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LOCAL GOVERNMENT IN EGYPT:
SOME NEW CHANGE STRATEGIES AND TRAINING OPPORTUNITIES

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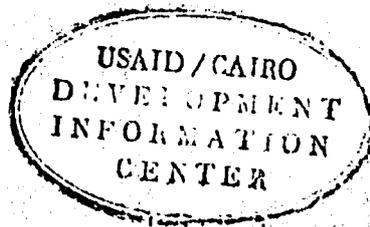


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CHAPTER I

INTRODUCTION

This report is based upon a six-week field trip to the Arab Republic of Egypt in August and September of 1976. Professor James B. Mayfield, who has been conducting extensive research on the local government and rural development problems of Egypt for over 10 years, visited some fifteen villages in the district of Qawisna in the governorate of Minufia. Face-to-face interviews were conducted with the chairman of Qawisna District (Mr. Adel Ramadan), members of his staff, members of the district council, members of the Qawisna town council, chairmen of the seven village units in Qawisna District, members of the executive committees in each village council area, chairmen and elected members of all of the seven local village councils, chairmen of the village agricultural cooperatives, and representative leaders and citizens from many of the satellite villages located within each of the village council areas.

As far as is known this is the first attempt to gather extensive demographic and attitudinal data from a fairly representative sample of local government administrators and elected officials in one single district of Egypt. Most research projects which have involved field research interviews have focused on one village in great detail or have selected a cross-section of villages from different governorates. Here data have been collected from all the villages in one district which reflect the problems and prospects of developing a district-wide

program for integrating government services, stimulating a district-based strategy for economic development, and coordinating a more effective approach to citizen participation and involvement.

This report has three objectives: The first is to identify and describe in some detail the demographic and attitudinal characteristics of local council members who were elected in late 1975 and have been charged with the responsibility of implementing Public Law 52. As has been described in an earlier report, this is a new system of local government which "stipulates that each unit of local government should have a council directly elected by the local population. Moreover, it requires that 50 percent of the members of these councils be workers and peasants. . . . Further, it shifts responsibility for the planning, financing and implementation of development activities to lower levels of government."¹

The problems and obstacles that the Egyptian government must face as it seeks to implement this new decentralized system will be discussed. The whole process of creating autonomous local council units demands a series of financial, budgetary, administrative and management commitments on the part of the central government which, at least in the short run, may be impossible to meet. Public Law 52 envisions the establishment of a local government system which eventually would be financially independent, would be based upon wide participation and public involvement, and would seek to generate strong linkages between government actions and public needs through a carefully balanced system of local decision-making and central government support and encouragement. (See Chapters I and II.)

¹Donald R. Mickelwait and Charles Sweet, Bringing Developmental Change to Rural Egypt: A Study of the Organization for the Reconstruction and Development of the Egyptian Village (Washington, D.C.: Development Alternatives Inc., March 1976), p. 12.

The second objective of this report is to give a detailed picture of the environment in which this new system of local government must be established. Special care has been made to emphasize the cultural and administrative reality of rural Egypt.

The third objective is to introduce a variety of training models which have been used in the rural areas of the United States and the Middle East, identify their salient characteristics, and then describe the procedures by which three of these training strategies have been and/or could be operationalized in the future.

The focus of the entire report is on the individual local government official--his perceptions, his attitudes, his concerns, and his problems. A basic argument in this report is that change will not occur in rural Egypt until people change and that most strategies for change have a macro-oriented bias which assumes that all one needs for change is adequate funding, new legislation, and modernized institutions designed and announced by central government planners. Chapters III, IV, and V seek to demonstrate the impact that local cultural variables and the actions and behaviors of local officials can have on the communities of rural Egypt. This micro-orientation to change implies an urgent need to link specific obstacles and problems to specific change and training strategies. It is relatively easy to see the problems--it is not so easy to see which mechanisms for change are most apt to achieve postulated goals.

Five assumptions or propositions were used as the basis for this report. No attempt has been made to verify these assumptions in any empirical way; however, the preliminary results of the Egyptian field research suggest that they can be very useful in any discussion and/or

analysis of the new local government system now being implemented in the Arab Republic of Egypt. Included with each assumption is a series of specific recommendations that might be considered by the Ministry of Local Government as it seeks to implement and develop the system established under Public Law 52.

