

Conceptions of Development

In Sadat's Egypt

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By a number of specific standards, Egypt has stumbled in the race for development (Cooper, 1979). Whether one chooses industrial growth, ability to feed one's own population, educational and health standards, capacity to bring population growth into line with resources, the construction of political institutions to cope with rising demands for participation, or political independence as the criterion for evaluation, Egypt does not emerge strong. (Baker, 1978:147; Waterbury, 1978; Farghali, 1977; Dekmejian, 1971:282-4) Perhaps most serious, the Egyptian government makes pious pronouncements about development projects and issues five-year plans, but the pronouncements do not seem to follow from the plan or lead to execution.

These observations about Egypt, all unflattering, reflect judgments based on external standards of what constitutes development. The concept of development as progressive industrialization, higher GNP per capita, improved education and health care, greater political and economic autonomy, and political institutions designed to cope with the needs for change reflect Western models and experience. But are Western standards in fact the correct ones to apply? Do Egyptians accept these standards and with them the pessimistic assessment of their own prospects? Is there a common Egyptian understanding of development?

The late President Anwar al-Sadat's identification with the open-door policy (infitah) and the package of economic ideas urged upon him by the international financial community obscured the eclecticism of

Egyptian thinking about development. In fact, the Sadat government edged away from infatah between 1977 and 1981 to embrace greater concern for income distribution, local participation in decision making, regional balance of investments, and national economic independence. In the last four years of Sadat's rule, Egyptian planners sought to mollify critics by broadening official conceptions of development and endorsing a multiplicity of conflicting objectives. The one principle that escaped compromise was not infatah but the secularism of the government's approach.

These observations emerge from conversations with government officials and other Egyptians concerned about planning and development in the fall of 1977 and in August, 1981. I sought to find out how members of the Egyptian elite defined development, whether they were united on a definition, and to what extent their thinking reflected the ideas of Western social science. In each interview I laid out a set of propositions about development gleaned from Western literature on the subject. Then, following a procedure utilized by John Waterbury (1973), I asked each respondent to comment on some or all of the propositions. Although the sample was small and unsystematic, the responses suggest how great may be the diversity of Egyptian views on development and how the Sadat regime sought to cope with this diversity in a four-year period of increasing prosperity.

## The 1977 Baseline

Since economic growth remains at the heart of what most Westerners mean by "development," it is scarcely surprising that my respondents in Egypt all acknowledged its importance. However, those persons interviewed in 1977 split sharply over the place of growth in a hierarchy of priorities. Although some saw it as the sole criterion of success, others viewed it as a prerequisite for the achievement of other values, and still others tended to endorse growth only as a means to preserve Egyptian culture or to achieve greater equity in society.

Officials at the Ministry of Planning lent unqualified support to the identification of development with growth. The proposition, "Economic growth is the key to progress," won instant approval from my respondents at the ministry in 1977. "You may doubt," said one, "for you are at a different stage of development. We are moving on this basis."

For the planners, President Sadat's policy of opening the door to private enterprise, a move which ran counter to Egyptian efforts of the 1950s and 1960s to reduce private, and especially foreign, ownership in Egypt must be understood in the light of the country's dedication to growth. Achieving the confidence of foreign corporations and maintaining the good will of the international financial community necessitated sharp attacks on the balance-of-payments problem, which had kept Egypt on the verge of its second bankruptcy in little more than a century. In the eyes of the planners, long-term improvement in the balance of payments could be expected only when the hemorrhaging of the domestic Egyptian budget could be stopped. This meant, they

acknowledged, eventual elimination of the subsidies on basic foodstuffs, although the political difficulty of such a step did not escape them. The riots of January, 1977, were fresh in their minds. Although the planners argued for geographical dispersal of industrial development in Egypt, they preferred to see a new factory built in overcrowded Cairo or Alexandria than to lose investment by insisting foreign corporations locate in more remote, less prosperous areas. Growth remained the prime objective.

It would be easy to mistake the planners' views for those of the Egyptian government as a whole or of Egyptian society more generally. The international financial community may sometimes have done that, since documents produced by the government to reassure creditors underscored the Egyptian commitment to growth, capitalist style, with due attention to balancing the domestic budget and international accounts. The Egyptian plan for the years 1977-82, written in the Ministry of Planning, emphasized the importance of these same measures and the importance of infitah (Syrie, 1977). But many observers believed that neither the plan nor the Ministry of Planning carried much weight within the government. Moreover, government behavior suggested an equivocal commitment to growth as the objective and to the ministry's plan. Subsidies on items of basic necessity continued, despite their effects on the government's budget and on consumer demand. The government bureaucracy itself hindered the implementation of infitah by rolling out red tape rather than red carpet to greet foreign firms (Egypt-U.S., 1977). And the government permitted American funding of development not by a project's place in the five-year plan but by the

ability of a ministry to obtain consent of U.S.AID officials. President Sadat's government propounded countless projects and objectives but pursued few of them with tenacity and success. The enlargement of the Suez Canal was an exception.

