

# Popular Social Movements and the Future of Egyptian Politics

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President Husni Mubarak's unexpected announcement that Article 76 of the Egyptian constitution will be amended to permit a direct and competitive vote in the September presidential election has captured the attention of the international and local media and political classes. The substance of the proposed constitutional amendment, announced on February 26, remains undetermined. While the president will not run unopposed in a single-party referendum, as he has done on four previous occasions, a multi-party contest might not end his 24-year rule. Past multi-party elections for the parliament have been plagued by voter intimidation, fraud and other dirty tricks intended to pad the ruling National Democratic Party's majority.

It is far from clear that Mubarak's decision heralds the birth of genuine electoral democracy on the Nile. Moreover, focusing on top-level political maneuvering misses the pressure from below that has played a significant role in forcing this concession from the regime.

For the last several months, a disparate collection of burgeoning movements among several sectors of Egyptian society has converged upon one message: opposition to the status quo. Since December 11, 2004, the Kifaya (Enough) movement has organized three demonstrations demanding that Mubarak step down and that he refrain from handing off the presidency to his son, as happened in Syria and in the "democratic" US-allied monarchies of Jordan and Morocco. Kifaya activists have collected well over 1,000 signatures of public figures on a petition calling for a direct and contested presidential election. Members and supporters of the Ghad (Tomorrow) Party have loudly protested the incarceration of their leader Ayman Nur. Human rights activists have continued to criticize the regime's arbitrary roundups of Islamists in response to the October 7, 2004 terrorist bombings in the Sinai resort of Taba. Workers have engaged in long strikes protesting the business-friendly policies favored by Mubarak — and, even more so, his son Gamal. In covering these developments, the non-governmental media have gone well beyond previous limits on freedom of the press.

Since 1952, no Egyptian head of state has been targeted directly in this manner. A taboo has been broken, and there is no telling where these popular movements may lead.

## **A STRIKE AGAINST PRIVATIZATION**

Some 12 miles north of Cairo, 400 textile workers at the Qalyub Spinning Company, a branch of the ESCO conglomerate, have been conducting a sit-in strike since February 13. They are protesting the

government's sale of their mill to a private investor because they believe private-sector management will not maintain the levels of wages and benefits they have achieved since ESCO, like most other significant Egyptian manufacturing firms, was nationalized in the early 1960s. The strike began because the government and company management failed to deliver on promises to provide an adequate early retirement package in response to a shorter ten-day strike in October 2004.

Privatization of the public sector has long been strongly supported by Washington, as well as Egypt's creditors at the International Monetary Fund and the World Bank. Fearing social unrest, the Mubarak regime delayed the recommended privatization measures for years before moving with relative vigor to sell off state-owned enterprises in 1993. Despite several bitter wildcat strikes and indications that privatization was contributing to a greatly widened gap between rich and poor, that state passed over 100 factories into private hands between 1993 and 1999. In May of 1999, the International Monetary Fund declared itself satisfied that Egypt was finally heeding its advice. But the selloffs stalled as the economy stagnated. The sale of the Qalyub Spinning Company is part of a renewed wave of privatization. Textiles, one of the largest and perhaps the most storied of Egyptian industries, have been targeted because the sector has been in crisis since the 1970s due to competition from east and southeast Asia.

The first step in preparing firms for privatization is reduction of the labor force. The six ESCO mills employed some 24,000 workers in 1980; they have been reduced to 3,500 by a combination of attrition, a hiring freeze since 1987 and five waves of early retirement packages, the last in 2000. At ESCO's Bahtim facility, the administrative offices, garage and spinning mill were all sold to a private investor without any obligation on his part to employ the workers who previously worked there. The striking ESCO workers believe that the long years they have worked in the mill — many have 20 to 30 years seniority — entitle them to continue working there rather than being replaced by new workers who will undoubtedly receive lower wages and benefits. Basic monthly wages now range from 250 Egyptian pounds (\$43) to 600 pounds (\$103) a month — below the poverty line at the lower end of the scale.

The Qalyub Spinning Company workers believe the state is divesting itself of valuable assets without due process — and at bargain-basement prices. Gamal Shaaban, a skilled worker with 23 years seniority, asked, "With what right was the sale [of this mill] conducted?" The workers own 10 percent of the firm, but they were not consulted about the sale. "Muhsin Abd al-Wahhab al-Gilani [the CEO of the public-sector holding company that owns the mill] agreed to the sale. Was the company his property or the property of the people?"

Muhammad Gabr Abdallah, a night supervisor with 28 years seniority at ESCO and a spokesperson for the workers, led a tour of the mill and explained that in 1999 the company was valued at 60 million pounds. In 2003 the government invested 7 million pounds in capital improvements, including computerized spindles. It then concluded a three-year lease agreement for 2.5 million pounds a year with a businessman named Hashim al-Daghri, expecting that he would buy the mill. Before the lease expired, the mill was sold to al-Daghri at the steeply discounted price of 4 million pounds.

