Youth Empowerment towards Political Change

Mariam Ali
Youth Empowerment towards Political Change
(The role of the development actors: policy analysis approach)

The case of Egypt 2010-2018

Mariam Ali

Abstract

Lots of government policies promised young Egyptians a better future from the time the newly elected president Al-sisi reached authority. While the 2011 revolution came out as a collective action against decades of oppression, corruption and total dictatorship. Nowadays, the government realized then, the revolution came out as a result of much education given to the low-classed community, which drove them to rebel against the good will government intention for education for all. Regardless, the understanding of how far education can drive the mass public mad against the government, the lack of communication between the government and the majority of the young public has driven both apart.

While the government national plans to tackle corruption or fight against unemployment seem vague, the majority of the young Egyptians seem to the government like a ticking bomb. Many of them were sent to prisons if dare to approach the ruling elite policies, as well, many of them have failed to find a mentor to be a positive force to tackle extreme poverty or finding a way out of the intense need for survival. After all, the international development actors in Egypt seem to take the lead in reforming the labor market and polishing the economic performance. Nonetheless, the government has the upper hand on which sector to target and which group of people to benefit from the development intervention planning process.
This paper will go through multiple employment projects’ planning designed by many development organizations reporting to the government or not. Since many of them claim trying to impact the country’s employment market positively, much of their actual activities progressed or prepared to advance the local labor skills or enhancing the understanding of the labor market needs, seem to favor the government more than the targeted community which is the young Egyptians.

Keywords: labor market, development, policy change, strategic planning, economic performance.

Introduction:

The government of Egypt tried to grasp the world’s attention to massive events like the Sharm El Sheikh Economic Development Conference in 2015 and opening a new Suez Canal tranche with its economic zone. The government claimed these two initiatives aim to enhance the economic performance and achieve internal stability towards the future of the country.

Before writing this paper, nine of the young active Egyptians were persecuted by the government, with claims they belong to the Muslim Brotherhood (declared by the government as a terrorist organization after the ouster of democratically elected president Mohamed Morsi in 2013), since they looked like religious people with beards or know much more about the Qur’an and Islam. These nine Egyptians were referred to as the assassinators of the Prosecutor-General Hisham Barakat, they met their fate amid claims (by human rights activists) their persecution lacked the fair trial requirements and that they had been projected to much torture for confessing the killing before they were sentenced to death.
In the period post the Arab-spring the government claimed laying off many of the government staff is for re-budgeting reasons and the need to capitalize the public service. However, nothing heard since then, and most recently nearly 20 people were killed in a massive train-truck collision which caused a great fuel tank explosion frightened the majority of the Egyptians and led to other 40 injured Egyptians young and old, male and females with various burns level. Later on, the government started investigation on the careless employee and his state of mind, acting like he is a shame to be and meant to punish him for such deaths toll. Since, any careless government staff not to be blamed all alone for such accident, the government is yet to declare a clear vision of the enough needed trainings and education to help its employee perform better and care for others’ crucial lives.

A quick fact checking would clear our understanding of what the government has to offer to the majority of the young Egyptians who graduate annually. And while the government claims that most of its development efforts are gone in vain due to the rising population growth rates, but family planning government efforts have been there for some time since the 1970-1980s. Family planning on the personal level still does not grasp most of the public attention, although most of the family planning services are offered for free and available upon request. Besides, the expansion of multiple private and international schools to help the government care less for more free education spaces, still many of the young Egyptians suffer the lack of awareness on the labor market needs level and most of them may go wasted on substance abuse or simply leave the country for immigration.
Theoretical Framework:
This paper will go through the government policies in cooperation with the private sector and the international development organizations to create more jobs and paying attention to the many policies released -if any- in context of the current economic performance and in relation to population growth rate and available resources.

Since the newly elected president Abdelfattah Al-Sisi came with great promises to appease the young mad public, many excuses at a later time were offered as a mean of communication to address the public needs. The public were to be blamed in many occasions, since the government has tried to its best to tackle unemployment.

Many studies referred to the quality of jobs created by any government as a reason for better economic performance, however, the government of Egypt is yet to direct the private sector into a better inclusive economic growth. Besides, labor rights are not to be addressed as a priority and many of the Egyptian private sector companies small to medium ones are not to abide by any rule to benefit the whole economy; by paying its taxes for example and the majority still suffer the unstable job market.