Population control is one program many foreigners have identified as vital to the improvement of living standards in Egypt. Yet the government abandoned the active promotion of birth control programs, arguing that population growth would diminish once prosperity was achieved (Waterbury, 1978:53). Comparative evidence supports that hypothesis (Omran, 1977), but population growth may compromise Egypt's ability to achieve such prosperity. Dissemination of birth control techniques would seem mandatory, if per capita growth were the objective (Tajadin,1977). The government's modest interest in birth control suggests that mere quantitative growth in per capita income was not, even in 1977, the principal Egyptian goal.

Among persons interviewed in 1977, no one outside the ministry of Planning thought growth should be Egypt's primary concern. All saw growth as subordinate to other goals, although they differed on what these goals should be: fulfillment of basic needs, more equitable distribution of wealth and income, or maintenance of cultural integrity. They also differed on the nature of these goals, whether imperatives derived from first principles or useful interim objectives reflecting circumstances and context.

One respondent lined up with the World Bank and others who have identified development with the fulfillment of basic human needs (World Bank, 1980:71-2; Haq, 1976:68). Development means "2000 calories a day for everyone," he said. Then comes education—"not 100 per cent

literacy but let's say 50 per cent"—and hospitals to fight bilharzia and other disabling diseases. "Once these basic things have been done, we can think about other things, and we can take a look at the theories," he said. Whether one plans or not, whether one pursues capitalistic or socialistic policies, does not matter as long as one keeps basic needs in view. The right policy is one that slashes directly toward these goals.

Basic needs bridge cultural barriers. Those who see development in these terms believe, like the planners who advocate growth, that Egypt's problems resemble those of other developing nations. Egyptians may need housing of a different style, adapted to the geography, climate and customs of the country, but, like all other human beings, they need shelter. The need stems from human nature.

Another challenge to the primacy of growth as an objective came from the perspective of an unchanging set of cultural values. This viewpoint stresses either the importance of Western cultural values, such as liberty, or the enduring vitality of Islamic values in Egypt. One 1977 respondent paid tribute to both sorts of cultural needs. He said development meant individual development in the liberal tradition of the West and cultural integrity for Egypt, based on the preservation of Islamic values. Himself a believer, this respondent suggested that development could take direction in Egypt from both Islam as a religion, with its emphasis on social justice, and Islam as a way of life. He emphasized the need for concern about the distribution of material goods, but the justification lay in a conception of human nature broader

than one rooted in material needs alone. (See Yasin's critique of the 5-year plan, 1977).

Two respondents argued for the subordination of growth to greater equity in distribution and to the preservation of cultural integrity. Like Abdallah Laroui, whom one of them cited, they separated Islam as a set of guidelines for action from Islam as a condition of Egyptian life (Laroui, 1976:33). Neither recommended Islamic principles as inspiration for policy, but both said effective policy necessarily stemmed from an understanding of Islamic belief and practice among Egyptians. The Western model of industrial development does not fit Egypt for this reason, said one respondent. To the contrary the materialism of the West should be understood as a weakness that Egypt should seek to contain.

What sorts of change are consistent with cultural identity and greater equality of well being? By one line of thinking, one needs to conduct empirical research in the countryside, repository of traditional values, to learn what peasants would take to be improvements in their lives. Good planning requires such information, not just a knowledge of Western principles and the general contours of the economy, as the Ministry of Planning seemed in 1977 to suppose. "They're planning for another country," said the respondent who articulated this position most fully.

The empirical research would mean engaging ordinary people in a "mutually educative dialogue." (For a similar approach, see Brown, 1978:264) The investigator would offer his own ideas about development but "avoid a monologue." He would show "due response to the opinions" of his respondents, even if those opinions were "crudely expressed," then

try to "reformulate what he heard. He could not simply ask peasants what they wanted, for peasants are not "free thinkers" and their reactions may not be "spontaneous." "He must try to get him [the peasant] to understand the totality of his needs. He must try to make him think—to formulate his choice more clearly."

The approach contradicts more absolutist versions of development by suggesting that the concept be fashioned to fit every nation, every village and perhaps every household. As one Egyptian economist put it, "Development is the capacity to renew oneself, to develop change autonomously from existing values and attitudes." (Duvignaud, 1970:285, takes a similar position; see also Tadros, 1980) The proponents of this definition adhere explicitly to a relativistic perspective. Yet they also suggest that the social scientist can know what development means by looking at the whole rather than the parts. Laroui would say that such an understanding comes from the study of history. The capacity for self-development necessitates resort to democracy, but history shows, by this line of thinking, that genuine democracy must reflect social and economic as well as political equality. Hence, the state must press for more education and better distribution of resources. History remains the teacher, and lesser values must be assessed relative to a correct understanding of history. In this sense, the relativists subscribe to a vision of development just as absolute as the advocates of growth, basic needs or cultural integrity.

The "relativists" and the champions of unadulterated growth represent views most clearly identifiable as socialist and capitalist. One group seemed committed to the policies of Anwar al-Sadat, while the

other regretted deviations from Nasirism. The capitalist planners applauded Egypt's invitation to Western multinationals and dependence on the West, while the socialists saw such a narrowing of the ties of dependence as restrictive of the capacity for autonomous growth.