Assumption I

The Ministry of Local Government will have an extremely difficult task in: (1) trying to implement Public Law 52; (2) providing adequate training for all the government officials who will work in rural areas; and (3) developing a personnel system which will obtain the level of commitment and administrative skill needed to make the new decentralized system function as it should.

Recommendation I

The Ministry of Local Government must carefully plan the process and schedule needed to prepare the local levels of the Ministry in this responsibility to implement Public Law 52.

Special efforts must be given to the recruiting of Egyptian and foreign experts in the areas of (1) organizational change strategies; (2) monitoring and feedback system; (3) personnel incentive and reward techniques; and (4) modern approaches to management and administration training. (See Chapter IV.)

Assumption II

The crucial element for an efficacious rural development program rests upon the effectiveness of the local official who is assigned to the rural areas. Only if he truly understands and empathizes with the peasants and is skilled in communicating and working with them will his efforts be productive and useful.

Recommendation II

Every official before and often after he is sent to a rural assignment needs training in the psychology and culture of the fellahin. He needs training in what behaviors are effective or ineffective in working with them, and a greater awareness of how his own attitudes affect these rural people. (See Chapter V.)

Assumption III

Government officials who were born and raised in a village environment are probably more apt to be accepted and their behavior is probably more apt to be imitated by the peasants than officials who are from urban areas. Government officials who are assigned to the area (district) from which they originally came will have higher levels of interest, commitment, and willingness to stay than officials who are sent to an area far from their homes.

Recommendation III

While it is obviously not always possible, every effort should be made to recruit and train people with peasant backgrounds for the various local government positions. Every effort should be made to encourage such students to attend schools and universities which can prepare them for such work. (See Chapter V.)

Recommendation IV

While there may be some negative situations which might emerge if a government official is sent back to the actual village where he was born, it is recommended that whenever possible he should be allowed to work in his native area.

Assumption IV

In the near future, according to Public Law 52, the district (markaz) will play a very important role in rural development. The district government unit has a unique opportunity to: (1) encourage a district-wide economic development system; (2) coordinate in a more effective way all government services in the town and villages of the

district; and (3) strengthen and encourage a truly decentralized local government system in which local councils will encourage greater involvement and participation. Town mayors, who historically have been changed every two or three years, have not been strong leaders in their respective districts. This constant replacement reduces their effectiveness, destroys any hope for consistency or follow-up, and disrupts the continuity needed for any long-range development program.

Recommendation V

A district (town) mayor must be allowed to stay in one town at least four years and preferably six or more if he so desires, both for the good of his family and of his work. Every effort should be made to obtain the preferences of the mayor before he is assigned. By recruiting and training young qualified men from all parts of Egypt--eventually a cadre of mayors willing to serve in their own areas will be established. (See Chapter VIII.)

Recommendation VI

It is strongly urged that the district level of government in Egypt be given a greater role in coordinating and stimulating economic growth within its own boundaries. District officials should seriously consider financing and supporting a district marketing center where crops could be collected, packed, stored, refrigerated, and shipped with the least amount of waste and spoilage. ORDEV² type income-generating projects should be encouraged in every village with the district officials coordinating and encouraging these projects. Much more attention should be given to ways in which private entrepreneurs can be encouraged to develop small industries, factories, and business which would be useful for the entire district. (See Chapter VIII.)

Assumption V

While formal education will continue to be used for advanced degree training and some of the more technical and formal aspects of planning, budgeting, and administration, a new type of training experience is needed for the officials who actually have the responsibility

²Organization for the Reconstruction and Development of Egyptian Villages, a newly established department of local government to facilitate change and development.

for implementing a local government system in the rural areas of Egypt. One such approach is called EAR-Training. It is based upon experiences which were gained in Peace Corps and rural government training situations in the United States and the Middle East and may prove to be useful to the Ministry of Local Government in Egypt.

Recommendation VI

The Ministry of Local Government should recruit Egyptian and foreign trainers familiar with the techniques and approaches of experiential education, team building, and Action Research. A significant number (perhaps at least 150) of experienced BA/BS level Egyptians should be recruited and trained in the techniques of different types of training and eventually they should be assigned to the various districts as training and research officers. Special efforts should be made to develop team-building opportunities for the executive committees and local council members as soon as trainers are available. It is recommended that the Ministry of Local Government seek to establish an institute, preferably outside of Cairo, as soon as possible, to serve as a training center for both local trainers and executive committee and village council members, on a continuing and long-range basis. (See Chapters VII and X.)

Recommendation VII

As part of a broader strategy of training, key officials in the Ministry of Local Government, governors and more specifically district mayors should be given an opportunity to obtain specialized training in the United States. Such foreign training can broaden their perspectives, introduce new concepts and approaches to local government problem solving, and increase levels of commitment and awareness. Hopefully they will be the nucleus of a new cadre of local government officials who will have caught the vision of what a decentralized system of local government might be in Egypt. (See Chapter VIII.)

Recommendation VIII

Rural development in Egypt will require the establishment of banking institutions, income-generating projects, and increased productivity among the peasant classes of Egypt. It is recommended that a village saving bank program be re-introduced into the rural areas. It is suggested that Egyptian and foreign financial support be pooled to build training facilities which would graduate a wide variety of experts in local banking projects, ORDEV-type development projects, and other economic-development-oriented strategies. (See Chapter IX.)

CHAPTER II

NEW LOCAL COUNCILS IN EGYPT'S SYSTEM

OF LOCAL GOVERNMENT

The Arab Republic of Egypt is divided into twenty-four governorates, twenty-one in the Nile Valley and three in the desert areas. Each governorate is further divided into some 150 districts (markaz), usually consisting of one major town and several (5 to 7) village council areas which would include roughly 40 or 50 smaller villages. A typical district will have a population of between 150,000 and 200,000 people.

Under Public Law 52 enacted in 1975 local councils are to be elected at each of the three levels of the governmental hierarchy-- the governorate, the district, and the village council area. At the district level eight individuals are to be elected by the citizens in the district capital and four individuals are to be elected by the citizens from each of the village council areas. For example, in the Qawisna District where there are seven village council areas, the district council includes eight members from the town of Qawisna and twenty-eight members from the seven village council areas for a total of thirty-six.

Each village council area has a main village which will have at least four representatives, and a series of satellite villages with at least one representative each. The local village council must have at least sixteen members. In Tables 1 and 2 are a list of the governorates in Egypt and the number of councils and council members in each of the three types of councils.

TABLE II-1
NUMBER OF LOCAL COUNCILS
(September 1976)

	Governorate Councils	Village Councils	Town Councils	District Councils	Metropolitan District Councils
<u>Rural</u>					
Ismailia	1	7	4	4	
Qalyubia	1	38	9	7	
Minufia	1	61	9	8	
Gharbia	1	52	8	8	
Kafr al-Shaykh	1	38	8	7	
Sharkia	1	65	12	10	
Dakahlia	1	65	10	9	
Dumyat	1	20	5	3	
Buheira	1	62	14	12	
Giza	1	38	7	5	
al-Faiyum	1	34	5	5	
Beni Suef	1	38	7	7	
Minya	1	57	9	9	
Asyut	1	47	10	10	
Sohag	1	50	11	11	
Qena	1	44	9	9	
Aswan	1	22	5	4	
New Valley	1	10	2	2	
Matruh	1	7	5	2	
Red Sea	1				
<u>Urban</u>					
Cairo	1				7
Alexandria	1				4
Port Said	1				
Suez	1				
Total	24	755	153	132	14

TABLE II-2

TOTAL NUMBER OF MEMBERS IN LOCAL COUNCILS
(September 1976)

	Total Council Members	Village Council Members	Town Council Members	District Council Members	Metropolitan District Council Members	Governorate Council Members
<u>Rural</u>						
Ismailia	268	112	64	60		32
Qalyubia	1000	608	144	212		36
Sharkia	1628	1040	192	348		48
Dakahlia	1589	1041	160	336		52
Dumyat	508	320	64	108		16
Minufia	1468	976	144	312		36
Gharbia	1280	832	128	272		48
Kafr al-Shayk	980	608	128	212		32
Buheira	1629	997	224	348		60
Giza	1024	608	144	188	36	48
al-Faiyum	824	544	80	176		24
Beni Suef	960	608	112	208		32
al-Minya	1400	912	144	300		44
Asyut	1228	752	160	268		48
Sohag	1312	800	176	288		48
Qena	1136	704	144	244		44
Aswan	576	352	80	124		20
Matruh	280	112	80	32		56
New Valley	264	160	32	56		16
Red Sea	104		64			40
<u>Urban</u>						
Cairo	260				156	104
Alexandria	130				78	52
Port Said	24					24
Suez	24					24
Total	19,896	12,086	2,464	4,092	270	984

Potentially, a local council can play an important role in developing a deep sense of legitimacy and commitment among the citizenry for a functioning local government system. It can provide a sense of participation for the inhabitants of a governorate, a district, or a rural community. A council provides an institutional structure by which local requests, complaints, and proposals can be channeled to higher governmental authorities. The truly effective council may develop a series of projects or programs of such obvious local value as to be a strong inducement to the local citizenry to contribute a significant portion of the financing.

Yet for a council to function in this manner, there must be a literate citizenry, a group of experienced and capable leaders who understand the strengths and weaknesses of a local government system, who appreciate the need for the local community to shoulder a larger portion of the costs, and who are willing to participate with the central government in reforming and developing the social, economic, and political conditions in the rural areas. Unfortunately many of these factors do not yet exist in rural Egypt. Let us now briefly analyze the new local government system established in the rural areas by Public Law 52.

Chairman of the Village Unit

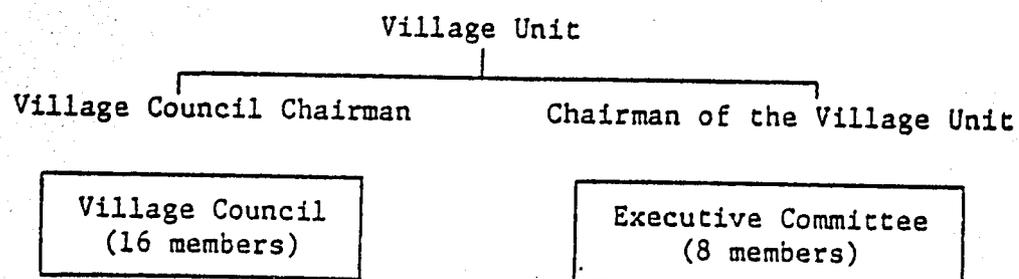
Article 72 of Public Law 52 establishes an administrative officer with power and authority over the financial and administrative activities of all local government organizations functioning in each village council area. There are presently 755 such village council areas.

The official title of this new local government leader is to be chairman of the village unit (rais wahdat qarya). He is selected by the Ministry of Local Government and is head of the executive committee whose other members are the chief administrative officials working in the village council area (doctor, social worker, school principal, agricultural engineer, police officer, and building engineer) and the village secretary.

The chairman of the village unit should be distinguished from the chairman of the village council who is elected by the council members. Thus the chairmen of the village units are executive officers selected by the central government and responsible for the implementation of all government programs and policies within their area of jurisdiction. The chairman of the village council, on the other hand, is a legislative officer who presides over the village council meetings which are usually held once or twice each month. Given the central government's predisposition to control and direct most activities in the village council areas primarily through financial and budgetary regulations, the chairman of the village unit tends to have more administrative and budgetary powers and authorities at his disposal than does the chairman of the village council.

TABLE II-3

ORGANIZATIONAL CHART OF THE VILLAGE UNIT



A preliminary analysis of the data collected from specific interviews with people who live and work in the Egyptian villages of the Qawisna District provides us with the following kind of initial impressions of these village chairmen. (See Table II-4.)

They tend to be mature administrators, usually with a college education and generally with over ten years experience in villages. All of them had had more than five years experience as village council chairmen before the establishment of the new Public Law 52 in 1975. There is no consistent pattern which characterizes their place of residency although a slight majority of those interviewed did live in a nearby town rather than right in the village itself. My personal impression is that most of these chairmen have a good sense of their responsibilities in the village although many of them admitted that additional training in planning, budget preparation, and management (supervisory skills) would be helpful. Only one of the seven chairmen in Qawisna was an active member of the ASU (Egypt's single party) and all tended to consider themselves professional local government employees.

Some specific problem areas mentioned in the interviews were:

1. There is some confusion as to who is the chief authority in the village--the chairman of the village unit or the chairman of the village council. Those with the stronger personalities appear to dominate in their villages. Two of the chairmen of village units, who also happened to live in the nearby town, tended to let the council chairman take charge in the village.

2. Several chairmen of village units complained that the village council members were inexperienced, untrained, and totally incapable of performing the duties assigned them under Public Law 52.

TABLE II-4

DEMOGRAPHIC CHARACTERISTICS OF VILLAGE UNIT CHAIRMEN
IN QAWISNA DISTRICT

	Village						
	A	B	C	D	E	F	G
Age	42	46	45	68	50	45	50
Education	MA	BS	BA	Teacher Certificate (Retired School Master)	BS (Agriculture)	Teacher Certificate (Elementary Research)	BS (Arabic)
Work Experience in Villages	17 years	16 years	7 years	12 years	6 years	12 years	14 years
Experience in Village Councils	6 years as Chairman and 10 years as Secretary	11 years as Chairman	7 years as Chairman	12 years as Member	6 years as Chairman	5 years as Chairman	8 years as Chairman and 5 years as Secretary
Chairman's Residence-- Village or Nearby Town	Town	Village	Town	Village	Town	Village	Town

The vast majority had no experience in village council work, having served only since their election in November 1975. It appears that they will need continual guidance and training certainly during the next year or two.

3. Some chairmen of the village units felt that their ability to coordinate and follow through had been curtailed now that they were no longer voting members in the village council. Most of them do attend the council meetings on a regular basis but the village council chairman presides over these meetings in a fairly authoritarian way and the chairmen of the village units have less influence in the council than they had under the earlier system.

4. All of the chairmen of village units complained that they did not have adequate supervisory or administrative authority over the members of the executive committee or even over ordinary employees and workers in programs financially and administratively under the control of a specific ministry. Officials and employees under the direction of the Ministries of Health, Education, Agriculture, Social Affairs, etc., still do not take directions or suggestions from these chairmen of the village units. The long tradition of strong centralized authority under fairly autonomous ministerial service delivery systems will not easily be removed. It is anticipated that executive control and authority will eventually be decentralized down to the district level and should allow the district chairman to begin the process of integrating and unifying the service programs being implemented in the villages.

5. These chairmen of the village units have all had years of experience in a village environment which was clearly not the case among council chairmen ten to fifteen years ago. Most of their experience, however, has been within the structures and formal restraints that

characterized local government under President Nasser. Most of them still tend to work through other government officials or leaders of the main families. There is very little evidence that these chairmen clearly communicate with a broad cross-section of the village population. These professional village administrators need training in the general areas of community development, supervision, communication techniques, and popular participation and involvement.

Village Council Members

One significant question for the short-run effectiveness of the new village councils elected in November 1975 deals with the amount of continuity that exists between them and the former councils originally established under Nasser. Most village councils constituted prior to that election had a fair number of experienced council members going back to at least the mid-1960s. All of these were members of the ASU and tended to be re-elected several times.¹ A careful analysis of the data collected from various districts in both the Delta and Upper Egypt suggests that this past election provides a sharp contrast in that only a limited percentage of the newly elected council members had served in the former councils.

Let us briefly contrast one district located in the Delta--Qawisna--with one district located in Upper Egypt--Asyut--to determine what differences, if any, exist in the re-election patterns of the two areas.

One clear pattern emerges in both districts: there is little continuity before and after the November 1975 election. Of the fourteen

¹James B. Mayfield, Rural Politics in Nasser's Egypt (Austin: University of Texas Press, 1971).

TABLE II-5

AMOUNT OF CONTINUITY BETWEEN COUNCIL MEMBERS
BEFORE AND AFTER THE ELECTION
OF NOVEMBER 1975

Village	Qawisna		Village	Asyut	
	Number of former village council members elected in November 1975	Percentage of present village council		Number of former village council members re-elected in November 1975	Percentage of present village council
Mit Birah	6	37.5	Drunka	4	25.0
Om Khinan	5	31.2	Mangabad	1	6.2
Tah Shubra	1	6.2	Baqur	1	6.2
Arab al-Raml	1	6.2	Badi Husayn	0	0.0
Shubra Bakhum	4	25.0	Musha	3	18.7
Abnahs	0	0.0	Arifa	0	0.0
Begayrim	3	18.7	al-Mutia	0	0.0
	Average Percentage	17.8			8.0