One study\(^1\) wanted to tackle the combination of employment policies needed for many developing countries like Egypt, by creating intensive labor projects if with low productivity and other low labor intense projects with higher productivity to boost the economic growth in the country. Another study\(^2\) wanted to discuss how far the socio-

---


economic challenges which prevail may impact the labor market much more than any development efforts. Especially if there is no awareness or a public space opened to the majority of the Egyptians to address their needs to the government or to promote a more youth favored labor market. As well as, the weak civil society could be targeted by the government to avoid any scrutiny over its public policies management. In other stances, the civil society itself may lack the basic priority of making a greater social impact before anything else itself like designing the salary base for each of its staff as its sole highest priority with no reference to a holistic approach for the monitoring or evaluation rules to help best get what they can offer.

Unemployment rates are still high and many given reasons by the government is the previous regime and how they addressed unemployment or growth rates in the economy and the population. However, since the international development organizations have been involved in public for long and are trying to address most of the intense socio-economic challenges in the country, their efforts seem distorted or unplanned according to what may tackle the most inherent youth problems in the country.

**Part 1: Egypt Government Reform Programs:**

The current regional economic challenges led to a less accepting policy for immigrants who take over the best job opportunities over the citizens of any country like the Arab Gulf countries, although this is retreated to some historic needs of building their economics. It has become even harder at nowadays to accept more foreigners into any middle-income developing country, otherwise, they would be allowed only low salaries or less qualified job offers. This has led to exclusion of many qualified foreign workers into the Arab world and led also to their rejection socially or politically, take for
example the Syrian refugees in the neighboring countries. Such unstable region with its ongoing civil wars or social uprisings have created much pressure on the majority of the people in any country, and have threatened others leading to highly extreme or dangerous young generation of militants who may be used to destabilize the entire Middle East politics.

The government announced its national budgetary plan for the year 2017-2018, 1) promising the financial, monetary and institutional reforms, 2) targeting to achieve economic growth rate between 4-5 %, 3) declining unemployment rates to 11-12 %, 4) averaging the fiscal deficit to a rate of 8.5-9.5 %, 5) with news taxes reform like the new Value-added tax system.

According to the government national strategy for a more inclusive growth, many promises to engage the youth into the new human development plan. However, much of these promises are colliding with the current government commitment to the International Monetary Fund (IMF) to shorten its government expenditure and to create a more free market with much facilities offered to attract foreign direct investment.

The Persistent Economic Challenges:

As the government tries to face the rising number of young Egyptians who join the labor market on annual basis looking for job opportunities, in 2006 until 2007 the unemployment rate reached a rate of 9%. However, such declining rate of unemployment seemed a part of the wholly new presidential campaign to promote

---

Mr. Gamal Mubarak who tried to target the most impoverished and the most vulnerable young groups to smooth ahead his forthcoming presidential arrival. As so, the economy couldn’t keep up with the upcoming new graduates into the labor markets and most of the promises to facilitate more labor intense investments seemed less to be reached.

**A) Economic Development and Inclusive Growth:**

According to world reports the government claimed its new tranche of the Suez Canal aims to target the young unemployed, and as a result, for some time the fiscal deficit reduced to 5.4 from 6.4 in 2016. The tourism and oil sector have not so much to be mentioned in regard to employment with any further investments. The New Suez Canal economic zone has not done much to absorb the unemployed, while most of the labor trainings offered targeted a very small numbers of staff and till now its revenues seem unclear.

1) **The massive Economic initiatives:**

The Economic Development Conference in Sharm El-Sheikh in 2015, targeted the world community to bring attention to the new politically stable government, and to drive attention away from its military background. The World Youth Forum (WYF) in 2017 and according to a government report; million dollars of contracts were signed with

---


5 Hull, ibid, P: 75


companies from European to Asian countries until the end of 2017. However, since then no more reports were released to discuss the progress of such signed investments in sectors like the energy, maritime or food production. Whether these projects have achieved its goals or not, from helping the economy or employment, in 2018 further other investments were injected into the economic zone by global partners and claimed creation millions of jobs with nothing to be mentioned in the year to follow till 2019. The (WYF) ⁹ in 2018 meant to have communication with the world youth upon the most critical topics that take control most of the region’s economic and political efforts and waste its efforts of peace, harmony and prosperity. While no criteria cleared about the youth chosen to participate, no one result targeted or measured on how such Forum will help to address the youth needs. Keep alone the political speech targeted those who participated in the Forum whom were described as superficial by the president. The youth were left then to think away of topics like fighting extremism which has nothing to do with their daily active engagement in more economic productive activities as an example.

