalization of the Suez Canal in 1956 put the government into the operation of a huge state enterprise. In 1957 the banks were

(continued on page 8)

Anwar El-Sadat and His Family

older than he. It was a meeting that was to shape the course of their future lives.

After his graduation, he, Nasser, and ten other officers, stationed at the garrison town of Mankabad, formed the nucleus of what was to become known as the "Free Officers Committee" which led the successful revolution against King Farouk.

The pursuit of freedom became a perilous one. Sadat found himself imprisoned for seven years from 1942 to 1949 for his nationalist activities. For a short while after his release, he worked as a newspaper reporter until the time that his army commission was restored a year

from Egypt later that month. In the months and years that followed, his responsibilities in the new government grew.

In 1961 he became President of the National Assembly while concurrently serving as one of a group of four of the nation's vice presidents from 1964 to 1967. In 1969 Sadat, under a governmental reorganization, assumed the only vice presidency. Thus, when President Nasser suffered his fatal heart attack on September 29, 1970, Sadat became President. He was confirmed to that post in a national referendum the following month, receiving 90.4% of the votes cast.

The changing times for Egypt and the



Anwar El-Sadat, President, The Arab Republic of Egypt

The Arab Republic of Egypt's second and current President, Anwar El-Sadat (who will complete his elected six-year term October 16, 1976) emerged from a background very similar to that of Nasser.

Born on December 25, 1918 in Talah Monufiya—a village in the Nile Delta—to a devout Muslim family of modest means, the young Anwar was sent first by his parents to a local religious primary school where he studied the Koran and then later to Cairo for his high school education.

When the Abassia Military Academy was first opened to members of the lower and middle classes in 1936, Sadat met and befriended the young Gamal Abdel Nasser, a fellow student who was a year



President Sadat with family



Jihan El-Sadat, wife of the President

later. From this point on, the chain of events moved inexorably to the bloodless coup in 1952.

It was Sadat who announced the news of the Revolution to the world on Egyptian radio on July 23 of that year, and who supervised the departure of King Farouk

Middle East have confronted the moderate and popular President with difficult and challenging problems. It has been his administration which has inaugurated the process of political and economic liberalization in the country. Under his leadership Egypt's struggle to recover occupied Arab territories resulted in a number of tangible successes, the most notable of which was the Sinai disengagement accord signed in September last year.

As much as her husband has been a leader in the fight for Egyptian freedom, Mrs. Jihan El-Sadat has clearly emerged as one of her country's most active and outspoken leaders in the struggle for women's rights and independence. It is an extraordinary revolution in a country tied in the traditions of centuries.

Even during the Nasser period, Nasser's wife was seldom seen in public, and only a handful of Egyptians ever saw her face. Apart from permitting her the very rare appearance at a charity bazaar, Nasser observed the traditional Muslim

belief that respectable women should be shielded from public view.

Egypt's current First Lady is part of a new breed of women. She takes her role as a woman's leader very seriously. She conceives of herself as an Egyptian woman first and the President's wife second and believes it her duty to defend women's rights whatever the risk may be.

It was the defeat of Egypt in the 1967 war, with its legacy of resignation and despair, that convinced Jihan Sadat that the time had come to play an activist role in her country's development. She was the only wife of any member of Nasser's cabinet to break out of the traditional isolation imposed on Egyptian wives. Concerned for the poor Egyptian village women, she formed the *Talla* Society which set out to convince them that by training and self-help they could escape from a centuries-old cycle of poverty and improve their standard of living.

In 1974, in a controversial intervention, she spoke out in favor of sweeping changes in Egypt's family laws. These laws have for centuries enshrined the superior position of the Egyptian male: his right to divorce at will; his right to infidelity; his right to custody of the children. So strongly do conservative Egyptian men still cling to these privileges, that even a rumor of possible changes provokes widespread demonstrations.

She took a very active role in the World Conference for International Women's Year held in Mexico City last year

and has been the driving spirit behind a rehabilitation effort called *El Wafa wal Amal* (Faith and Hope), a project conceived out of compassion for the handicapped and a belief in their potential for leading normal, productive lives. A center has already been built to specialize in the care of victims of war or accidents, and will eventually include an entire village where houses, buildings, roads and sidewalks will be accessible by wheelchairs. Factories will be built to be run by the physically handicapped.

Those who have met the Sadat family talk of their obvious solidarity, no doubt stemming from the close relationship between the President and his wife.

"I think I fell in love with him the day we met," Mrs. Sadat confided in a newspaper interview that appeared not long ago. "It was in Suez, and he had just been released from prison (where his opposition to British rule had more than once landed him). I knew a great deal about this army officer, and I admired him enormously since he had sacrificed so much for his country. In fact, I even kept a scrapbook of articles about him. So when we met, I felt as if I were meeting an old friend."

At the time, Jihan, daughter of an Egyptian physician, was then only 15 years old, almost 13 years younger than Anwar Sadat.

She told in the interview of renewing her interrupted student career. She passed her university entrance certificate

in 1973, and a year later enrolled at the University of Cairo in the Faculty of English, two years behind her two eldest daughters!

Much of her energy is devoted to the needs of the family—three daughters: Loubna, 21; Noha, 17; and Jihan, 13; and one son, Gamal, 18—named after President Nasser. Two of the girls, now married, still live at the presidential home with their husbands. Mrs. Sadat feels strongly about their need for their university education. "Of course there is always the possibility they will have babies before they finish their education," she reflected, "but we have talked a lot about birth-control methods, and they see the importance in waiting a little to begin their families."

Mrs. Sadat, a practicing Muslim, strongly supports birth control and is very active in the family-planning movement in Egypt. "Contrary to many people's belief, birth control is not against the law," she pointed out in the newspaper interview. "Many people use the religion as an excuse to avoid planning their family, but if they read the Koran carefully, they will find it contains no objection."

Effective, outspoken, controversial, a modern woman of the changing Egypt of today, the country's First Lady does not seek a relaxed life. Quite the contrary. She welcomes the current challenge: "At this moment in Egypt's history, the needs of our country are the only things that count."

Egyptianized and then nationalized in 1960. By 1960 the government owned and operated all the major industries. The First Five Year Plan reflected this shift from market capitalism to Arab socialism.

"The Second Five Year Plan, 1965/66 through 1969/70, was much more loosely structured and was interrupted by the war of 1967. It was allowed to fade away quietly in 1970 as the nation was shifting its leadership from President Nasser to President Sadat. Then two and a half years elapsed before the new Ten Year Plan was announced. It was a period of near zero growth. The Canal was still closed and the oil fields of the Sinai produced no revenue for Egypt. Repayments to the Soviet Union for arms and for the High Dam placed heavy burdens on the country's meager foreign reserves. Qadhafi of Libya cut off his financial aid to Egypt—peevish over his rebuffed offer of unification. The price of wheat and oil imports soared. Shortages were numerous. Inflation accelerated. In this gloomy environment Egypt announced a ten year National Action Program."¹¹

The First Economic Plans: 1960–1970

The experience of those early years of national planning have not been lost on Government officials.

The aim of doubling Egypt's Gross Domestic Product (GDP) over the

decade of the 60's from a base of £ E 1.3 billion—thus creating a growth rate that would be self-sustaining and part of the economic take-off—could not be met. By 1964/65 the real GDP had reached 95.7% of the goal; by the end of the decade, it had fallen to 81% of the target. The actual annual growth rate, therefore, instead of the planned 7.2%, had risen to a mere 5%.

Reasons for the shortfall were not hard to find:

First, parts of the model were poorly designed. Investment criteria were often more political than economic. Too much of the investment was channeled into the high prestige industries such as steel, automobiles, and aircraft. Too little was assigned to the less complex production of consumer goods that satisfied mass needs.

Second, actual investment expenditures (£ E 3,068 million) fell short of the planned amounts (£ E 3,244 million).