Yet these perspectives share a confidence in social science uncharacteristic of the advocates of basic needs and cultural integrity. The defense of Islamic and liberal values depends for its rationale not on social science but on faith, natural law and philosophical inquiry. The "relativists" believe social science can discern the path of history and utilize empirical investigation to suggest a proper course of action. The advocates of growth depend on the discipline of economics and the collection of economic data to permit the formulation of a rational plan, which, if properly executed, would produce growth. Both groups see themselves as scientific and value-free; their recommendations depend on the data they collect. Both see economic expansion based on industrialization as essential to the achievement of greater human welfare, although they differ about how the fruits of that expansion ought to be employed.

Those who see development as the fulfillment of basic needs lack such faith in social science. An official of the U.S. Agency for International Development explained that some projects had been chosen for support "because somebody came through the port at Alexandria and saw that certain things needed to be done." Such needs can be discerned without great investigation, he said. People are well fed or not, well housed or not. How those needs can be met is a question for politics, not social science. In such a view, insight about what must be done comes from an understanding of human nature, not empirical research on

current attitudes or historical trends. A 1977 proponent of basic needs expressed his suspicion of any ideology or system for achieving developmental objectives. "Some say a plan is very important," he said. "Some say ideology is crucial. I don't believe they are so important." He favored opportunism: attacking the most formidable problems, such as demography, first, and then responding progressively to others. Only when "basic problems" had been solved could one think of a master plan, and then the plan would extend beyond Egypt. "No solution exists entirely within the boundaries of Egypt," he said. He was pessimistic about achieving regional or sub-regional integration, but he could not foresee a long-term solution to Egypt's problems without regional cooperation.

In sum, the interviews conducted in September, 1977, revealed disagreement among the Egyptian elite about the proper course of development. My respondents differed about the importance of economic growth, the proper distribution of economic benefits, the role of planning in development, the society's ability to identify overriding values and to pursue them and the priority of material and cultural objectives. They formulated their views largely in the light of Western theories of development, and not surprisingly, they disagreed with each other about as thoroughly as Western social scientists differ among themselves on the proper criteria for evaluating development policies.

What appears remarkable about the 1977 responses is the isolation of the Ministry of Planning in its single-minded adherence to economic growth as the objective. The plan issued that year drew heavy fire from those worried about the lack of concern for distribution, the apparent

neglect of the public sector, and the apparent subordination of regional equity to the achievement of growth. Respondents at the Ministry of Planning expressed concern neither for the possible constraints Arab-Islamic culture might impose on development plans nor about the country's growing dependence on the West, as a result of the open-door policy and Sadat's determination to negotiate with Israel. The Ministry seemed oblivious or indifferent to the views expressed across the street at the Institute of National Planning and in academic circles more generally. The ministry spokesmen acknowledged the unpopularity of their views but believed it their duty to persuade the People's Assembly that the balance of payments and the rate of investment outweighed equity in importance. They hoped that subsidies on basic products could one day be abolished and the savings devoted to investment. The perspective reflected what Westerners wanted to hear about the Egyptian commitment to the open-door policy and to the fulfillment of its international financial obligations.

#### The Atmosphere of 1981

The endorsement of growth as the primary objective and of infatih as a means of achieving that objective reflected Egypt's desperate need for foreign capital in 1977. Government policies represented a judgment that the country's future hinged on the maintenance of good standing within the international financial community, the payment of Egyptian debts on schedule, and a progressive diminution of the deficit in the balance of payments. But by 1981, thanks largely to ballooning revenues from oil exports and remittances by Egyptian workers abroad, those

critical problems had diminished in intensity. Indeed, a highly placed official could say with some reason, "In the last five years our performance has been acceptable by all standards." The growth rate had averaged 8 or 9 per cent, and whereas Egypt had been dependent on foreign capital for 75 per cent of its investment budget in 1977, that portion was but 25 per cent in 1981. In short, the atmosphere for economic policy making had shifted from one bordering on desperation to one of cautious optimism.

The change in circumstances produced a change in development policy evident in the five-year plan issued in October, 1979. Interviews in Cairo in August, 1981, further confirmed the movement in official thinking away from the growth-oriented, infitah-centered policies enunciated by the Ministry of Planning in 1977. Concerns about equity expressed by critics in 1977 had become part of official doctrine; the rationale of Egyptian development had been reformulated to reflect emphasis on basic needs, and government officials had begun to express their sensitivity to the issue of dependence on foreign capital. By 1981 official Egyptian goals had become notably more comprehensive and less coherent.

Growth remained an objective in 1981, but one planner, who had termed growth the sole objective in 1977, hastened to qualify that remark in 1981. Growth should be tempered with a concern for quality of the growth and for income distribution, he said. The softening of his commitment to growth followed the tenor of the five-year plan published in October, 1981: ". . . The real measure of both the ability for growth and the raising of the individual's standard of living is not in the volume of investment. Rather, it is in what the investment projects

can fulfill." (Egypt, 1979:8) The plan said that the choice of projects should depend on the likelihood that a given investment would ease "the burden of the masses according to national priorities." (Egypt, 1979:213) Profitability would be a lesser consideration.

In setting priorities for public investment, the 1979 plan put the most dynamic sector of the economy, industry, in fourth place. Investment in export-generating enterprise ranked a mere fifth. The plan repeatedly identified the three principal problems facing Egypt as food security, housing, and transportation-communication--scarcely areas most susceptible to foreign investment or to rapid growth. The selection of priorities seemed to reflect the country's basic needs rather than the potential of sectors for rapid, capital-generating growth.

Further evidence for the diminished emphasis on growth came from the Ministry of Planning. In 1981 I asked again what would be the government's response if a foreign concern insisted, despite incentives and pressures, on situating a plant in Cairo and Alexandria. This time a deputy minister of planning described Cairo and Alexandria as "closed areas." He said investment would be turned down before the policy would be compromised.

Both the 1979 version of the plan and officials interviewed in August, 1981, listed equity as one of the principal goals of development. That idea had been dearer to critics than to government officials in 1977. By some accounts, income distribution in Egypt had become less equitable in the interim, a period marked by high growth. By other accounts, the gaps between rich and poor had diminished

slightly. By a third and perhaps most persuasive argument some groups such as importers, small craftsmen and others of the private sector had enjoyed disproportionate prosperity under the freewheeling, capitalistic policies of infitah. The distribution of income had shifted in ways that disadvantaged many economic strata and probably did not improve substantially, if at all, the percentage of income received by the poorer half of the Egyptian population. The enhanced concern with equity took several forms: acknowledgment of the continued need for subsidies on certain primary products; increased emphasis on geographic distribution of investment, and augmented attention to those needs perceived as basic at both the national and local levels.

In 1977, officials at the Ministry of Planning had anticipated the eventual abolition of subsidies on basic commodities such as wheat, flour, sugar, rice, tea, edible oil and butane gas. For 1981-82 one estimate put the cost of such subsidies at \$2.9 billion, or about 11 per cent of gross domestic product. By 1981, although still concerned about the cost of subsidies, the government contemplated conversion into food coupons, similar to U.S. food stamps, available only to those able to show need. The question in 1981 was how to rationalize or reorient the subsidies, not how to eliminate them, a fact indicative of the greater concern for equity or awareness of political realities.

Interest in greater equity between city and countryside, North and South, had also increased between 1977 and 1981. The 1979 plan elevated agriculture and food security to second priority behind housing as an object for private and public investment. The plan projected expenditure of one fifth of all 1980-to-1984 investment funds in the rural areas. Moreover, geographical distribution of investment had

assumed greater importance. The government had accorded greater freedom to governorates to design and execute their own programs of development, "consistent with national priorities." That qualifying phrase cast a shadow of uncertainty over the enterprise, as did the fact that local governing bodies ranked ninth (4.5 per cent of total funds) among nine purposes for public and private investment in the 1979 plan. Persons close to the efforts to decentralize reported considerable pressure within governorates to treat villages equally, whether or not the villages had demonstrated ability to organize and plan. The government understood geographical equity to mean equality of result, rather than equality of opportunity, even at the cost of potential growth and frustrated local initiative.

The greater preoccupation with equity manifested itself most prominently in the widespread, consistent reference to the concept of basic needs. The 1979 plan justified its choice of priorities by reference to "the three principal problems that face Egyptian society:" food, housing, and transportation and communication. The language of that plan could have been borrowed from a World Bank report:

The standard of living that the Egyptian people are looking for is connected directly to their food security for present and future generations; proper housing, denied to many sections of the population, especially the youth; utilities including potable water, electricity, transportation and communications; and above all, furnishing productive job opportunities for youth to

enhance their feeling of belonging to the society. (Egypt, 1979: 5)

The new Egyptian objectives focussed not just on growth but on growth within the areas where Egyptian needs were most pressing. My respondents said they thought satisfactory growth rates could be achieved while satisfying these basic needs.

A pair of forces seemed to have wrought this twist in Egyptian development thinking. The World Bank, with its efforts to define poverty in absolute terms and to identify the basic requirements for human life, represented one. My respondents acknowledged the influence of such ideas but said any estimation of basic needs had to take account of local conditions, or "Egyptian realities" as they called them. For example, one person said Egyptians were consuming 3400 calories a day, mostly in the form of starch. The fulfillment of basic needs would require not more food but foods of more diverse nutritional value at more reasonable prices. The government has tried, I was told, to estimate what people require for food, housing, and health care, from abstract, absolute, standards such as those suggested by comparative international studies, but questions necessarily arose. What kind of food? How much shelter of what sort for each person? What sort of health care best suits Egyptian needs? The calculation of needs depends on political judgments of what is basic.

Popular contributions to the political process in Egypt, however restricted, also pushed planners toward greater emphasis on basic needs. Although President Sadat's initiatives never resulted in a competitive party system, his breakup of the Arab Socialist Union and creation of

new parties permitted a more forceful presentation of popular demands. The government's efforts to decentralize authority over development expenditures responded in part to such demands. In 1977 the planners had seen themselves as defending an unpopular position in the People's Assembly. Greater prosperity permitted the Sadat government to take greater account of the popular view and put food security, housing and utilities high on the list of developmental priorities.

Increasingly committed to sacrifice growth, if necessary, to augment the Egyptian commitment to equity, the government also showed sensitivity to the issue of dependence. In 1977 critics reproached the government for its growing dependence on one foreign power, the United States, but not even the critics seemed to envision an Egypt free of economic reliance on foreigners. Four years later responsible government officials spoke of both the need for additional foreign capital to spur growth and the inevitable, short-term dependence such an infusion of foreign resources brings. "Because we wish to accelerate growth, we must accept some dependence," said one official. "But we must increase our self-reliance from period to period." He noted with satisfaction that foreign funds represented three-fourths of the investment budget in 1976 but only one-fourth in 1981.

The emphasis on food security in Egyptian planning represented a commitment to self-reliance as well as renewed dedication to agricultural development. While self-sufficiency in wheat and flour appeared unattainable in any foreseeable future—Egypt was producing only a fourth of its needs—the government did hope to stabilize the quantity of imported wheat and make the country self-sufficient in meat and cooking oil.

A deputy minister of planning attributed his country's dependence on outside resources to thirty years of war, inefficient management and a high rate of population growth. He emphasized, as did the Plan adopted in 1979, that accepting foreign loans and grants constituted an Egyptian decision.

Do we need these loans? . . . No, if Egypt prefers to press down on consumption; to have these unemployed capacities surface again in production centers; to cut down on projects; and to permit the national production capacity to collapse because of no replacement or renewal programs. In other words, Egypt would return to the pre-October War era which had all of these situations. (Egypt, 1979:46)

The Plan said the cost of loans could only be weighed against the opportunities foregone for lack of capital. Self-sufficiency had gained importance as an objective since 1977, but the government continued to see it as attainable only in a long-range perspective and only if Egypt accepted foreign resources. According to the 1979 plan,

Self-dependency means the most efficient use of national resources: human, natural, financial; and the one national asset forgotten by most, which is simply the international status of Egypt in the forefront of Middle Eastern nations in civilization, power and solidity. (Egypt, 1979:46)

The government thus sought to defend its policies in the light of objectives propounded by its critics.

Policies to accommodate basic needs and to seek self-sufficiency seemed confined to rhetoric in 1981. In another domain, however, a change in direction had begun to influence activity as well as thinking. By all accounts the government had begun to permit greater regional and local discretion in the allocation of development monies. The conception of development as self-development by those affected had won official approval, although it still bucked tenacious bureaucratic suspicion directed toward local decision makers and decentralized planning. As a result of Law 53, dated June 18, 1981, governors exercised greater authority over development in their regions; funds placed at the discretion of governorates increased ten-fold from 1979 to 1981, from LE 30 to 300 million.

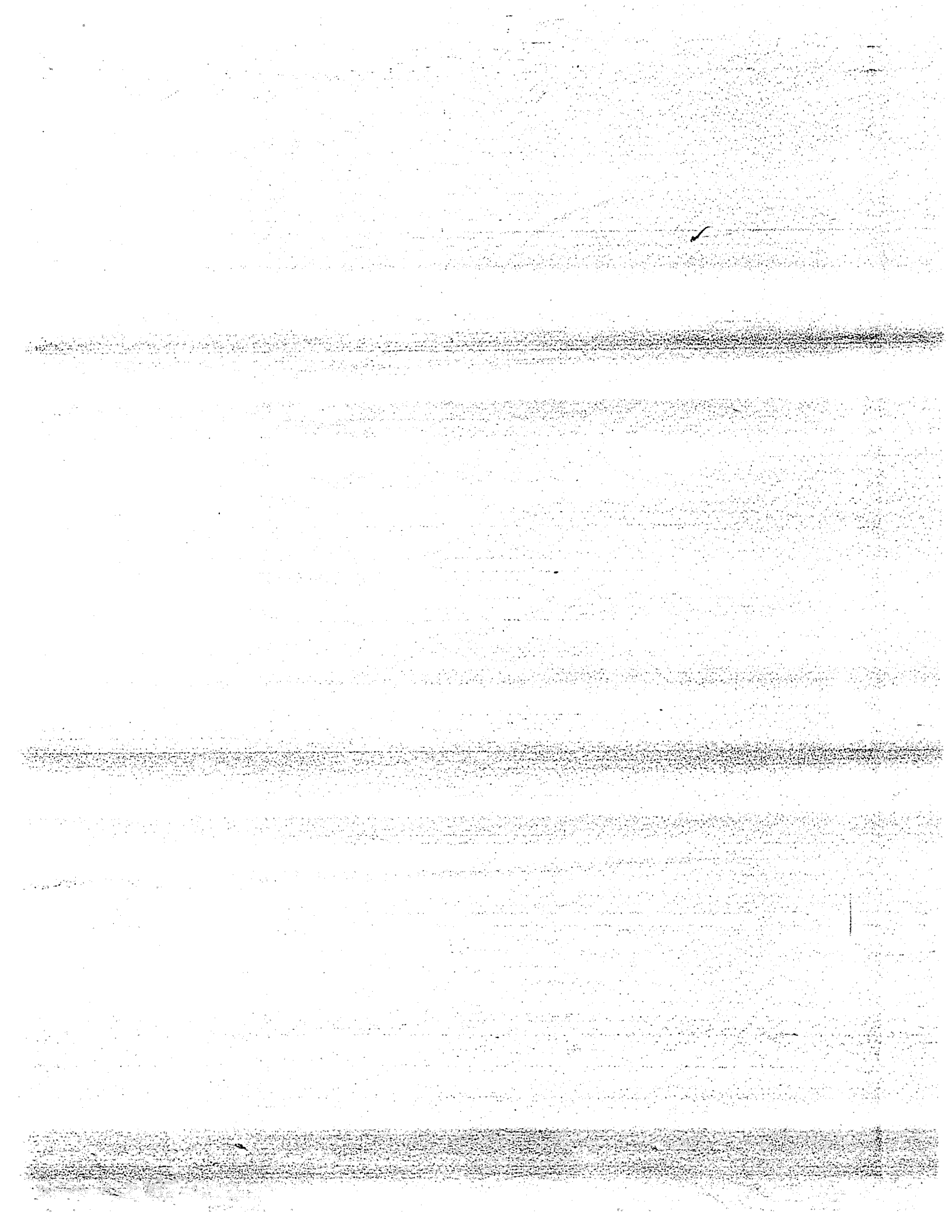
The effort to decentralize decision making remained ambiguous, however, as a consequence of the diverse forces stimulating its emergence. On one hand, it complemented the enhanced concern with equity by aiming to spread investment beyond the overcrowded metropolitan areas of Cairo and Alexandria. To that extent decentralization represented a central decision to carry out the national plan. On the other hand, the American government pushed for genuine devolution of decision-making authority to the village level. American policy reflected traditional American belief in the efficacy of local decision and hostility toward central planning and bureaucracies.