Since the 2016 devaluation of the national currency for the government commitment towards the IMF loan to Egypt, many have suffered the inflation of prices and struggled to afford their basic health or education needs ¹⁰. On the other hand, by reviewing the new Suez Canal massive investment to promote the economy of the country in 2018, we will find some shocking numbers:

---


¹⁰ Country Report, ibid, P: 2
The Suez Canal Economic Zone released its first and only report in 2017, in relation to its employment policies:

Only a number of 20 employees got trained on presentation skills without clarification of whether they are experienced government employees or are fresh graduates. As well, other 30, 41 and 38; got trained on leadership skills, received training on communication skills, or learnt some English Language respectively, regardless of the overall needs of Egypt’s economic zone or how these trainings may benefit the local staff for better production skills. Furthermore, only 39 employees of the related ports to the Suez Canal had some training on subjects as logistics management, or promoting blue economy\(^\text{11}\), without any reference to how these trained employees are performing post the great investments started since 2016.

2) Inclusive Growth and meeting the Sustainable Development Goals-G8:

Promoting Economic Development across Egypt:

Port-Said governor stated that since Port Said has a great number of young people in the age of labor, no way all of its projects can contain them, and that’s why Port-Said has one of the highest unemployment rates\(^\text{12}\). Although the employment rate across the transportation and storing sector for example, have only 7.7% of the total employment\(^\text{13}\), this shall represent another challenge for the economy to allow varied skilled Egyptians to be hired in the ongoing investments available. Moreover, 83 % of

\(^{11}\) The Suez Canal Economic Zone. ibid. Pp: 32-33


the Egyptians in Upper Egypt live in extreme poverty conditions\textsuperscript{14}, and many rural areas across Egypt have a minimal level of public services. Additionally, if the agricultural sector was to absorb many of the young Egyptians into the farm-related jobs, the latest updates in Egypt’s benefits from the Nile River Basin countries such as Sudan or Ethiopia in mid-2018, this will not allow much hope for Egypt’s water-based economic sectors. Therefore, Egypt’s backbone for the economy will suffer even more, and there is no clear plan where all the internal migrants will be registered as employed or unemployed in the nearest future.\textsuperscript{15}

B) The Government Employment Strategy:

With further economic reforms since 2000 aiming to attract more foreign direct investments, no attention was given to the majority of the public. Until recent times after president Al-Sisi reached authority, so many calls were out asking the majority of the Egyptians to give up on formal education in favor of the technical one. As a result, the majority of the young Egyptians were wondering whether the government would allow them to participate in the economy or they would simply be ignored based on business needs. Also, till 2015 nearly less than half of the aged 15-29 years old were not covered by the Education, Employment or Trainings activities ongoing (NEETs).\textsuperscript{16}

\textsuperscript{14} Ghanem, ibid, P: 0


The Educational system reforms:

Regardless of the high investments came by the private sector to improve the education system, not so much resulted from it helping the majority of the young Egyptians to fulfill the global markets requirements for jobs. As well, it has been known that the more your pay, the higher you get paid starting from your first job till retirement, regardless of how these highly paid jobs help the economic performance, which resulted in bigger disparity between the higher and the less paid.  

The government has tried boosting primary education for all, in the years 2007-2012, and promoting the Technical and Vocational Education Training (TVET), trying to help more craftsmen to produce more locally. However, TVET has its own challenges with 2.2 million of students, who suffered from the ineffective preparation to the labor market as well.  

The technical gap between the annual graduates and the labor market needs is still high, and with the current favoritism or the lack of labor rights which prevail prevent many of the young Egyptians to participate more economically and positively.  

Most recently, the government has decided to decrease its expenditure on the primary and vocational education for the fiscal year 2017-2018 which is lowest since the year 2005.

---

17 Pacielo & Pioppi, ibid, Pp: 6-7, 12
19 Pacielo & Pioppi, ibid, P: 18
The current employment status:

1. Employment within major sectors:

Major sectors like the Construction and Building materials, lacked since early 2000 most of investments injected into the economy, and only very small number of its private sector promoted exports. Besides, other sectors like the gas, electricity and transportation, contained only 20% of the employment opportunities.

2. Employment of the Vulnerable Groups:

Since most of the young Egyptians rely on their family businesses or father jobs to follow in their steps, many Active Labor Market Program (ALMPs) launched by development organization like the International Labor Organization (ILO) focus on a small number of the unskilled workers. These development programs can reach even those with basic resources like enough language or internet skills, and at last, most of the jobs offered can barely reach those in rural areas or even stop their internal migration to urban crowded areas like Cairo. The Greater Cairo as a result, has out of the 337 most dangerous buildings created with unsafe measures for residency, 16% of them are in Cairo only for all rural arriving migrants who can’t afford high level safe residents across Cairo’s expensive compounds.