The ESCO workers are highly conscious that their strike questions the fundamental direction of Egypt's economic strategy. Not only are Gamal Mubarak and his entourage of US-educated economists and business tycoons intent on introducing more free-market policies, but in December Egypt also concluded a trade agreement with the US creating seven Qualifying Industrial Zones where foreign and domestic factory owners will be free to pay structurally lower wages. Rashid Muhammad Rashid, the new minister of industry who is associated with the younger Mubarak, attempted to parry nationalist criticisms of the agreement by claiming that the zones would revitalize the struggling textile sector. Indeed, the Qalyub facility is not the only mill on the auction

block. Gilani announced on February 25 that the Delta Spinning and Weaving Company is up for sale.

### **“ASK THE GOVERNMENT”**

Because of the political importance of the Qalyub strike, activists from the Center for Trade Union and Workers' Services in Helwan have supported the workers. Journalists from al-Ahali, the weekly of the legal left National Progressive Union Party, and the open-minded English-language al-Ahram Weekly have written sympathetic accounts. The new English-language weekly, Cairo, published an equivocating report that nonetheless contained more information than is commonly available in Arabic.

In contrast, Ibrahim Nafie, chief editor of al-Ahram, made it known that he was not enthusiastic about covering the strike in the quasi-official, Arabic-language daily. The workers have received no support from the state-sponsored Federation of Spinning and Weaving Unions. Federation spokesman Ali Muhammad Mansour agrees, however, that ESCO cannot pay the workers an adequate retirement package. Early retirement packages have been an integral but controversial component of Egypt's privatization schemes. The downsized workers first receive a lump sum, which the state encourages them to invest in a small business, and then a monthly stipend that is often much less than the pension they would have received had their factory remained state-owned. Workers have long complained that the stipends are too low to meet the rising costs of living. In the severe downturn that has afflicted Egypt's economy since 1999, the limited appeal of the lump sum payment has also diminished. The ESCO trade union representative resigned because he did not want to bear any responsibility for the packages on offer to the Qalyub Spinning Company employees.

ESCO's management is equally aware of the import of the strike. Sitting at his desk below a poster of the shrine of the Kaaba in Mecca, the manager of the mill, Sayyid Abd al-Fattah, an ostentatiously pious Muslim with a large prayer scar on his forehead, evaded direct answers to questions put to him by a group of journalists. He complained that the workers were "pressuring" him and the private investors to accede to their demands. To buttress his claim that the current strike and the one in October 2004, for which three days' wages were deducted from workers' pay checks, were illegal, he pulled the text of the New Labor Law (Number 12 of 2003) out of his desk drawer and quoted the appropriate sections. It is almost impossible to conduct a legal strike in Egypt, as this requires the approval of the government-controlled trade union federation.

The striking workers have proposed three options to the ESCO management and the government. They want their mill to remain in the public sector. If that is impossible (as is likely since the contract of sale has already been signed), they want the workers to be permitted to transfer to other mills of the Egyptian Holding Company for Spinning and Weaving, which manages all textiles firms in the public sector. If they cannot be transferred, they want to receive "reasonable" early retirement packages. The third option is the sticking point, because while 10 percent of workers' monthly wages are deducted for retirement benefits, the company has not paid its matching 20 percent share into the retirement fund since 1992. Consequently, the retirement fund is not able to pay out an adequate retirement package. Abd al-Fattah was asked if the company's failure to prime the fund was not as illegal as he asserts the strike to be. He responded, "Ask the government."

## **POLITICAL ISLAMISTS**

The 287 workers at the Egyptian-Spanish Asbestos Products Company (Ora Misr) in Tenth of Ramadan City, one of six satellite communities built by the state to ease population pressure in greater Cairo, have been on strike since November 20, 2004. The owner of the factory, Ahmad Abd al-Azim Luqma, is known as a member of the Muslim Brothers — an illegal but semi-tolerated Islamist party widely considered the largest and most organized opposition force in Egypt. The workers assert that he arbitrarily fired 52 workers after the Ministry of Labor Power closed the factory because of health code violations. Luqma has also refused to pay the workers' wages since September. They claim he intends to sell the plant's stock of raw materials and to evade paying the fine the government has imposed on him and the compensation due workers for health damages.

The Muslim Brothers have a long history of breaking strikes and opposing militant trade union activity going back to the 1940s, when they clashed with communists in the textile center of Shubra al-Khayma, north of Cairo. The Brothers continued to oppose the left during the 1980s and 1990s. But in this period the Brothers-Labor Party alliance adopted a more pro-labor stance, though this did not necessarily lead to pro-labor practices. Since the 2001 death of Adil Husayn, a former communist who became an Islamist and a leader of the Labor Party, the Brothers have returned to their traditionally pro-business stance.

At Ora Misr, the workers' factory-level trade union committee is supporting their strike, although their trade union federation is not. The government, although it is no friend of the factory owner, has not acted decisively to break the impasse.

Some suspect that the government is highly strategic about when it chooses to confront the Muslim Brothers. The regime knows the extent of the Brothers' popular support, and, for that reason, its leaders are periodically arrested. But an all-out assault on the Brothers carries many political risks in an already unstable political situation.

Muhammad Mahdi Akif, who assumed the mantle of general guide of the Society of Muslim Brothers just over a year ago, has announced that the Brothers will support a fifth term for Husni Mubarak on the grounds that the Qur'an says that Muslims should obey their leader. This is a political maneuver designed to persuade the government to legalize the society — a long-sought goal. Liberal-minded leaders of the Muslim Brothers — those now in their fifties who joined during the Islamic upsurge of the 1970s — objected vociferously and publicly to Akif's statement. The organization is deeply split, and it is unclear if it can maintain its historically tight discipline.

A different face of Islamism was evident at the February 22 press conference called by Human Rights Watch to publicize its report on the mass arrests and torture of at least 800 residents of the northern Sinai town of al-Arish following the Taba terrorist bombings. Eight women from al-Arish — wives, mothers and sisters of those incarcerated — attended the event. They call themselves salafis — a reference to the era of the Prophet Muhammad and the first four caliphs. Salafis believe that Islamic faith and legal practice should be derived solely from the example of this first period in Islamic history. One woman, speaking in a polished Cairene accent, announced her name and related the tales of several of her imprisoned male relatives. She said that her brother, who has been in jail for 18 years, urged her to speak out strongly against the regime. Otherwise her husband, who was arrested without a warrant or a judicial order after the Taba bombings, and is being held without charge, would remain in jail for 18 years as well. She then sharply and directly attacked Husni Mubarak using language rarely heard in public.

According to Human Rights Watch, Egyptian authorities are holding as many as 2,400 people without charge following the sweep in the coastal town, despite having identified only nine people as

having a hand in the Taba attacks. On March 4, some 50 women in al-Arish demonstrated against the continuing detention of their male relatives and shouted anti-government slogans. Police intervened and closed off the area.

## **AMERICAN-STYLE OPPOSITION**

Members of the Ghad Party, which embraces pro-US, pro-free market policies, have shouted slogans and hung banners out the windows of their headquarters in Talaat Harb Square, a major Cairo intersection, on numerous occasions since their leader was arrested on January 29. Nur, a wealthy, aristocratic lawyer, was arrested on the rather ridiculous charge that he forged signatures on the petition to found the party. Some believe Nur was jailed because he published a draft of a new constitution with far more substantial changes than Mubarak and his acolytes are now discussing.

The Ghad Party proposed abolition of the emergency laws in force since 1981, limits on the nearly dictatorial powers of the president, and a limit on the number of presidential terms in office. These demands echo those of other parties and influential individuals. In other words, in contrast to the largely formalistic “national political dialogue” that convened at the end of January, Nur and the Ghad Party put some of the substantive political issues facing Egypt on the public agenda. Although still incarcerated, Nur has announced he will run for the presidency. He is the most credible candidate who can be put forward by the legal parties. One of the apparent devils in the details of Mubarak’s “bombshell” is that parties the regime does not recognize — like the Muslim Brothers — will not be allowed to field a candidate.

There is little doubt that Husni Mubarak will win even a relatively free election, assuming that he runs, because the political, media and educational infrastructure for a viable democratic political system does not exist and cannot be installed by September. A similar scenario would likely apply if the father contrived magnanimously to withdraw his name from the race in favor of the son. Consequently, the future of Egyptian politics will not be determined by the amendment of the constitution.

Rather, it will depend on whether these popular political initiatives are capable of building a social movement for change. While such a movement has not yet coalesced, challenges to the regime by human rights activists, workers and other marginalized strata show no sign of abating and are becoming increasingly sharp. Ahmad Sayf al-Islam, the director of the Hisham Mubarak Law Center, assisted Human Rights Watch in its investigation of the al-Arish detentions. At the HRW press conference he accused the government of breaking into his home and stealing his laptop computer for a second time two days earlier. Sayf al-Islam’s exceptionally bold public statement addressed itself to “tyrants, pharaohs of Egypt” and concluded, “the fish starts rotting from the head. Don’t you smell the rot of our fish?”

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\* From Merip:

<http://www.merip.org/mero/mero031005.html>

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