



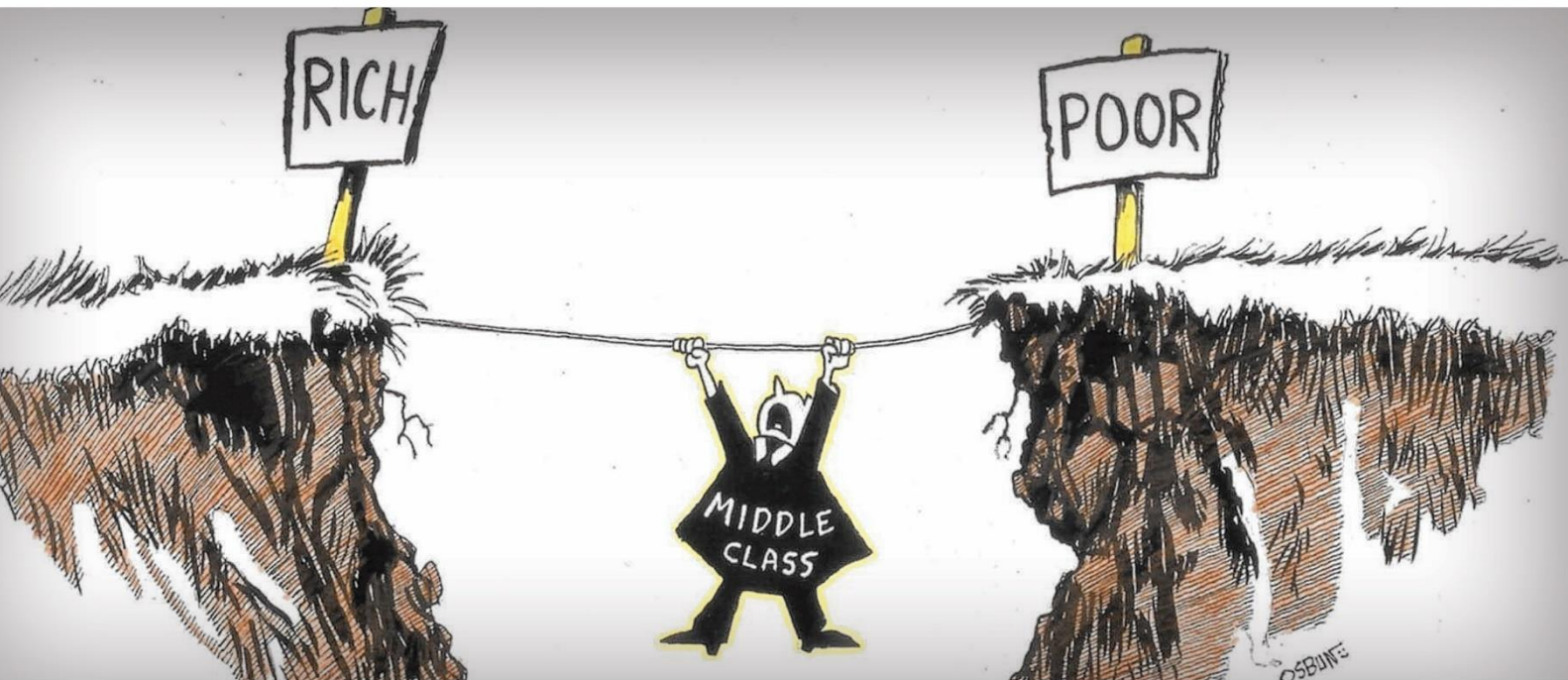
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Poverty mainstreaming and middle-class declining effect on the cultural and value framework

The investment of the middle class in education, health, and housing, their support for good quality public services, their intolerance of corruption, and their trust in others and in democratic institutions, are the very foundations of inclusive growth”¹ a report by the Organization for Economic Cooperation and Development.

In 2015, statistics showed that 30% of Egyptians - that means approximately 30 million Egyptians - are poor². This percentage was before the 12 billion USD IMF’s loan in 2016 that led to the liberalization of the Egyptian pound in November 2016, to lose over 60% of its value and of course, the overall increase in prices. The minimum wage in Egypt was increased from 1200 to 2000 Egp in March 2019³. According to the World Bank that estimated 1.19 USD a day as the poverty threshold, and according to the recent USD-Egp price rates, 1026 Egp a person per month⁴ equals the poverty threshold, so El-Sisi basically announced that the minimum wage for Egyptians are slightly above the poverty threshold. Taking into consideration that the last similar decision in 2014 raised the minimum wage to 1200 Egp, and according to the USD-Egp

¹ <http://tinyw.in/8mf0>

² <https://bre.is/LgTl4wVxA>

³ https://bre.is/YH_ey8FhH

⁴ <https://bre.is/2ofEavoO4>

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price, it meant 170 USD, and according to today's ratio, we can say that, El-Sisi raised the wages from 170 to 115 USD, that unfortunately means harder conditions for poor people in Egypt.

A whole degradation is hitting the Egyptian community, it affects the poor class by making them even poorer, but it also affects the middle class that is struggling severely under El-Sisi's regime, middle-income Egyptians' count almost halved reaching 48% between 2000 and 2015 which equals 5% of the Egyptian population⁵.

A 2016 survey made by the World Bank found that the middle class represented around 10% of the Egyptian population of about 90 million just before the Arab Spring. Many of the leaders of the 2011 uprising were middle-class activists⁶.

Middle-classes always seek political, social and economic stability. The middle class knows that stability goes in its, and society's interest as well; as the majority of well-educated citizens, employees and those usually with a good reputation regarding morals and religion are middle class people. They should be located in between wealth owners and craftspeople; they occupy most of the governmental positions because they depend on their salaries and well-defined working hours to earn bread.

According to the basics of sociology; middle-class people should be able to earn all of their essential needs and most of the luxuries, their high importance, besides the community's diversity, boosts the economy through the continuous process of production and income, contrary to the other two classes, the upper class people who can easily get whatever they want - which helps the economy of course and gives it the needed stability - but because of their limited numbers, their purchasing power is limited too. On the other side, the lower class can barely afford essentials, they may not finish school because education is expensive, and they buy cheap

⁵ <http://tinyw.in/BE10>

⁶ <http://tinyw.in/8Dgc>

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products or go for second hand ones, they may be dependent on donations and they are the beneficiaries of the charity projects.

What increases the importance of existence of the middle class in societies is that it is regarded as society's backbone. They are the scientists, intellectuals, managers, engineers, doctors, teachers, clergy, and the technocrats. They are highly involved in the NGO sector, political parties and trade unions, because they have their own struggles that give them a motive to fight, and also a measure of luxury that gives them the time to think about different routes to solve their problems or even to care about society's problems as a whole, in a form of defense of poorer communities, developmental planning and working on achieving it.

The problem appears when this class is lured to the daily struggle over bread and daily-life social and economic problems, which causes a huge disturbance in the role entrusted to it. The more the middle class is involved in daily life struggles, the less they perform their intellectual roles and political engagement. In such cases, the damage is not reaching the middle class only, but the whole of society as well.

According to the "Under Pressure: The Squeezed Middle Class" study⁷, middle-class households feel left behind and have questioned the benefits of economic globalization. Imagine that the report is talking about the middle class in developed countries, what about the middle class in a country such as Egypt? Besides, what was mentioned above regarding the poor percentage in Egypt that reaches 30% out of Egyptians, extreme poverty reaches 5.3%, when a person's income reaches 322 Egp which equals 18,7 USD per month⁸.

⁷ <http://tinyw.in/mOpb>

⁸ <http://tinyw.in/SLQH>

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We are not shrinking, but re-shaping!

Shereen, who has been working in the NGO sector for more than 15 years, thinks that the middle class in Egypt is not shrinking as is claimed, but re-shaping. The class that was satisfied with the governmental job for long years till the pension age, governmental schools and universities for their kids, and either a house or a car that lasts for years without thinking of upgrading to a newer model no longer exists.

“I have no governmental job, neither does my husband, and we regard ourselves as middle-class citizens. Our monthly income is between 10-15k EGP, although this sounds like a huge income compared to our parents’ for example; but it is not. Recent prices are higher than a few years ago, let alone 20 or 30. This put us in a hard situation, we are not poor, but we are not rich, either. So, we must find a life style that keeps us in between, and that is hard.”

With Shereen’s statement in mind, things go as follows; people who earn around as much as she and her husband do, are not supposed to be poor, and they did not grow up poor, it means they were attending governmental schools before the international schools fad, they lived in normal neighborhoods before the compounds fad and they attend governmental universities, she is a University of Cairo, faculty of commerce graduate - and they managed to establish their own start-ups or businesses. So, they are expecting to afford a specific lifestyle for themselves and their children, and even better than what they got.

“We have to keep ourselves in the top of the middle-class, it is hard to see ourselves as rich, because we can’t afford the same schools, or the same neighborhoods as the upper-class, or the same shopping mall for casual and frequent shopping. Most of our relatives are exhausted by this dilemma, because no other options exist.”

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No other options exist indeed; no open parks for kids, only very expensive sports clubs⁹, governmental schools' level is low, so it has to be private schools, either national or international ones, that start from 7k and can pass 70k annually.

The middle class has no options, either to fall into the lower class, which is hard for them and for their children, as usually parents want their children to have better lives than they themselves had. Or to jump into the upper class, something that is also hard or even impossible in a country that doesn't adopt plans to at least better the education system.

We are suffocating, no exit out of this tunnel!

Mohsen, who has two daughters, aged 6 and 2, and works in the developmental sector, thinks that the social atmosphere is stifling, with no chance for social advancement.

“ If rich people can send their kids to international schools, and those kids will graduate to find a job in a multinational company and earn thousands monthly, and will afford a place to live in El-Tagamoo¹⁰, while on the other hand, the poor will send their children to governmental schools, and those children will graduate to find a simple job and earn mere pounds, the poor will live and die poor and the rich will live and die rich.”

Egypt moved from the 126th place out of 139 in 2010, to the 134th out of 138 in 2016 in basic education quality¹¹, does not look like a country with a developmental plan regarding education or school's infrastructure. Mohsen agreed with Shereen when she said that they can't afford the wealthy life style but are not poor, either, and they must find a route themselves. This route is getting more and more claustrophobic.

⁹ Egyptian sports club's price can reach 350,000 EGP annually.

¹⁰ <http://tinyw.in/zxTt>

¹¹ <http://tinyw.in/ukdk>

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“My biggest dilemma is which school I should choose for my daughters. I was educated in Al-Azhar schools, although it was a governmental school, with almost no annual fees except pounds, I had friends who were children of a business man, a university professor or a doctor, and friends who were children of public bus driver, and my father was a governmental employee. I was middle-class, and it was as simple as that; we are all friends, we could meet weekly at one of our houses, and we all were having the same education in the same class”

Schools now in Egypt are selling class stratification, no student is welcome unless his parent/s is holding a high education degree and a specific kind of job recognized by the school administration as a suitable job, and of course not every neighborhood population is welcome, it must be in specific areas. Although this selling point sounds so weird, parents are racing to enroll their kids in the most expensive school they can manage, no matter how unaffordable it is and how the fees will affect every other aspect of their lives, dipping into saving, giving up restaurants or weekend outings, or even turning to relatives or friends to borrow and go into debt.

“Governmental schools recently are called ‘schools of doormen kids’ as a sign of low-class stigmatization. I can’t send my daughter to any one of them, no one from our acquaintances can. It is dangerous. The buildings are so old, the disks are broken, and the toilets are horrible. Infrastructure is falling apart, and the education quality is zero. Children are using very crude words and teachers can use them too. Plus, the excessive numbers of students in each class, in some schools it reaches 70 or 80 per class, when the normal capacity is 30.”

Mohsen sounds so frustrated, he thinks that the with the insanely increasing prices, and the more polarization in the Egyptian community, nothing could go anywhere but worse.

“I want my daughter to learn English, but I don’t want her to only speak English, and face difficulties in finding a word in Arabic. All international schools seek proficiency in foreign language, which affects the Arabic language learning quality and I don’t want this for my child. The old governmental school system that I studied at, is no longer available, I will not send her to such school as well”

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The dilemma people such as Mohsen are facing in a single aspect such as education and school choice, is not only about money and the super high fees for the well-structured schools. It is also a cultural and moral debate. It is hard if you try to avoid polarization, and you have to be creative too, as to not fall into poverty. Refusing stigmatization of governmental schools and their attendance does not mean that you can handle sending your child to one of them and risking their years in low education quality and low moral framework, too. Polarization also creates a non-healthy community, Mohsen said that he started to meet young people who were born in one of the new Cairo compounds and attend schools, play sports, and live all their lives there; and that they know Egypt only through the car window while sitting in the backseat of their family car and a driver is taking them from a place to another. It is okay for rich people to afford fancy lives for their kids, but is it healthy for those kids to live in a bubble? To not know how other's live? To be surprised when facing underprivileged poor, and that's only if they engage with some charity work during their university years?

This is totally contradicting how Mohsen described his childhood, when different classes were really integrated in the same lane, the educational one. He still thinks that this is healthier than the recent case; when no class is crossing the line.

From pro-Sisi to regime opposition

In June 2014, Sara, 30 years old, voted for El-Sisi in the presidential election that followed the military coup in 2013. She and her husband, Abdullah, 32 years old, were never Muslim Brotherhood supporters anyways. In 2014, they got married and their life was going on smoothly. Her husband was working as an engineer lieutenant in the military, and was earning 4750 Egp, paying 700 Egp for rent and depending mostly on Taxis for transportation, weekly outings and vacations, all could be easily done while saving 1000 Egp monthly.

“Our life was very easy and nice, till 2016, everything started to get more expensive, and we had our first son as well, but we were still able to manage. In March 2017, Abdullah had a surgery on his back and he was exempted from military service, but we still had the savings we made during his service, we started our own business, a notions shop, and the income was so good till the floating of the Egyptian pound in 2018”

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On the night of the 3rd of November 2016, the EGP lost over 60% of its value. The Central Bank of Egypt liberalized the exchange rate of the Egyptian pound, in order to control the USD price in the black market where the USD reached 20 EGP as opposed to 9 EGP in banks¹². The main problem of floating the Egyptian local currency is that it steals the value of the pound; the usual amount of money that used to cover the monthly costs could no longer do that. Sara was trading on exported notions, in a single night, she had to deal with a whole new set of price lists. According to the World Bank's definition of poverty, a person whose daily income is under 2 USD is a poor person; till the 2nd of November, an Egyptian who was earning <18 Egp was above the poverty threshold, but this was not the case for them after one single night, when the threshold changed to <34 Egp.

“We knew it was the end of the project when we started withdrawing from the capital to pay the rent, and for a year, we were trying to relieve it, but we failed.”

Sarah's life is still considered as one of the luckiest middle class lives in Egypt. When they had to end their project, they decided to buy an apartment after she sold her jewelries, and her father-in-law helped too in paying the deposit; when Abdullah found a new job after a year of unemployment, they managed to buy a small car because it was so hard for Sarah to depend on public transportation with two kids at the end of 2018.

“Four years ago, we lived very comfortably with 4750 Egp, it was only me and him, but we could have saved a lot, too. now we earn around 7k monthly, and the two boys are not attending school yet, - School is a new dilemma, I wish I can delay it as much as I can, -and we hardly can survive the month”

The middle class is facing critical problems in Egypt; lifestyles have changed and raising children is not as easy as before. Sarah is paying 700 Egp for each of her children to attend kindergarten,

¹² <http://tinyw.in/quBP>

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and it's not a fancy one. Electricity, water, and mobile phone tariffs are costing a lot and those are necessities. Fuel is unaffordable unless it is the lowest quality fuel, 85, and keeping on using is affecting the car badly, Sarah added.

“I hope Abdullah can find a job chance abroad soon, before the new fuel tariff in July. When the fuel price increases, everything will increase again. I did not go for the last week's referendum on constitutional amendments¹³”

WSJ reported in 2018 that El-Sisi's popularity has been eroding¹⁴ since the end of 2016 because of the macro projects that have no income, and the increase in food and medication prices following the advice of the International Monetary Fund (IMF). What El-Sisi is trying to do is not a new trend for Egyptian presidents, they always tried to launch huge national projects to spread the spirit of achievement among Egyptians, as the Pharos did, the report explained. But still, no former president launched that number of projects at the same time as El-Sisi did. Between 2013 - since he took office - and 2018, he announced four huge projects, started with the New Suez Canal, constructing a new capital city near Cairo, reclamation of 1,5 million acres, and ending with an agreement with the Russian government to establish a nuclear reactor with of 21 million USD. Those rush planned projects affect the economy badly and in a very short time, that made the Egyptians shocked with the lifestyle change they had to accommodate based on how much money they now could earn.

Conclusion

Across the 2000s, almost half of the population reported being unhappy¹⁵. As austerity bites, more Egyptians have to find new policies to survive and to fight against falling further into

¹³ <http://tinyw.in/m7GG>

¹⁴ <http://tinyw.in/BEX0>

¹⁵ <http://tinyw.in/Tnyn>

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poverty. As more and more Egyptians get frustrated with the economic situation, plus the millions who are suffering from political oppression too after the 2013 military coup, the community as a whole is on fire. The stability that should occur in societies due to high numbers of middle-class citizens, plus being the driver of economic expansion, they are somehow in charge of the protection of the community's cultural and moral identity. Declining of values such as good quality education or proper health care services or justice, such values that give the meaning and the motive for citizens to work, care for each other and for their country, and to develop it, results in a decline in the social coherence. 'Leaving Egypt to look for a better chance abroad', 'I don't feel safe here, not myself or my children' are sentences you can hear every time when talking with any friend or acquaintances. The concern of affording bread is a huge concern for everyone, but when it turns to the main and the most huge question in someone's life, it affects their interest in political engagement, art appreciation let along production, and the idea about what is ethical and what is not anymore. Expanding the idea of inequality, and its entrenchment with time, gives rise to criminal behavior, studies said.

After all, history suggests that the larger the middle class, the more effective and democratic the society. For Sisi's Egypt, a solution doesn't seem to be coming soon for the middle-class or the community as a whole. Egypt is now adopting a constitutional amendment that will be noted as the end of the era that began with such 2011 belief¹⁶.¹⁷

¹⁶ <http://tinyw.in/ygmm>

¹⁷The views expressed in this article are entirely those of the author's and do not necessarily reflect the views of EIPSS.