When it comes to women employment, only 54% of them can find jobs not in the technical field, and if hired by the private sector, they may be released as soon as their

family needs are up. Many females are subjected easily to losing their jobs or get fired if shown no sexual or social interest in the group of workers they work with, especially if they have any political or religious views against the government which affect their job progress or promotion.

3. The Civil Society Organizations (CSOs):

The government of Egypt has put much pressure in the 2011 post revolution period, as many CSOs are funded by regional or international actors who may intend to disturb the country’s security and stability. Regardless, how close or far these development or political training programs given to the public by these CSOs, or the laws released to regulate the CSOs local activities. Most of the CSOs suffered much in regard to which sector or area to target with its development plans, whether for government pressures or for the lack of efficiency in their management policies. As well, many of these CSOs lacked the scrutiny needed if they did work against the country’s national best interests or not. Furthermore, many other CSOs related to human rights groups have been targeted by oppressive government regulations to avoid any political discussions in public space by the youth or by calling out for democratic activities. Not to forget, these organizations lacked enough monitoring for their funds or how they distribute or inject their work into any development activity. As well as, the author of this paper tried to join some other development projects signed in agreement with government officials, still much of the fund collected was sent unplanned to development trainings.


26 Ermsone, ibid, P: 18
or work plan strategies that lacked the efficiency or the effectiveness needed to impact the majority of the young Egyptians.

4. The Labor Rights Organizations:

Many strict government efforts targeted multiple labor rights among different sectors, and the government refused any labor strikes and criminalized them. Since the 2011 revolution thousands of trade unions were formed, but were rejected by the private sector on legal basis. And the Egyptian Trade Union Federation (ETUF) remains the only legal trade union under act no 1975 (Law no. 35), and other restrictions were out to violate international labor rights to prevent formation of multiple professional syndicates.27

Part 2: The Unemployment inherent challenges:

1- Jobs across the small crafts industries:

As far as, Egypt’s exports are major contributor to its economic growth, much focus was given to the small and mid-sized projects across different governorates28. Industrial clusters like the furniture or the hand-made carpets organic clusters were targeted starting 2014 till mid of 2016. The African Development Bank (AFDB) in cooperation with the Social Fund for Development tried to target such small businesses with intense investments for sake of marketing and exports. Starting with the project planning to its final stage formulation, much of the monitoring work was not even done theoretically29. Most of the trainings given were on soft skills and how

29 Marseille Conference, ibid, Pp:50-52
to ask for loans. Although each type of training was given for a period of 3 months, not so much mentioned in regard to how these trainings related to a better productivity or bigger number of exports. As the evaluation phase came out lately few months before the end of the project, much of the results indicated that the majority of the trainees tried to avoid any profit talks to escaping any taxes regulations. While on the ground complaints came from small traders who failed to afford their basic material needs because of other bigger suppliers or due to the lack of the government cooperation in other forms through the supply chain between the local traders. These complaints came late or less represented in the government efforts to help the local traders develop their small to micro-sized businesses.

2- Sustainable employment for a sustainable environment:

Ministry of Finance in Egypt still rely much on the private sector for a greater start-up in the renewable energy sector. Although the government promised more facilitations in the Electricity field like by starting the feed-in-tariff system to encourage the majority of the Egyptians to use more renewable resources of energy. The private sector still can’t unleash more investments, regardless of the number of jobs it may create which may reach thousands of jobs, because of the lack of business guarantees by the government.

---

30 Ermsone, ibid, P: 21
31 MoF, 2017, P: 12
A) The Development Efforts to fight Unemployment:\(^{33}\):

<table>
<thead>
<tr>
<th>Name of Donor</th>
<th>Time period</th>
<th>Activity</th>
<th>Financial support (average)</th>
<th>Jobs Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. European Investment Bank (EIB)(^{34})</td>
<td>2010</td>
<td>Renewable Energy</td>
<td>USD 880 M (wind farm project)(^{35})</td>
<td>140 factory workers</td>
</tr>
<tr>
<td>2. USAID</td>
<td>2011</td>
<td>Industrial project</td>
<td>USD 140 M Training and Machinery(^{36})</td>
<td>15000 job and 1000 observatory job for Waste Management</td>
</tr>
<tr>
<td>3. Egyptian Network for Integrated Development (ENID)</td>
<td>2012-2016</td>
<td>Training 956 + 215 TVET+ 30 entrepreneurship + 2991 agriculture sector</td>
<td>USD 6 M</td>
<td>856 jobs in the agriculture sector + 100 creation of Biogas units(^{37})</td>
</tr>
</tbody>
</table>

\(^{33}\) Data involved here relies much on available online information from available resources.


