Comment

Entrenching Poverty in Egypt: Human Rights Violations that Contributed to the January 25 Revolution

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Recent events in Egypt have instigated much discussion about the causes of the January 25 revolution and the ongoing demonstrations and labor unrest. Both within Egypt and around the world, commentators have noted the deep connection between the uprisings and deteriorating socioeconomic conditions. Moreover, as images of tear gas canisters marked “Made in the U.S.A.” that were thrown at peaceful protestors in Tahrir Square made their way around the world, commentators and experts have also directed greater scrutiny at U.S. foreign policy and, in particular, at the United States foreign aid program in Egypt and its failure to contribute to poverty alleviation in Egypt.

Against the backdrop of these discussions, our Comment provides a brief overview of three interrelated problems: U.S. foreign aid, labor and workers’ rights in Egypt, and disparities in the Egyptian education system. Each of these factors helped entrench poverty in Egypt. Each contributed to the consolidation of power in, and was used as an instrument by, a regime

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that failed to respect or to promote Egyptians’ right to be free from poverty.\(^3\) The recent events provide an opportunity to bring into focus the consequences of egregious violations of individuals’ economic rights—the rights to an adequate standard of living, to work, to education, and to economic opportunities—and the centrality of those rights to the creation and maintenance of a healthy society. The remarkable and moving revolutions that have brought Egyptians this far in their struggle for liberation will ultimately be successful only if the root causes of systematic marginalization—poverty, lack of access to economic opportunity, and political meddling that entrenches inequality—are addressed alongside other political and civil reforms.

At this pivotal moment in Egyptian history, it is imperative that systemic problems entrenching social and economic inequality are addressed, in addition to abuses of civil and political rights by the Mubarak regime that served to stagnate politics, instill fear in the population, and deter resistance. American foreign aid policy provided political cover and financial support for internal labor and education policies that consolidated economic disparity, upon which the coercive police state relied. This Comment aims to briefly assess how irresponsibly allocated foreign aid, inequalities in education, and misguided labor and economic policies entrench the regime’s power by increasing economic disparity in Egypt over the course of thirty years. Our brief comments are intended to serve as a platform for further discussion of how foreign policy, education policy, and labor policy can be formulated going forward. Part I discusses the legal and political mechanisms in the U.S. that allowed for the provision of foreign aid to a regime that systematically abused its citizens’ civil, political, economic, and social rights. Part II discusses the labor activism that was initiated as a response to the regime’s self-serving economic policy and challenged the legitimacy of state control of public worker organizations. Part III discusses the ways in which the education system exacerbated the problems created by foreign aid and poor labor conditions, in part by leaving students unprepared for the demands of the labor market. Moreover, severe disparities in the education system helped entrench existing poverty and inequality and contributed to the unsustainable economic conditions that existed in Egypt.

I. FOREIGN AID AND ITS IMPACT ON HUMAN RIGHTS

U.S. foreign assistance was integral in supporting the economic, political, and security structures of the Mubarak regime. As the rapidly changing political system in Egypt continues to take shape, it is essential that academic attention and international pressure focus on how the U.S. will shape its foreign aid policy toward the new Egyptian state. In order to

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do so, academics should consider the internal mechanisms that allow for the U.S. to provide this essential financial and political expression of support. This Part discusses the domestic U.S. legal and political mechanisms that sanctioned foreign aid programs in Egypt for over thirty years.

In 1961, the newly enacted Foreign Assistance Act (FAA) granted the President and Congress the authority to devote part of the national budget to foreign aid; in doing so, the U.S. expressed that it had an obligation to ameliorate the burden of poverty in less fortunate nations. The FAA creates positive obligations for the President and Congress to, in initiating and administering foreign aid programs, “assure . . . human dignity and expanding freedom” of the recipient. In formulating “long-range plans which will encompass social as well as . . . economic growth,” Congress intended economic development assistance to evidence its stated belief that world peace could only be achieved through the realization of human dignity, as it is expressed through economic stability.

At the time of the FAA’s passage, Congress articulated its belief (reaffirmed with each successive foreign aid appropriations bill) that the creation of a more secure world is contingent on the amelioration of severe economic injustice globally. In the case of Egypt, however – the second-largest recipient of U.S. aid each year since 1978 – the U.S. historically granted massive amounts of economic and military assistance, despite clear evidence that its economic assistance was being siphoned by corruption and that its military assistance was being put in service of a military primarily directed toward its own population.

8. Al-Arian, supra note 2.
9. Mark Engler, Egypt Protests Shine Light on How U.S. Profits from Foreign Aid, FOREIGN POL’Y IN FOCUS, (Jan. 29, 2011), http://www.fpif.org/blog/egypt_protests_shine_light_on__how_us_profits_from_foreign_aid (“Even though it is notoriously undemocratic, the Mubarak regime has for decades received a massive amount of U.S. aid, both military and non-military. . . . [O]ur leaders have incentives to use aid flows as pork for our corporations and to allow the Egyptian government to siphon off the remaining largess however it wishes.”).
A brief history of the U.S. foreign aid program in Egypt puts the U.S. policy into context. Foreign assistance to Egypt is a result of the nation’s peace with Israel via the Camp David Accords, and has been called a “political reward” to Egypt, conceived by Henry Kissinger. In 1975, after Egyptian President Anwar Sadat opened Egypt to Western markets, the U.S. Agency for International Development (USAID) - the agency created in 1961, shortly after the Congress passed the FAA, to give institutional support to the Act’s humanitarian ideals – opened an office in Cairo. In its first ten years, USAID/Egypt spent funds equivalent to between seven and fourteen percent of Egypt’s annual GDP on various forms of aid. In 1979, when Sadat signed a peace treaty with Israeli Prime Minister Menachem Begin, Egypt began receiving military aid at a rate of $1.3 billion per year. Most of these funds were used to purchase U.S.-manufactured war materiel and send Egyptian officers to the U.S. for training. American military and development aid has regularly been provided to Egypt ever since. In the spirit of the purposes originally articulated in the FAA, yearly appropriations bills provided authorization for Egypt’s economic and military aid package. These authorizations were purportedly granted in order to contribute to an overall strengthening of Egypt’s economy and an increase in pro-American sentiment – and a decrease in the number and strength of Islamic groups that might take advantage of Egypt’s political restrictiveness and civic and economic weakness – as well as to foster the country’s transition to democracy.


16. S. REP. NO. 87-612, at 6 (1961). When affirming policy statements attendant to the first Foreign Aid Authorization Bill, and later when authorizing specific appropriations, Congresspersons alluded to support for recipient countries’ political and economic development and protection of the U.S.’ security. See, e.g., Friendship Act, Pub. L. No. 103-199 (codified as amended in 22 U.S.C. § 5801 et seq. (2006)) (“The Congress recognizes that the peace of the world and the security of the United States are endangered so long as international communism and the countries it controls continue by threat of military action, by the use of economic pressure, and by internal subversion. . . . In enacting this legislation, it is therefore the intention of the Congress to promote the peace of the world and the foreign policy, security, and general welfare of the United States by fostering an improved climate of political independence and individual liberty.”).


Over three successive decades, the failures of the foreign aid program to achieve these goals became increasingly obvious. Congress therefore made attempts to place legal limits on the authority of the executive branch to grant aid to countries with poor domestic human rights records, and on aid to Egypt specifically as a result of its dismal human rights record.\(^1\) Executive branch officials repeatedly overrode these limitations.\(^2\) These interventions came at the expense of the Egyptian population and the legitimacy of the foreign aid program. Failing to ameliorate scarcity and willfully ignoring the Mubarak regime’s blatant human rights violations, U.S. foreign aid programs in turn failed to fulfill the articulated domestic and international human rights obligations attached to foreign aid provided by the FAA.

The pathology of the American aid program is that it has historically couched rights violations in the language of rights obligations. The perverseness of the U.S.’s thirty-year support for the Mubarak dictatorship is not only the fact of that support, but the reliance on a legal instrument that was originally enacted to fulfill the purposes of poverty amelioration and the encouragement of democracy. Recent events bring to the fore how
essential it is for the U.S. foreign aid program to respect the human rights of others. Chief among them, and the FAA’s primary stated purpose, is the right to have enough. As one of the most long-standing and well-funded recipients of aid programs initiated by the FAA, Egypt’s political and economic development bears directly on any evaluation of the success of the U.S. foreign aid program in realizing these goals. The U.S. now has an opportunity to rectify these wrongs and fulfill its legal obligations. In doing so, it can contribute to the paradigm shift – indicated by the public dialogue around the recent events in the Middle East – in favor of recognizing poverty as an infringement of human rights, as it did in 1961, and as it has continually affirmed through repeatedly iterating its support for its foreign aid program.

II. LABOR UNREST AND WORKERS’ RIGHTS

In addition to its dependency on foreign aid, the Egyptian government’s expedient interactions with the international community led it to implement local policies that disadvantaged Egyptian labor. Moreover, it implemented those policies without regard for the systematic poverty those changes would effect.

For the Egyptian protesters, their economic demands merged with their political ones because, from their perspective, the country’s economic stagnation derived from its leadership’s political transgressions. In a country where unemployment most adversely affects recent college graduates and more than half of the population is aged thirty or younger, where an estimated twenty percent live below the poverty line, and where the state’s economic policies over the last three decades have advantaged the upper-middle and upper classes at the lower-middle and lower classes’ expense, governmental mismanagement unsurprisingly tops the protesters’ complaints. The grievances of the working classes, having found expression through increasingly prominent protests for more than a decade, anticipated and combined with the Egyptian revolutionary protests of this year. Labor unrest has motivated more than 3,000 worker strikes, demonstrations, and sit-ins in Egypt since 1998. Until January 25, 2011, these collective worker actions constituted “the most substantial and broad-based kind of resistance to the regime” and represented many of the structural tensions and troubles that provoked the Egyptian revolution.

24. Beinin, supra note 22.
The roots of the working class unrest lie in the state’s economic policy, beginning with Gamal Abdel Nasser’s state-led Import Substitution Industrialization model, which he began to implement in the late 1950s. Nasser charged the public sector with the country’s industrialization. While his policy of nationalizing all major enterprises succeeded in realizing economic growth in the 1960s, its success was unsustainable. Nasser began to move away from state-led industrialization in 1968. It was his successor, Anwar Sadat, however, who articulated the policy of economic liberalization through his 1974 “October Working Paper.” For Sadat, economic liberalization translated into trade liberalization. Sadat’s open-door policy led to increased importation and a heavy reliance on external debt. Large-scale investors looked for ventures that, among other things, required minimal responsibility for the work force. Sadat’s policy signified a drastic change from the Nasser-era economic nationalism that had promised job security, pensions, and other benefits to workers.

The shift away from state-led development resulted in severe social inequality. A “new class of importers, financiers, middlemen, and profiteers” emerged. For the working classes, however, the government’s new economic policy was inauspicious. First, it caused significant labor migration. The inadequate work opportunities in Egypt contrasted with the demand for labor in the oil-exporting Persian Gulf. Some estimate that one-third of the Egyptian labor force migrated between 1973 and 1985. This trend did not significantly affect poverty levels in Egypt, but it did increase social disparities by exacerbating the uneven distribution of household income in the population. In addition to initiating “the dynamics of wealth disparity,” it also allowed the Egyptian government to evade social conflict without having to change untenable domestic production patterns. Secondly, the government’s economic liberalization policy directed national income toward the pockets of the self-employed and corporations, and away from workers and peasants. As a result, in both the public and private sectors, real wages – which had risen between 1975 and 1985 – declined by 1990 to their 1972 levels. They continued their descent through the early 1990s. At the same time, the government shrunk the public sector and displaced peasants, leading to high levels of

29. Id. at 144.
31. BEININ, supra note 28, at 146.
32. Id. at 144.
33. Id. at 149-50.
34. Id. at 151.
35. Abu-Odeh, supra note 27, at 69-70.
36. BEININ, supra note 28, at 167.
37. Id.
38. Id.
unemployment and underemployment.

Not surprisingly, protests erupted. Commenced by factory workers, the protests also involved students, the unemployed, and other urbanites.\(^{39}\) Egypt witnessed two primary periods of labor protests: 1975-1977 and 1984-1989.\(^{40}\) The latter, during the early Mubarak era, consisted of more than fifty to seventy-five collective worker actions a year.\(^{41}\) Security forces disrupted most of the major worker protests, thus immobilizing them without satisfying worker demands. This latter period of protests, however, did result in the founding of independent labor publications and associations.\(^{42}\) But this was a limited success, as repression under the Mubarak regime shortened the life span of these independent labor organs.\(^{43}\)

In the late 1980s, Egypt was severely in debt as a result of its trade imbalance, reliance on external aid, and minimal state investment in Egyptian society. Economic instability and debt forced it into negotiations with the IMF and it signed a structural adjustment agreement in 1987.\(^{44}\) Mubarak did not, however, take any significant action on that agreement until after the Gulf War. In 1991, in acknowledgment of Egypt’s wartime support, Egypt’s creditors offered to cancel half of its debts if it carried out the economic adjustments stipulated in its agreement with the IMF.\(^{45}\) Although the Mubarak regime did effect some privatization, it was not until 2004 – when Prime Minister Ahmed Nazif took office – that Egypt sped up privatization by cutting tariffs and taxes and rewriting its investment law.\(^{46}\)

For the working class watching from the sidelines, Mubarak’s liberalization policies meant a restructuring of Egyptian labor – threatening job security, restricting legal collective action, and implementing longer shifts, among other negative changes.\(^{47}\) Public workers witnessed reduced wages and benefits as a result of “financial losses caused by the corruption and mismanagement of the state elites.”\(^{48}\) In addition, unions – which were supervised by the government – not only did not represent Egyptian laborers, but worked against their interests.\(^{49}\) The working class consequently responded by striking.

In total, more than 1.7 million workers participated in strikes, gatherings, sit-ins, and demonstrations in both the public and private sectors between 2004 and 2008.\(^{50}\) Among the most successful was the

\(^{39}\) *Id.* at 157.

\(^{40}\) *Id.* at 165.

\(^{41}\) *Id.* at 158.

\(^{42}\) SOLIDARITY CTR., supra note 26, at 13.

\(^{43}\) *Id.*

\(^{44}\) Abu-Odeh, supra note 27, at 70.

\(^{45}\) *Id.* at 71.

\(^{46}\) *Id.* at 71-72.

\(^{47}\) See *id.* at 88.

\(^{48}\) *Id.*

\(^{49}\) *Id.*

\(^{50}\) SOLIDARITY CTR., supra note 26, at 14.
December 2006 strike by workers at the Misr Spinning & Weaving textile mill, in response to a government promise to increase annual bonuses. When the government did not follow through, workers refused their wages, brought production to a standstill, and demonstrated despite the deployment of riot police. The strike was suspended only when regime officials offered a significantly larger bonus and pledged not to privatize the mill. The strikers afterwards signed a petition to impeach their local union representatives. When the union did not comply, 6,000 workers submitted their resignations from the union. A year later, city tax collectors also realized another success when 3,000 workers protested in front of the Ministry of Finance for eleven days and achieved a 325% salary increase. The Mubarak regime also increased the monthly minimum wage to a nonetheless insufficient 400 Egyptian pounds (70 USD). Furthermore, the government stood by while workers founded the country’s first two independent trade unions in 2008 and 2010. On January 30, 2011, these two trade unions, along with other worker representatives, issued a press release announcing their plan to form an independent trade union federation, signifying the rejection of the government-supervised Egyptian Trade Union Federation (ETUF). Significantly, the labor movement’s strength and heightened boldness eroded “the barrier of fear” that the Mubarak regime had relied on in maintaining its hold on power. The workers had posed a significant challenge to the regime’s policies and had visibly expressed their discontent.

Egypt had not only failed to protect worker rights, it had enacted labor laws and taken actions that contravened its international legal obligations. By law, the government had transferred legal authority from local union committees to the ETUF, which was supervised by the Ministry of Manpower and Migration and the state security forces. Then, in 2003, it enacted the Unified Labor Law, which required a local union to secure a two-thirds majority vote of the ETUF’s executive committee in order to legally strike. During the 2006-2011 term, all the members of the executive committee were members of the governing party, the NDP. The government set the rules and procedures for union elections to predetermine their results. The government thus limited the operation of trade unions, ensured that they did not serve the interests of workers, and used them to control workers and mobilize support for the regime. Furthermore, it deployed security forces to repress strikes or intimidate...
workers. The restrictions on labor strikes in effect violated Article 20 of the Universal Declaration of Human Rights, which provides for freedom of association; Article 8 of the International Covenant for Economic, Social, and Cultural Rights, which provides for the free formation and functioning of trade unions; and various International Labor Organization conventions.60

The Egyptian public did not fail to notice the government’s mismanagement of its economy and its incompetence in the face of dramatic social inequalities and economic suffering. In fact, the collective worker actions voiced the public’s discontent. The labor unrest also gave the government an opportunity to observe its people’s demands and respond to their discontent by executing new economic policy.61 At the risk of heralding its own end, the government chose not to do so.

Workers had engaged in periodic strikes for decades. Strikes escalated, however, after Prime Minister Nazif’s government began implementing its privatization program in 2004. But Egyptian laborers did not then suddenly begin to worry about the consequences of privatization. Rather, Nazif’s program demonstrated to them a continuing and considerable indifference to the working class’s welfare. At this point, labor discontent broadened beyond the public sector to include private sector employees as they began to take part in the protesting.62 Workers did not only challenge the increasing privatization, which served the interests of Nazif’s cabinet members and Mubarak’s inner circle. They also challenged the authority and legitimacy of the government-supervised trade union federation.63 These collective worker actions called attention to the Mubarak regime’s misguided economic policy and its disregard for the majority of the Egyptian public’s interests. Worker strikes gained more prominence. Labor leaders boldly contested the legitimacy of the state-backed ETUF. Meanwhile, significant changes to earnings and benefits further entrenched poverty in Egyptian society. Widespread discontent was becoming harder to ignore.

III. ECONOMIC DISPARITIES IN EGYPT’S EDUCATION SYSTEM

Inequalities in the education system compounded the economic problems resulting from the labor conditions described in the previous

61. SOLIDARITY CTR., supra note 26, at 15.
62. Id. at 14 (“While public-sector workers have been the main force in strikes and other protests since 1971, private-sector workers have comprised as many as 40 percent of the participants in recent years.”).
63. Id. at 15.
Part. In the aftermath of Egypt’s revolution, former President Bill Clinton reportedly stated that the protests in Egypt happened because of education. “Egypt maintained its university system and generated 400,000 graduates in a year and nowhere near enough jobs every year for grads to hold,” he told Politico.64 While the former President is only partially correct – the education system is itself an integral part of the problem, and not simply the lack of jobs – there is some truth in his analysis: whereas Egypt has taken considerable measures to attract foreign investment and develop an industrialized private sector, it has taken few measures to ensure that its own local labor force is well-equipped to take advantage of the resulting opportunities. The Egyptian education system has been churning out class after class of graduates without the skills or the preparation they would need to effectively function or even survive in today’s job market.65 Egypt’s illiteracy rate is sixty-six percent.66 While the Egyptian Constitution guarantees the right to education to all Egyptian citizens,67 in practice the education the state has offered its citizens has been substandard, rife with inequalities among rich and poor, and long overdue for a systemic overhaul.68 This has contributed to a sixty-percent unemployment rate among Egyptian youth.69

The Committee on Economic, Social, and Cultural Rights has noted the following:

[E]ducation is both a human right in itself and an indispensable means of realizing other human rights. As an empowerment right, education is the primary vehicle by which economically and socially marginalized adults and children can lift themselves out of poverty and obtain the means to participate fully in their communities.70

The right to education is important in itself, but also and more pertinently for our purposes here, as an essential vehicle for lifting people out of

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68. See generally EFA MONITORING REPORT, supra note 66; OECD REPORT, supra note 65; see also Steve Hendrix, In Cairo, Schools Reopen as Uncertainty Remains, WASH. POST (Feb. 28, 2011, 7:04 AM), http://www.washingtonpost.com/wp-dyn/content/article/2011/02/27/AR2011022701843.html (stating that “[r]eforers hope the next revolution will be in Egypt’s antiquated system of schools, dozens of which are named for the former president or members of his family. A new education minister was named last week, and advocates are pushing for a complete curriculum overhaul. . . . Egypt launched an attempt to modernize the curriculum in 2006, but observers say schools largely remain incompetent and fawning.”).
69. See, e.g., EFA MONITORING REPORT, supra note 66, at 82.
poverty. The obligation governments have to their citizens with respect to the right to education includes an obligation to make education of an acceptable quality of accessible to all citizens without discrimination.71