Egyptians and Americans agreed on some of the obstacles to local design of development programs: lack of educated personnel to supervise projects, lack of village resources to assure maintenance once improvements had been achieved, the tendency of local elites to become demoralized if and when imported goods or services arrived late, the

feeling of alienation in villages toward the central government (Tadros, 1980:21). The Americans wanted to confront the obstacles with training programs, special accounts for maintenance, and grants of responsibility to combat alienation. The Egyptians believed, quite to the contrary, that these obstacles plus the strong need for national unity made local autonomy neither possible nor desirable in the short run. They tended to equate local autonomy with governmental weakness and to regard the decentralization program as one of regional integration. They endorsed the goal of generating a greater sense of participation at the local level but they did not share American confidence in the skills and integrity of local elites.

In several ways, then, the Egyptian commitment to growth through the stimulation of private initiative, as propounded by the Ministry of Planning in 1977, had softened by 1981. Four years of criticism and prosperity had nudged the government toward endorsement of new goals in addition to rapid growth, the rationale for infitah. By 1981 Egypt's dedication to economic growth had been tempered by talk of basic needs, public enterprise, long-term progress toward self-reliance, a more equitable spread of development projects among regions, and decentralization of decision making.

These new directions conflicted with each other. For example, the effort to identify and fulfill basic needs would increase dependence in the short run and mean favoring heretofore neglected regions over others. Such planning would negate any decentralization of decision making. A renewed emphasis on public enterprise would augment the role of the central government and diminish that of private enterprise,



previously identified as the engine of growth. Development had come to mean pursuit of a panoply of partially incompatible goals.

Only one important perspective on development mentioned by government critics in 1977 escaped recognition in the broader objectives enunciated in 1981. The suggestion that development in Egypt should reflect the country's Islamic heritage found no more official sympathy in 1981 than it had four years earlier. The plan for 1980-84 included monies to construct religious, "Al-Azhar" type institutes where needed, to attach some 300 centers of Qur'anic memorization to Al-Azhar at the rate of 60 a year, and to build and renovate mosques. But these purposes ranked low in priority, and general rationales for development planning conspicuously omitted all reference to religion and culture.

Governmental thinking about development remained as secular in 1981 as it had been in 1977, despite the obvious success of fundamentalist groups in recruiting young persons, in particular, and despite governmental efforts to accommodate criticism of Sadat's initial commitment to infitah. Elites continued to understand development as most Western social scientists do, as a universal process blind to cultural differences, not as an undertaking that Egyptians must define for themselves.

How does one account for this unwillingness to acknowledge the fundamentalist critique of development? How does one explain the efforts of government planners to embrace other, mutually incompatible notions of development but not the Islamic vision? Why is it that President Sadat could never rally his countrymen to a single, coherent theory of modernization? By which standard or standards, then, should Egyptian efforts be evaluated?

## An Historical Explanation

Despite convincing attacks on growth as a satisfactory definition of development, social science seems slow to recognize that it may be impossible to devise an alternative. No body of theory enjoys a consensus, but each group of partisans assumes it will ultimately prevail; objections are dismissed as cyclical concerns about facts that do not fit theories (e.g. Pye, 1979:74). Social science nurtures the myth of a single conception of development, although it is incapable of specifying a universally satisfactory model. The capitalist world, still largely committed to the growth standard, looks at Egypt and wrings its hands, while the socialist critics, locked into another vision of development, bemoan the fate of Egypt for other reasons (e.g. Abdel-Malek, 1968). Both critiques find resonance in Egypt; neither elicits unanimity. The Egyptian elite has not managed to resolve fundamental and methodological problems any more satisfactorily than has the West.

However, Egyptians have reasons divorced from their sophisticated familiarity with Western social science for differing about the proper course of development. They have in the last 150 years pursued development policies founded on growth, liberty, dependence, socialism and capitalism. They have sought Islamic solutions to their problems. But every formula has come up flawed in the Egyptian experience. No current notion of development can escape the taint of unpleasant Egyptian memories, with the possible exception of "basic needs."

Under Muhammad Ali and his successors, and especially under the Khedives Tewfiq and Ismail, Egypt opted for growth at the cost of increasing dependence on Europe. The obsession with expanding Egyptian infrastructure and productivity played directly into the hands of European financiers and promoters (Landes, 1969). It led from boom to bust, from national glory under Muhammad Ali to Dual Control and finally foreign occupation under his successors. The lot of the fellah did not show significant improvement despite wholesale commercialization of agriculture. Yet to say, as dependency theorists might, that increasing dependence on Europe created underdevelopment ignores the Egyptian realization of the need to wrench the country from its 18th century condition. Muhammad Ali wanted to fashion a state capable of competing in the modern world. The Egyptian experience does, however, confirm the warnings of dependence theory about unbridled efforts to import capital for maximum growth (Chase-Dunn, 1975; Sump, Marsch and Lake, 1978). Sadat's open-door policy and his willingness to cultivate dependence on the United States necessarily reawakened awareness of those distasteful moments in Egyptian history.

In the early twentieth century, the salafiyah movement attempted to rescue the Islamic world from its humiliation by the West through the rediscovery of vitality in its Islamic core. Its principal architects and followers hoped to foster the modernization of Egypt and Egyptians without compromising the integrity of Islamic culture. Muhammad `Abduh achieved a reconciliation of Islam with modernization by suggesting that God would not permit conflict between reason and revelation. A rational God would not thwart reason. To sidestep conflict he and his followers reinterpreted revelation and in doing so opened the floodgates of

Westernization so wide not even the valiant efforts of a Rashid Rida, a student of Abduh who saw Islam being washed away in the deluge, could articulate an acceptable basis for the restoration of control. (Kerr, 1966:203-4; Safran, 1961:84) In the 1930s, it remained for a lay group, the Muslim Brotherhood, to take up the defense of Islam in the name of revelation against reason and modernization. Mainstream politics slipped gently down the path of Westernization without regard for religious values. Though challenged by fundamentalism, Sadat showed no inclination to backtrack.

After World War I, Egyptian nationalists identified development with the establishment of parliamentary institutions. They justifiably blamed irresponsible, autocratic rule by foreign powers and a foreign dynasty for the miseries of the country. The spread of Western values cultivated acceptance of the ideas of individual liberty and popular sovereignty. The Wafd, headed by Sa`ad Zaghlul, epitomized Egyptian aspirations for independent, democratic government. But the king, with British support, discredited parliamentary democracy in Egypt between 1922 and 1936 by pushing the Wafd from power despite its overwhelming popular support (Al-Sayyid-Marsot, 1977:1969), and then the British performed the coup de grace by wooing the Wafd and undercutting the king in 1941 (Smith, 1979).

For Gamal Abd al-Nasir, who led the overthrow of the parliamentary system in 1952, development initially meant the reassertion of national independence from Great Britain. But the outcome of the Suez crisis of 1956 left Egyptian nationalism without a cause. Abd al-Nasir responded by moving toward Arab nationalism. Then when the United Arab Republic

fell apart, the regime turned to socialism, outlined in the National Charter of 1962.

Egyptian socialism emerged from the seizure of European assets after the Suez war and from the instincts of Nasir, whose political skills outclassed his understanding of economics. The idea of public ownership and the institution of subsidies on basic commodities won public support, but the Egyptian bureaucracy began to smother the state-owned industries (Issawi, 1963:Chap.13). A lack of managerial talent, an inability of managers to assert autonomous (and profitable) policies without the appearance of disloyalty, the use of labor unions and the Arab Socialist Union as watchdogs of the managers, and the use of Presidential agents to watch the watchdogs caused the socialist experiment to disappoint its champions (Baker, 1978:108-13). Moreover, while the National Charter spoke of democracy, political power in Egypt remained tightly concentrated in Nasir and his closest associates within the military establishment. Inevitably, his socialist policies acquired the taint of authoritarian politics. The reputation of Nasir and his conception of development suffered from this curtailment of civil liberties.

Whether by design or accident, the socialist era in Egypt coincided with a period of close relations with the Soviet Union. However much the advocates of Arab socialism sought to demonstrate its distance from scientific socialism and Marxism, and however much Marxist critics spoke of socialism without socialists, the Soviet Union overlooked ideology, built the high dam at Aswan and armed the Egyptians. The Soviet presence rankled in some quarters as much as the growing Egyptian dependence on the United States now smarts in the same and other places.

Development theory cannot be divorced from international politics.

(Heikal, 1978, explains some of the linkages.)

These moments from the Egyptian past impose burdens on the idea of development that are as heavy or heavier than those of social scientific theory. The identification of development with basic needs fares best in the light of Egyptian history and contemporary discussion; it does not evoke unpleasant memories. But neither does offer it explain what development means. The basic needs approach wins support because it begs the larger question about the meaning of development.

#### The Competition of Theories

The failure of any theory of development to achieve preeminence among the Egyptian elite constitutes an impediment to change in Egypt. Both the international financial community and wealthy oil producing states have frequently felt irritation at the apparent inability of Egyptians to formulate coherent objectives, devise appropriate policies and execute their plans. Foreigners and Egyptians of most persuasions seem to believe that development can be defined, that goals can be derived from the definition, that plans can be drawn to achieve goals, and that policies can be implemented to realize plans. By the acceptance of these ideas, the prevalent ideas in Western social science, one is necessarily driven to be critical of Egyptian vacillation.

The problem is serious, for there may be no solution, at least not a substantive one. Western social science seems locked ever more firmly

into self-contradictory propositions: that development can be universally defined and that it should be defined however a people wishes to define it. Social science resists a completely relativistic position, which leaves no place for general theory or rational planning. A thorough-going relativism would call into question even basic human rights. It would suggest that human beings in one part of the world need not feel compassion toward those in other settings, and it would imply that the wisdom of peasants deserves as much consideration as the advice of statesmen and social scientists. On the other hand, even those critical of such relativism would agree that development theory must recognize cultural diversity and individual volition. Defenders of theories grounded in human nature seek to show, or they simply assume, the identity of their preferences with those who are the objects of development. As Berger has observed, consciousness-raising, with all its inherent hypocrisy, constitutes a tempting but unsatisfactory solution (Berger, 1976:Chap.4).

To demand rigor of development theory and coherence of Egyptian planning may be unfair and un-Western, for the West has never defined its own course of development in unambiguous terms. It has elaborated a process for deciding issues of public policy but has not tried to specify legislatively the meaning of progress. The Western democracies define and redefine. They adopt goals in series or in tandem. They permit compromises that acknowledge all objectives and satisfy the proponents of none. It is a truism that democracies have seldom been able to plan effectively. The Western solution to the problem of development has been processual rather than substantive.

Egypt's unhappy experience with democratic processes appears especially costly in this light. Egypt belongs to that group of nations where low literacy, lack of experience with political participation, and sharp economic inequalities make the adoption of democratic institutions difficult and rare. After the revolution of 1952, the Free Officers disbanded political parties both from distaste for corruption and bickering and from a need to consolidate power. Later, as Nasir recognized the need for participation from below, he could not breathe life into a political organization without feeling simultaneously threatened. President Sadat provided a freer atmosphere for discussion, but retained personal power. A liberal regime would have threatened that authority.

It is impossible to disentangle the reasons for the failures to create participatory mechanisms in Egypt. Does the Egyptian distrust come mainly from the bitter early encounters with liberalism or from a need for the government to protect itself in an atmosphere where a rational electorate and a loyal opposition cannot be taken for granted? Whatever the cause, one result is a continuation of incoherence and autocracy that stimulates disillusionment in Egypt and abroad. For while incoherence can be excused in a democracy, it seems indefensible in autocracy. The superiority of authoritarian regimes stems supposedly from their ability to pursue rational development policies. Such regimes justify their retention of power with the claim to represent the unity of aspirations. Yet recent Egyptian history suggests a conspicuous absence of rationality and unity. Perhaps this is why Sadat, in the words of one critic, decided to "ignore troubles and transcend politics." (Ajami, 1979:29) His other options were to

acknowledge the diversity of viewpoints and permit pluralism, which might have undermined his own position, or to choose a vision of the future and impose it on society. Boutros-Ghali (1977) suggested Sadat was moving toward the first option. The second option would have exposed him to the criticisms he had leveled at Nasir. Ajami wrote: "Sadat does not seem able to move society; the best he can do is to stay on top, to act more like royalty than like an active executive. He is beyond politics, beyond criticism." (1979:29)

Yet the result was probably less disastrous than one would expect. The World Bank estimates that per capita national income grew 3.3 per cent annually from 1960 to 1978. Gross domestic product grew 7.8 per cent a year from 1970 to 1978 (1980:110,12). These rates of growth compare favorably with countries operating under conditions of less adversity and of greater ideological consensus. Such indicators scarcely refute those who have pointed up weaknesses in Egyptian efforts to achieve higher standards of living, but the Egyptian condition appears abysmal only when individual criteria of development, many of them conflicting, are applied to the Egyptian case or when coherence in policy becomes the standard for judgment. (For an optimistic view, see Martin, 1980). For a country such as Egypt, where history generates skepticism about all recipes for development and where sophisticated awareness of Western social science compounds that skepticism, such expectations are unrealistic.

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