\(^{35}\) This project is one of so many projects, which information about its budget seems contradicting when you check online resources.


\(^{37}\) ENID, ibid
4. SFD and the AfDB\textsuperscript{38}  
| 2013-2016\textsuperscript{39} | 250 financial, and exporting training | USD 200,000 | Average 50-100 marketing and financial support |

5. ILO 2016  
| 2016 | 39834 training on soft skills and from technical/university colleges | Data not available although requested from the leading organization | 500 job in food sector + 20 received financial assistance + 13 start-ups |

Total  
| 44,276 Beneficiary | USD 1026.2 M | 20209 job |

By going through the booming in the start-up businesses related to the private sector alone, most of them came with deficiencies and lacked the fair distribution of workers, salaries or production\textsuperscript{40}. While most of them rely on their close network of relationships, many rely on their efforts to develop their base market value of the know-how and the supply chain. But when it comes to the development field many projects launched on the Medium, Small, Micro Enterprises (MSMEs) across upper Egypt governorates relied on developing soft skills, and in some cases without

\textsuperscript{38} Data available on the Afdb or SFD websites, or upon request from the researcher.

\textsuperscript{39} The data recorded is for Q2 and Q3 2016, at which the researcher was working for the project.

\textsuperscript{40} Ermsone, ibid, P: 10
reference to the target group needs like women across Damietta or Kafr Al-Sheikh, as their trainings came at the last project’s phase.\textsuperscript{41}

These employment projects as reviewed by the author have cost their donors near to USD 1 Billion, to create jobs for 20,209 persons, and since most of them lacked the effective project strategies management\textsuperscript{42}. It is hard to say that the employment national strategy should be left alone in the hands of the government, the development organizations or the private sector either. But what is clearly left to be mentioned here, that with the global changing market, no way that for each new sustainable stable job opportunity another USD 1 B will be expected, to tackle the ongoing unemployment high rate.

B) Recommendations:

1- Relationship of the Labor reforms to the Economy:

If each governmental development organization or a civil society one cannot work away from the national strategy of any country, there is no deny that their development efforts are working in a haphazard manner in Egypt. In other words, it does not seem that the labor market reforms are representing a priority to the government. Like when it tries to appease the unemployed needs on a short-term basis without a meaningful restructuring of any sort of policy reform for the educational or the employment system.

Although the AFDB, for example, injected millions of dollars to train government employees who are close to leave their offices, also there is no guarantee that their


\textsuperscript{42} Errsone, ibid, Pp: 7
abroad experience on other traditional industries. These study tours were meant to benefit the local market at any further time, however, it was not clear how such visits to other working environments would benefit the local market at least on a time scale\(^43\) As well, many projects for employment for the last few years have no post-training follow up or any preparation for the labor market fluctuations, which means that most of these employment efforts are far to reach reasons of the persistent clear or hidden future unemployment rate.

In different words, the politics of the international actors if nothing wrong with them, it is truly clear how they can’t work without the government directions regardless of how comprehensive their interventions’ measures to tackle the young unemployed\(^44\). As well, the private sector can’t simply work in isolation from the fast changes in the global markets technologies that won’t simply enter the local market without enough guarantees or without enough regional political stability.

2. Sustainability of the job offers:

Most of the young start-ups still struggle to face their financial needs and the highly monopolized market with bigger investors, and most of them still need much help to reach out for global competitions and most of the successful cases happen with rare individual efforts. In addition to, the struggles of the nepotism on the business level for great investors against the small ones, which hinder most of the promising young start-up companies.


\(^{44}\) Paciolo & Pioppi, ibid, P:12
Conclusion:

With hundreds of thousands of young Egyptians graduate every year, many efforts still need to be done to target the weak civil society, the unrepresentative parliament that has no way to communicate with the public needs, or simply the international development or the private sector efforts that work in isolation to a clear development strategy with great promises that are far to be reached.

So, when the public scrutiny disappears on different levels and in different collective action mediums, there is no hope that each will manage alone to impact the majority of the people, especially when there is much political oppression which target any sort of policy change or a clear progress plan. Accordingly, this requires a clear target plan for the development efforts done, higher scrutiny on the government foreign funds that go somewhere unknown, and a time plan to define not simply some employment efforts, but also the quality of jobs that should help the majority of young Egyptians to develop and live a decent life towards a longer prosperous economic growth.

References: