Egypt: the Militancy of Mahalla al-Kubra

Friday 12 October 2007, by BEININ Joel (Date first published: 29 September 2007).

Contents

- <u>UNFULFILLED PROMISES</u>
- "FIND US OUR RIGHTS"
- EMBATTLED REGIME
- DUG IN

For the second time in less than a year, in the final week of September the 24,000 workers of the Misr Spinning and Weaving Company in Mahalla al-Kubra went on strike — and won. As they did the first time, in December 2006, the workers occupied the Nile Delta town's mammoth textile mill and rebuffed the initial mediation efforts of Egypt's ruling National Democratic Party (NDP). Yet this strike was even more militant than December's. Workers established a security force to protect the factory premises, and threatened to occupy the company's administrative headquarters as well. Their stand belies the wishful claims of the Egyptian government and many media outlets that the strike wave of 2004-2007 has run its course.

Most importantly, if the promises made by the government are kept, the Mahalla workers have scored a huge victory that will likely have reverberations throughout the Egyptian textile industry, if not beyond. After halting production for less than a week, they won a bonus equivalent to 90 days' pay, payable immediately. A meeting of the company's administrative general assembly to be convened soon will increase this to at least 130 days' pay. In addition, a committee will be formed immediately in the Ministry of Investment to negotiate increases in extra compensation for the hazardous nature of their work and clothing allowances. Incentive pay will be linked to basic pay and subject to a 7 percent annual increase. The executive board of the company will be dissolved and CEO Mahmoud al-Gibali will be sacked. The days of the strike will be considered a paid vacation.

As with many of the work stoppages that have made up the three-year wave, the immediate causes of the Misr Spinning and Weaving workers' discontent are local and economic: unpaid bonuses and charges of venality on the part of management. But important elements among the Mahalla strikers are now framing their struggle as a profoundly political fight with national implications. They are directly challenging the economic policies and political legitimacy of the regime of President Husni Mubarak. In this challenge, they have received the support of not only the bulk of the population of Mahalla, but also workers from the textile mills of Kafr al-Dawwar and Shibin al-Kom, railway workers and urban intellectuals.

UNFULFILLED PROMISES

The strike in Mahalla al-Kubra was impelled by unfulfilled promises made at the conclusion of its December 2006 antecedent. At that time, workers said they would accept annual bonuses equal to 45 days' pay rather than the two months' pay they had been promised the previous March. In exchange, Minister of Investment Mahmoud Muhi al-Din agreed that if the firm earned more than 60

million Egyptian pounds in profit in the fiscal year that ended in June, then 10 percent of that profit would be distributed among the employees.

Egyptian statistics being malleable, it is possible to say only that Misr Spinning and Weaving reaped somewhere between 170 and 217 million pounds of profit in the last fiscal year. Consequently, workers claimed that they were due bonuses equal to about 150 days' pay. But they had received only the equivalent of 20. They also demanded increases in their clothing allowances and production incentives. Finally, the workers contended that al-Gibali takes extravagant trips abroad, a manifestation of the corruption and mismanagement that is squandering the company's resources. The workers are acutely aware that this is their money, since Misr Spinning and Weaving is the flagship public-sector firm in Egypt. "Save us! These thieves robbed us blind! (Ilhaquna! Alharamiyya saraquna!)" read one placard held aloft before the cameras and shown on al-Jazeera English. The strikers called for Gibali to be suspended pending an investigation.

The underlying economic grievance of the strike was that the standard of living of most workers, along with civil servants and others (to say nothing of the unemployed and marginally employed), is deteriorating sharply because of punishing inflation. In Egypt, the formerly "Arab socialist" government still subsidizes a couple of basic commodities — bread and gasoline — whose prices are therefore subject to a measure of central control. But even with "the market" determining most of the cost of living, prices tend to rise on a predictable timetable. Modest upticks in the summer are conventional and generally uncontroversial, because the millions working in the public sector receive their annual raises in July. But the 2007 round of price increases came after a period of annual inflation rates as high as 12 percent (as reported by government sources; unofficial estimates are typically considerably higher). In September, the Central Agency for Public Mobilization and Statistics announced that the price of food had risen 12.4 percent on an annual basis. Fresh vegetables, which are cultivated in abundance throughout the country, led the list with an astounding 37.6 percent increase. The impact of these price hikes has been exacerbated because Muslims are now celebrating the holy month of Ramadan. After abstaining from food and drink in the daylight hours, it is traditional for Muslims to break the fast with a sumptuous iftar meal. Many Muslims in Egypt save throughout the year so as to be able to eat meat during Ramadan, but prices are now proving prohibitive.

"FIND US OUR RIGHTS"

As in the past, government mouthpieces claimed that the Mahalla workers were "incited" to action by the Muslim Brothers and other opposition political parties. This charge is baseless. When representatives of the regime-sponsored National Council for Human Rights visited Mahalla to investigate, several workers displayed their NDP membership cards. Strike leaders repeatedly said that theirs was a workers' movement and that the opposition parties, which are discredited and have little to offer the workers in any case, had nothing to do with it.

Indeed, the workers do not have a unified political position. Some remained hopeful that Husni Mubarak would intervene to compel the paying of bonuses and incentives, perhaps banking on the regime's record of meeting economic demands in many of the strikes of the 2004-2007 wave. Others are more militant and identify the regime as their enemy. Twenty-three year old worker Karim al-Buhayri, who writes a widely read Arabic blog called Egyworkers, said, "Find us another society to live in. Or find us other rulers to rule us. Or find us our rights." He uploaded video clips (available on the 3Arabawy blog by Hossam el-Hamalawy) featuring workers chanting, "We will not be ruled by the World Bank! We will not be ruled by colonialism!" On September 28, veteran unionist Sayyid Habib told Voice of America radio, "We are challenging the regime."

Opposition to the regime takes the form of opposition to the Egyptian Trade Union Federation (ETUF), which, though nominally an umbrella group representing all of the country's organized workers, is in fact an arm of the state. The Mahalla workers renewed their call for impeaching the local union committee, which reports to the ETUF and has sided with the regime and company management throughout 2006 and 2007. Fourteen thousand Mahalla workers signed petitions in support of this demand in March. ETUF representatives were less than useless in the September strike. The head of the local factory committee resigned after he was beaten by workers and taken to the hospital. ETUF secretary-general Husayn Mugawir announced that he would not visit Mahalla until the crisis was resolved.

EMBATTLED REGIME

The Mahalla strikers' triumph comes as the Mubarak regime finds itself embattled on many fronts. It is lashing out at independent journalists, imprisoning or indicting them on ridiculous charges like "insulting the leaders of the National Democratic Party." One of the most combative opposition journalists, Ibrahim 'Isa, editor of the daily al-Dustur, will be tried in October for publishing false information about the president's health. In August and early September there were persistent rumors that President Mubarak was gravely ill or even dead. ('Isa was to have faced an emergency state security court, whose rulings cannot be appealed and which almost never find for the defendant, but on September 28 the government announced that he will appear in a regular criminal court.) Mohammed el-Sayed Said, editor of the new left-liberal daily al-Badil (and a contributing editor of this magazine), is being investigated on similar charges. The independent press will strike on October 7 to protest the dramatic narrowing of the scope of freedom of the press in recent weeks.

In a similar vein, several NDP members, claiming to be fulfilling their duties as patriotic citizens, have brought charges against the fearless Saad Eddin Ibrahim, professor of sociology at American University in Cairo, for "harming Egypt's economic interests" after he wrote an op-ed in the Washington Post urging Congress to cut military aid to Egypt unless it improves its human rights record. Ibrahim spent over two years in jail in 2002-2004, during which time his health was seriously damaged, after a state security court convicted him on a previous round of spurious charges. He emerged completely vindicated. But, this time, Ibrahim has decided to forgo the opportunity to sit in jail, remaining abroad, but not silent, until the storm clears.

The regime is also embroiled in a long-running controversy involving Egypt's judges, who persist in attempting to exercise their constitutional role even when it conflicts with the dictates of the presidential palace, and so command widespread credibility among the intelligentsia and middle classes. Since the 2005 parliamentary elections, when judges pointed out numerous instances of vote rigging, all the more embarrassing since it did not prevent the Muslim Brotherhood from winning an unprecedented 88 seats, the regime has sought to tinker with the judges' mandate so as to control them more easily. Independent-minded judges have been transferred or seen their salaries slashed as they criticize and resist the neutering of the judiciary.

The Kifaya movement for democracy, proclaimed "clinically dead" in the pages of al-Badil earlier in the month, held a demonstration in solidarity with the Mahalla workers on the evening of September 27. Some 150 activists were jammed against the front doors of the Journalists' Syndicate by uniformed riot police and the plainclothes thugs of State Security. They were not permitted to leave until late in the night, a new tactic in the regime's creative efforts to intimidate opposition of any sort. (An unconfirmed story in Daily News Egypt said that the protesters sat down voluntarily, because State Security had detained two of their number, and Kifaya demanded their comrades' release before dispersing.) At the same time, about a dozen members of the Ghad (Tomorrow) Party

chanted slogans from the balcony of their party headquarters overlooking Tal'at Harb Square in downtown Cairo, denouncing the regime's attack on freedom of the press and the continued imprisonment of former party leader Ayman Nour on still more trumped-up charges. Several thousand security personnel of various stripes were deployed throughout downtown Cairo on the evening of September 27 to meet these grave threats to public order and the stability of the regime, one of several indications that the state security apparatus, the ultimate authority in Egypt, has lost all sense of proportion.

Meanwhile, on September 24, as Secretary of State Condoleezza Rice was dining in New York with Egypt's foreign minister, the White House announced it was "deeply concerned" by Egypt's crackdown on dissenting journalists and the closure of the Association for Human Rights Legal Aid on the grounds that it had received funds from abroad without receiving prior permission from the government. Such toothless statements are now routinely dismissed in Cairo as unwarranted interference in Egypt's domestic affairs.

DUG IN

Back in Mahalla al-Kubra, the workers remained barricaded in the hulking mill. Eight strike leaders were arrested on the third day of the action. The sympathetic local police released them two days later to thunderous chants of approval from their colleagues. But the compromise proposal of an immediate payment of a 40-day bonus they presented to the strikers was derisively rejected. The leaders, who may have been compelled to present this offer as a condition of their release, then announced that the strike would continue indefinitely. There was broad support for a long and militant struggle, the threat of which brought ETUF head Mugawir (breaking his earlier pledge) and company officials to the negotiating table in Mahalla, according to a statement released by the Workers' Coordination Committee. Such high-level negotiations could not have occurred except at the behest of State Security.

No doubt the expressly political rhetoric of the strikers worried the state as much as the millions of dollars company managers claimed to be losing every day the strike ground on. Muhammad al-'Attar, an arrested strike leader and an activist with the Cairo-based Center for Trade Union and Workers' Services, shuttered by the regime in the spring, was also a key organizer in the March petition drive to remove the local union committee, which the ETUF continues to ignore. On September 27, after he had been released from jail, al-'Attar reiterated his demand for greater accountability inside the Egyptian labor movement. He told the Daily News Egypt, "We want a change in the structure and hierarchy of the union system in this country.... The way unions in this country are organized is completely wrong, from top to bottom. It is organized to make it look like our representatives have been elected, when really they are appointed by the government."

The Bush administration's "concern" about the fate of democracy in Egypt should be contrasted with its actual emergence on the ground. Addressing a pre-iftar rally after his release from prison, Muhammad al-'Attar said, "I want the whole government to resign.... I want the Mubarak regime to come to an end. Politics and workers' rights are inseparable. Work is politics by itself. What we are witnessing here right now, this is as democratic as it gets."

P.S.

- * Published in the Middle East Report Online (MERIP).
- * Joel Beinin, a contributing editor of this magazine, is director of Middle East studies at the

American University in Cairo.