Third was that lack of adequate domestic savings. In order for Egypt to finance its investment expenditures it had to have sufficient domestic savings or it had to borrow from abroad. The Government aimed its savings target at a staggering 35% of personal income. The target was

impossible to achieve. By 1965 the Government had come to rely more and more upon foreign sources for the financing of its investments. It would not or could not hold down its own consumption expenditures nor was its fiscal policy rigorous enough to curb private consumption. Realizing the implications of continuing such a course, plans were put into effect to reduce the dependence of the nation on foreign financial resources. Rigid import controls were imposed and efforts were made to expand exports. The picture improved.

Fourth, Egyptian planners had hoped that during this period exports would expand more rapidly than imports. The plan encouraged the production of consumer goods which in the past had represented a significant part of imports. But the new policy combined with the neglect of export promotion resulted in production inefficiencies. Egypt's domestic producers were protected from more efficient foreign competition. The failure to direct investment funds into the export industries resulted in the latter's inability to compete in the world markets either on the basis of price or of quality. Exports thus failed to earn the foreign currency necessary to



Cairo University in Giza

finance the importation of essential raw materials and capital equipment. Egypt was forced to shut down some of its newest industrial plants (automobiles for one) for lack of essential parts. Output and employment dropped, and once again the targets were not met.

A fifth reason for the failure of the 1960's was the unexpected increase in population. Employment simply could not keep up with the rising labor force.

Ten Year Economic Plan: 1973-1982
Recognizing these problems and still frustrated by their complexities, the Government planners prepared new economic goals to be achieved by 1982:

1. To double the real Gross National Product in the decade: using the 1972 GNP of £ E 2.8 billion as the base year, the GNP for 1982 would be £ E 5.7 billion. This would represent an annual average increase of 7.2%.
2. To raise the per capita annual income from £ E 80 as it was in 1972 to £ E 125 in 1982. This represents an annual average increase in the real per capita standard of living of 4.5%. The model therefore assumes that population will increase 2.6% annually, from 35 million in 1972 to 46 million in 1982.
3. To invest £ E 8.4 billion in new construction and equipment. Of this amount approximately £ E 3.2 billion will be made in the first five years, and the re-

maining £ E 5.2 billion should take place from 1978 through 1982.

4. To save during the decade about 20% of the Gross National Product.
5. To reach an equilibrium in the nation's balance of trade (current account) by the end of the fifth year, 1977, and to use the surplus thereafter to repay foreign debts and to build up the nation's reserves.
6. To increase agricultural production by 42% in the ten years and industrial production by 113%.
7. To increase employment in all sectors of the economy by three million new jobs. This would absorb the new entrants into the labor force and reduce the current levels of unemployment.¹²

Foreign Investment

The key to the success of the Ten Year Plan lies in attracting foreign investment. Wealthy Arabs from the conservative Persian-Arabian Gulf areas are the most likely to invest in Egypt at this time. As Professor Gray points out, they will do so only if President Sadat can convince them that there are profits to be made in Egypt and that their investments are secure from nationalization.¹³

The problem with these private Arab investments, however, is that when they do come in, they are apt to be concentrated in building of luxury high-rise apartments and fancy hotels—investments all likely to yield fast profits. The beneficiaries are not the poor but the rich. A specific investment plan will be needed to channel such private investment funds into more productive enterprises.

At the conclusion of King Khalid's visit to Egypt in July, 1975 the Saudi monarch pledged some \$600 million in credits to Egypt. Abu Dhabi is giving \$70 million for Nahayan City near Ismailia. Kuwait is participating in building a \$400 million industrial city suitable for 150,000 people in the desert east of Cairo. The Arab Summit Conference meeting in Rabat in October, 1974 promised Egypt \$1 billion for military aid.

Significant help has also been promised by non-Arab Governments. Iran has promised the equivalent of \$1 billion for development: \$250 million for the reconstruction of Port Said and Suez, \$400 million for mining and agricultural projects, and \$350 million for other investments.

Japan has expressed its willingness to lend Egypt \$250 million for Suez Canal projects. West Germany has promised \$200 million in three years including \$4.5 million to prepare a feasibility study of a Qattarah Depression hydro-electric and desalination project in the Western

Desert. Brazil is ready to supply Egypt with iron ore for a 2.6 million ton sponge iron mill, while Zambia and Egypt have reached an agreement to set up a joint company to make copper goods in Egypt using copper from Zambia.

Although \$18 billion of private American investments have been promised to Egypt in the period 1976-1980, it is reported that no more than \$1 billion has been received. American investors apparently are still wary of the 1974 Egyptian law on private investments and feel there are too many political and economic risks. Outside of the petroleum industry in which the Americans remain involved, very few dollars have been invested in the Nile Valley in two years of economic liberalization.

But at least a thousand Western businessmen were in Cairo last year, some thirty foreign companies are looking for naphtha in the desert or beneath the sea, and an equal number of financial establishments, such as the Banque National de Paris, Citibank of New York, and the Chase Manhattan Bank, now have agents in Egypt in anticipation of the business to come.

Citibank, in collaboration with Egypt's Central Bank, recently held a well-attended, high level economic seminar in Cairo in which Egypt's leaders expressed their concern with reforming the banking system, reactivating the Stock Exchange, and turning Cairo into an international financial market—all clear signs of greater liberalization to come.

But by far the most important projects for the decade are the reopening of the Suez Canal and the building of an oil pipeline from Suez to Alexandria.

The Suez Canal

Over 100 miles in length and more than 100 years old, the Suez Canal remains one of the world's key waterways. Nationalized by President Nasser in 1956, the canal grew in importance to Egypt and to world shipping with the continuing rise in toll receipts paid by the increasing volume of traffic. The year before the close of the Suez Canal in 1967 by hostilities, some 21,550 ships transited the canal carrying cargo weighing 240 millions of tons and earning for Egypt \$220 million in receipts.

A continuous dredging program deepened the canal to permit passage of larger ships. The maximum permissible draft of 37 feet was increased to 38 feet in 1964 and was to be increased to 39 feet in 1967, and 40 feet in 1968.

Spurred by the rapid growth in the size of cargo ships, particularly oil tankers, an ambitious new channel enlargement program was planned by the Suez Canal Authority. At an estimated cost of some \$200

million, the canal was to have been enlarged enough to permit a draft of 48 feet as would be required for a laden tanker of approximately 100,000 deadweight tons (i.e., ship plus cargo). A second phase of the program called for further enlargement ultimately up to 200,000 deadweight tons with drafts up to 55 feet.¹³

By 1974, writes Robert Arndt in a fascinating article on the canal in *Aramco World Magazine*, "after two brisk wars and seven years as an embattled frontier, the Suez Canal, a waterway that once carried a sixth of the world's trade and an even greater proportion of its oil, had been reduced to a stagnant cesspool."¹⁴

There were those who believed that the seven years of disuse and the development of the supertankers—fast, efficient, and cheap—had made the Suez Canal obso-

be extremely dangerous."¹⁵

The arduous task of clearing the canal began.

"On June 5, 1975, amid the echoes of a 21-gun salute, a seven-ship flotilla eased through ceremonial gates in mid-Canal waters off Port Said and steamed south through the Suez Canal to Ismailia in a five-hour voyage marking the official reopening of the Canal exactly eight years after its closure during the 1967 Arab-Israeli war.

"For the maritime nations of the world, for the Middle East and, above all, for Egypt, it was an event of historic proportions. And if the ceremonies were less spectacular than those marking the original opening of the Canal they were, nonetheless, impressive.

"The ceremonies began on a symbolically decorated platform in the Canal just in front of Port Said's ornate Canal Authority building overlooking a waterway again alive with

more cheaply from the Arabian Gulf to Rotterdam than a 70,000 ton tanker can carry its load in the 17 days by way of the Suez Canal.

Still, in the first three months of operation, it was announced that the Canal had earned \$24.7 million in dues. Higher rates per ship should enable Egypt to regain at least the \$200 million level not long after the canal is open.

Egypt has elaborate plans not only to deepen the waterway, but is actively engaged in the reconstruction of three main Suez cities: Port Said, Ismailia, and the city of Suez. Plans have also been drawn to construct three tunnels under the Canal—one for automobiles and trucks, a second for a railroad, and a third to carry fresh water for irrigation of the Sinai.



Shipping returns to recently opened Suez Canal.

lete. But there were those who disagreed, notably the Government of Egypt and the Suez Canal Authority:

"They believed that rising costs of building, operating and insuring supertankers had begun to cancel the original economies of scale soon after 1970. They knew that the closure of the Canal had cost the world nearly eight billion dollars in increased shipping costs alone and that East African and Asian nations had lost a further four billion in incalculable export growth. There was no question, the Authority decided, that the Canal was still viable.

"The problem was: could it be cleared? The Canal, 102 miles long and 38 feet deep, was jammed from one end to the other with sunken ships, boats and trucks loaded with ammunition; solidly blocked at one point with a causeway; and strewn with live artillery shells and unexploded grenades. Even worse, the Canal and its sloping banks were thought to be carpeted with mines. Clearance, therefore, would not only be difficult; it would also

ships in the sparkling sunshine. There, Egypt's President, Anwar Sadat, impeccable in a white admiral's uniform, surrounded by some 600 dignitaries, opened the 'Day of Joy' by signing a document transferring the Canal from military to civilian control. Then, amid a din of horns, whistles and martial music uncomfortably mixed with the recorded tones of Um Kalthum, the late, revered Egyptian singer, he boarded the destroyer that would carry him to Ismailia. Minutes later, as the last salvo of the destroyer's 21-gun salute echoed across the Canal's blue water, the stately 10-knots-per-hour voyage began and one of the world's greatest man-made waterways was again open."¹⁶

Whether the canal will ever regain its former position in world trade is a subject of great speculation. Today 65% of the world's oil tanker tonnage is made up of ships too large to use the Suez Canal. Although it takes 30 days to go by way of the Cape of Good Hope, the supertankers by virtue of their size can carry a barrel

The Oil Pipeline from Suez to Alexandria

In their desire to recover the oil transport business lost to the supertankers, Egyptian planners began in 1967 to consider construction of a 200 mile crude oil pipeline from Suez to Alexandria.

The dual 42 inch pipeline is expected to carry 80 million tons per year initially, 120 million tons later, and eventually 200 million tons as additional pumping stations are added. Three sea berths at Suez and five at Alexandria will accommodate tankers up to 250,000 deadweight tons drawing up to 68 feet. Construction of the pipeline, once begun, is expected to take 30 months for completion.

Almost annually Egypt has announced that the plans were complete, financing was arranged, and construction was about to start. But one delay after another postponed the project. Late in 1973 it was announced that Bechtel Corporation, an American construction firm, was awarded a \$400 million contract with financing to come through Citibank of New York and from long term contracts from the major oil corporations. Six months later the Egyptian Government severed its relationship with Bechtel, and the project was once again postponed. It is believed now that construction of the pipeline has begun and that the line will be ready for operation in a shorter time than originally forecast—in December, 1976.

The Labor Force

The Second Ten Year Plan 1973-1982 has, as one of its goals, an increase in employment by three million new jobs. This goal represents an acute awareness by Government planners of the critical nature of the population problem confronting the country.

The demographic pressure on the land—soon to be augmented by a postwar

"baby boom"—is equally at work on the urban employment scene. Unemployment in Egypt is difficult to measure accurately, and current statistics are scarce. But the rapid growth of the population and the existence of widescale underemployment suggest a fairly high rate.

Most unemployment is concentrated among unskilled farm laborers and among junior level white collar workers in the cities. Cairo and Alexandria receive a growing influx of surplus rural laborers who come to the city hoping to find work. Many are unskilled and illiterate. (Egyptian economists estimate that 62% of the labor force is illiterate.) The rural laborers are unable to qualify for most of the new skilled or semiskilled jobs being created by expanding industry. The Aswan High Dam and other major projects proved an effective way of creating some 25,000 jobs, skilled as well as unskilled, where none were before, and of drawing surplus workers away from congested areas.

Egypt's labor problems are complicated by the high degree of rural and seasonal employment, by extensive underemployment and hidden unemployment, and by participation in the work force by many children under the legal minimum working age of 12 years. In some instances, employment has been increased by measures which merely increase the degree of underemployment.

As an example, in order to assuage frustration among the country's steadily graduating college-educated, the Government guarantees jobs for all. Three or four Government workers, all university graduates, can be found occupying empty desks in every cubicle in the Mogamma.

In 1969, the Government reversed policy of stifling emigration and has actually encouraged professionals to seek positions in manpower-poor African and Middle Eastern countries. It was a measure aimed principally at relieving the employment congestion as well as bringing in needed foreign exchange with monthly remittances back to Egypt.

Wages continue to rise in Egypt, but any gains are being offset by rising costs and inflation. In 1968-69 the annual average income earned was \$328, a figure that obscured the fact that agricultural workers earned less than half that amount per capita and most industrial workers considerably more. This imbalance is being corrected as agricultural wages rise somewhat faster than the average. It is said that laborers and shop clerks earn perhaps \$20 a month, Ph.D.'s and cab-drivers, \$30, while engineers and full professors earn \$75. Such statistics are indicative of a country in which there are far too few jobs for the number of people.

The basic labor code of Egypt is contained in the comprehensive "Unified

Labor Law (Labor Law No. 91 of 1959)" which repealed most previous labor legislation. The Law covers all workers, urban and rural, regardless of age or sex, and includes provisions governing hours and wages, hiring and firing, apprenticeship and vocational rehabilitation, arbitration and collective bargaining procedures, and the formation of trade unions.

The Law was amended by Presidential Decree No. 362 of January, 1962, which established a minimum wage for workers over 18 years of age in Government and nationalized industries. A law passed in 1964 provided for health and unemployment insurance as an extension of the old-age, disability, and survivors' insurance legislation that had been adopted in 1959.

Under a reorganization in 1964, the Egyptian Federation of Labor was formed as a single nationwide labor organization. Composed of 25 industrial unions, it has a combined membership of about two million.

Employer organizations take the form of 11 industrial chambers, each covering a specialized field, and all affiliated with the Government-controlled central body, the Egyptian Federation of Industries.

The Education Miracle

In the difficult struggle to transform society over the past twenty years, one of the greatest achievements of the country has been its education system. While the literacy rate is still low, there is now a network of primary schools that serves the country. But there is still a long way to go.

Scores of universities and colleges have been opened. Thousands of tons of reasonably cheap books are published every year and find a ready market. Training facilities have been established for teachers while the demand for their skills now comes from the whole Arab world, not just within Egypt alone. Polytechnical institutes are rapidly being set up to provide technical training. And Cairo remains the intellectual center of the Arab world.

At the time of the revolution there were some 35,000 university students in Egypt; now there are nearly 500,000. Egypt has ten major state universities strategically located throughout the country. There are also many technical colleges and schools. The ancient and renowned religious university of Al-Azhar has been greatly expanded and now offers opportunities for specialization in a wide range of scholarly pursuits. The American University in Cairo, long noted for its effective contribution to higher education, still maintains its pilot role in this period of Egypt's growth and development.

Footnotes

1. Harry Hopkins, *Egypt, The Crucible* (1969, Boston: Houghton Mifflin Company), page 9.
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6. "Egypt Gears Up to Arrest Productivity Loss of Land," *Report* (News of World Bank Group), March-April, 1967, pages 1-2.
7. "Basic Data on the Economy of the Arab Republic of Egypt," *Overseas Business Reports*, U.S. Department of Commerce, December, 1972, pages 3-4.
8. Edward Hoagland, "Cairo Observed," *Harper's Magazine*, June, 1976, page 70.
9. J.P. Peroncel-Hugoz, "Egypt at the Crossroads," *Le Monde* (excerpted in *Atlas World Press Review*, April, 1976), page 31.
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11. Albert L. Gray, Jr., "Egypt's Ten Year Economic Plan 1973-1982," *The Middle East Journal*, Winter, 1975 (The Middle East Institute, Washington D.C.), pages 36-37.
12. National Bank of Egypt, *Economic Bulletin*, 1972, No. 4, p. 27.
13. "Basic Data on the Economy of the Arab Republic of Egypt," *Overseas Business Reports*, page 11.
14. Robert Arndt, "Suez: The Reopening," *Aramco World Magazine*, Sept.-Oct., 1975, page 12.
15. *Ibid.*, page 12.

Films

Sixteen mm. films suitable for use in schools, churches and clubs are available free of charge at Egyptian Government Tourist Office, 630 Fifth Avenue, New York, N.Y. 10020.

Arabesque and Arabic Calligraphy. Black & white; approximately 20 minutes. These two films give a dramatic presentation of the art of architecture and calligraphy. There is adequate handling of the evolution of these two arts. It is recommended that because of the interplay between these two films, they be shown at the same program.

A Prophecy Realized.

Color; 20 minutes. Despite faded color and somewhat blurred sound, this is an excellent film for depicting both the quality of monastic life and the philosophy behind it. Filmed at a Coptic monastery in the Egyptian desert. Very good for classes in comparative religions and for church groups.

As I Wander.

Color; approximately 40 minutes. Gives extremely interesting glimpses of the various arts and crafts being produced in the Khan el Khalili quarter of Cairo. One feels appreciation for the atmosphere of this ancient/modern enclave of this bustling city. The intriguing photography and the use of Arabic music more than make up for the lack of verbal explanations.

Thunder of The Kings.

Color; two reels; approximately one hour. This is the story of the ancient Egyptians as seen through the eyes of a modern Egyptian boy, showing various tombs and temples. It shows beautiful scenes of the Nile. It closes with a short glimpse of the Aswan Dam in the making and points out what it will mean to the life of Egyptians today. While the content of the film is most suitable for junior high groups, the stunning contrasts and solid photographic techniques make it suitable for adult audiences as well.

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Ray Cleveland, **MIDDLE EAST AND SOUTH ASIA**. 91 pp. \$2.25 (paperback). Stryker-Post Publications. The author gives a short historical background on the early empires in these areas, followed by a treatment of each of the present countries. This treatment consists of a set of statistics, a short history, description of the culture, outline of economy and finally an analysis of the future prospects. Maps included. An excellent study book. Our price, \$2.00.

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Malcolm H. Kerr, ed., **THE ELUSIVE PEACE IN THE MIDDLE EAST**. 347 pp., plus maps. \$6.95 (paperback). State University of New York. Widely diverging views of six knowledgeable writers—a Syrian, an Israeli, a Canadian and three Americans. Each presents aspects of the Middle East conflict as he sees them. The one point of agreement is that the conflict has reached a dangerously explosive point and that some solution is imperative. Our price, \$4.50.

Felicia Langer, **WITH MY OWN EYES**. 192 pp. £ 2.50 (paperback). Ithaca Press. The author, a noted Israeli Communist lawyer, presents a chronological series of case histories which document examples of the seizure of land, confiscation of property, blowing up of houses, the torture of prisoners, arbitrary deportations

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THE LINK aims at maintaining contacts among Americans who believe that friendship with the people of the Middle East is essential to world peace, who would contribute to this goal by spreading understanding of the history, values, religions, culture and economic conditions of the Middle East, and who would—in this context—press for greater fairness, consistency and integrity in U.S. policy toward that area.

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