The Egyptian school system has a complicated structure: the majority of public schools instruct exclusively in Arabic; some public schools primarily instruct in Arabic but teach certain subjects such as science and mathematics in English; several parallel, and often international, private school systems provide a dramatically superior quality of education to those who can afford it; and a number of for-profit private schools provide only a marginally improved education than that available in the public system. While disparities among public and private schools are not uncommon, in Egypt those disparities are particularly pronounced, and are exacerbated by the poor quality of education and the rampant overcrowding in the public school system. Parents who can afford to do so hire private tutors,72 resulting in further disparities based on income. School fees present another barrier to access for economically disadvantaged families.73 As a result, fees serve to entrench existing socioeconomic disparities and to hinder social mobility. These disparities begin at the pre-school level, with children from wealthy households in Egypt twenty-eight times more likely to be in pre-school than children from poor households.74 While Egypt has consistently had high average enrollment rates in school, there are marked regional disparities, with poorer, more rural provinces suffering from high dropout rates and higher rates of illiteracy. Illiteracy rates are also generally higher among females, and efforts to eliminate illiteracy tend to focus more on men.75

A recent study of higher education in Egypt found that while Egypt had taken some steps to reform its education system, the reforms were mostly procedural, and Egypt needed to make its higher education system more responsive to labor market demands. The report also found that technical and vocational education suffered particularly from poor funding and poor quality, and that inequalities in the quality and effectiveness of secondary and tertiary schooling should be addressed.76 Since poorer

71. See generally id. (stating that the right to receive an education shall include availability; accessibility, including non-discrimination and economic accessibility; and acceptability, a standard which includes good quality).
73. See generally RAJA BENTAOVET KATTAN & NICHOLAS BARNETT, WORLD BANK, USER FEES IN PRIMARY EDUCATION (2004).
74. UNESCO, EDUCATION FOR ALL GLOBAL MONITORING REPORT 5 (2010).
75. See, e.g., MINISTRY ECON. DEV., EGYPT’S PROGRESS TOWARDS ACHIEVING THE MILLENIUM DEVELOPMENT GOALS 40 (2010). See also EFA MONITORING REPORT, supra note 68, at 9 (noting that generally favorable averages mask severe regional inequities among genders, and citing as an example the fact that “[just under half of poor rural females aged 17 to 22 in Egypt have fewer than four years of education”).
76. OECD REPORT, supra note 65, at 20, 22-24.
students are more likely to end up in vocational or technical schools and are more likely to be affected by the poor quality of the public school system, this further serves to exacerbate and entrench existing socioeconomic inequalities. Experts have noted that in the aftermath of the recent revolution in Egypt, education reform should be a top priority.\textsuperscript{77}

IV. Conclusion

The ineffectiveness of the education system in Egypt has exacerbated the problem of poverty by entrenching inequalities, contributing to high rates of unemployment, and failing to prepare Egyptian youth for the demands of the labor market. In failing to protect workers' rights and enacting labor laws that contravened Egypt's international legal obligations, successive regimes' labor policies created an unsustainable economic landscape and entrenched the poverty of a majority of Egypt's population. Foreign aid fortified the oppressive regime that did nothing to address these economic disparities, and that invoked U.S. financial support to safeguard its political supremacy. Each of these policies increasingly drew international attention and fomented Egyptians' discontent, ultimately contributing to the uprising in Egypt and, finally, to the deposal of President Husni Mubarak. In the end, this revolution will be a lasting success only if the new regime guarantees the fundamental human rights of Egyptian citizens. The regime must focus not only on instituting civil and political reforms that engage the public, but also on reforming the political system. Its priority should be to end the mismanagement and fraud that caused the poverty and dramatic economic inequality giving rise to the January 25 revolution.