village councils in the two districts, twelve had less than 25 percent of their membership re-elected. Even more significant is the fact that eight of the fourteen had less than a 10 percent re-election rate. A careful check of the membership lists of four village councils randomly selected from the governorate of Sharkia (Delta) failed to reveal a single re-election. Two villages (Dandara and Bayadiya) in the governorate of Qena which the author had visited during previous field trips to rural Egypt demonstrated, as in the other districts reviewed, that villages even in the same area can differ significantly. Bayadiya, a village near the tourist center of Luxor, represented a fair amount of continuity, five of the sixteen members having been members in the former council. Yet in

Dandara, also a village near some oft-visited pharoahnic ruins of Upper Egypt, only one of the sixteen was a re-elected member.

Interviews with local villagers seem to suggest that continuity in membership between the old and new councils is a function of the ASU's legitimacy. In those villages where the ASU was perceived to be an alien institution, not representative of the traditional power elite, and largely imposed upon the community, the election in November became an expression of this rejection, not a single member of the former council being considered for re-election. Yet in some villages the ASU leadership dovetailed nicely with the traditional family structure and several of the former council members were perceived as legitimate representatives of the community. Overall, one must admit that the November election did usher in a new cadre of village leaders, generally inexperienced in council action and procedure, but probably much more representative of the villagers' own political leadership.

One significant conclusion that emerges from this data is the obvious need for the Ministry of Local Government to establish initial and on-going training for these new council members. All interviews conducted during August and September 1976 verified this need. Most council members interviewed appeared totally unfamiliar with many of the technical aspects of the council's responsibility in planning, budgeting, personnel, and assessment.

Turning to the district councils, it appears that at least one or two of the four members representing each village council area were members in their previous village council but have now moved up as representatives in the district council. Thus while the district council is new under Public Law 52, a significant percentage of these district council members will have had some previous council experience.

In the district of Qawisna there were 152 candidates who sought election in November 1975. Since there were only 112 positions available in the seven village council areas this comes to 1.35 candidates per position available. Let us briefly identify the demographic characteristics of those candidates who succeeded and those who failed to win in November.

Age. The average age for all 152 candidates running in the Qawisna villages was 44.5 years. Winning candidates averaged 46 years and the losers averaged 43 years. It is interesting to note that only

TABLE II-6

AGE DISTRIBUTION OF QAWISNA DISTRICT CANDIDATES

Age	Elected 1966*	Elected 1976	Defeated 1976	Percentage of each age group defeated
25-30	10.1	7.1	17.5	46.6%
31-39	21.8	20.5	27.5	32.3
40-49	28.7	27.6	20.0	20.5
50-59	26.3	25.8	25.0	25.6
60-69	13.1	14.2	10.0	25.0
70+		4.8	.0	0.0

*James B. Mayfield, Rural Politics in Nasser's Egypt (Austin: University of Texas Press, 1971), p. 187.

slightly over a fourth (27.6%) of the successful candidates were under 39 years of age, yet nearly half (45%) of the defeated candidates were under 40. Also in comparing age breakdown between 1966 and 1976, younger candidates were elected in somewhat larger percentage during the mid-1960s

than today. This difference probably reflected the tendency of the ASU to recruit younger people into village councils during the early phase of the party's development. In the November election candidates over 40 years of age clearly had the advantage. Nationwide data for most governorates are consistent with the Qawisna data. (See Table II-7.)

Thus in Qawisna only 7.1 percent of the winning candidates were under 30 years of age as also were some 6.2 percent of the local council members from all governorates where data are available. Note that only al-Faiyum, Asyut, and the New Valley had over 10 percent of their council members under 30, while in both Cairo and Alexandria nearly all the council members are over 30.

Sex. Local council members in Egypt are still largely men. In fact out of some 19,896 local council members elected in November 1975 only 39 were women. (See Table II-2.)

TABLE II-7

PERCENTAGE OF COUNCIL MEMBERS UNDER 30 YEARS OF AGE
IN SELECTED GOVERNORATES OF EGYPT

Ismailia	9.7%	al-Minya	2.4%
Qalyubia	.9	Asyut	12.3
Dakahlia	6.8	Sohag	9.9
Gharbia	6.5	Qena	7.4
Dumyat	9.4	Aswan	8.6
Buheira	6.1	New Valley	12.1
al-Faiyum	11.7	Red Sea	1.9
Beni Suef	9.6	Cairo	1.1
Port Said	.0	Alexandria	1.5
Suez			
Average	6.2%		

ASU Membership. Although there is much discussion in the Egyptian mass media concerning the possibility of a multiparty system being developed in the next few years, Egypt still has a single political party (Arab Socialist Union). In the local councils established under the Nasser regime in the early 1960s membership in the ASU was mandatory for all elected council members. In fact the "elected members" of the local councils were first elected to the ASU's committees of twenty by the members of the ASU. Then the government selected twelve of the twenty from each ASU committee to be the "elected members" of the local council.

In November 1975 elections were held for all local councils and membership in the ASU committees was not a prerequisite. A careful analysis of national data and the specific data collected from Qawisna substantiate the assumption that such an election would weaken the ASU's hold on local councils.

TABLE II-8

PERCENTAGE OF COUNCIL MEMBERS WHO ARE MEMBERS
OF ASU COMMITTEES IN SELECTED
GOVERNORATES IN EGYPT

Ismailia	44.7%	al-Minya	46.0%
Sharkia	40.3	Qena	29.17
Minufia	42.7	Aswan	30.2
Gharbia	50.1	Red Sea	46.1
Dumyat	54.1	Alexandria	52.3
Buheira	34.9	Port Said	50.0
al Faiyum	23.0	Suez	41.6
Beni Suef	18.7		
Average	40.2%		

In eleven of the fifteen governorates where data were available less than 50 percent of the council members are still members of their respective ASU committees. It should be noted that Qawisna is somewhat higher than the national average. The average in the fifteen governorates which have data available is 40.2 percent and in the district of Qawisna it is 51.7 percent.

The specific data from Qawisna reveals some interesting information which might otherwise be lost if one only looks at averages. It

TABLE II-8

ASU MEMBERSHIP IN LOCAL COUNCILS OF QAWISNA

Village	Percentage of council members in Qawisna who are ASU members	Percentage of council members who are members of ASU committees	Percentage of council members who are chairmen of ASU committees
Mit Birah	50.0	50.0	18.7
Om Khinan	100.0	75.0	12.5
Tah Shubra	43.7	37.5	12.5
Arab al-Raml	75.0	56.2	6.2
Shubra Bakhum	37.5	37.5	12.5
Abnahs	87.5	81.2	6.2
Begayrim	62.5	25.0	18.7
Average	65.1	51.7*	12.4

*This figure includes all council members who are both members and the chairmen of their respective ASU committees.

is apparent from the data that individual villages have very different patterns of ASU influence in their local councils. Thus in Om Khinan.

Abnahs, and Arab al-Raml at least three-fourths of the local council members are members of the ASU. Yet in Mit Birah, Tah Shubra, and Shubra Bakhum less than a majority of each council holds membership in the ASU. While it can be argued that the ASU leadership (members of ASU committees) make up on an average only about 50 percent of the council members in Qawisna (remember it is 40 percent nationwide) it still varies widely from village to village. In Om Khinan and Abnahs over three-fourths of the council members are also members of their ASU committees. In every village council of Qawisna District at least one council member was also the chairman of his ASU committee. However, it should be noted that ASU committee chairmen in roughly 80 percent of the cases came from the smaller satellite villages where the leadership base is much narrower. It is very common in a small village for one person to be a member of the local village council, the ASU committee, and the agricultural cooperative board.

An analysis of the elections in Qawisna District identifies some interesting statistics. First, 84.9 percent of all ASU committee members who ran for office on the local council won, and some 93.3 percent of the ASU committee chairmen who were candidates for the local council were also able to win. Clearly leadership in the ASU was not an obstacle to electoral success in Egypt's local elections. In fact, although only 34.8 percent of the winning candidates were not members of the ASU, roughly 65.0 percent of the losing candidates were not members. Thus young non-members of the ASU were clearly at a disadvantage in the last local election.

In spite of the strength which the ASU apparently has there are three points gleaned from the interviews which would indicate that the party is on the wane in rural Egypt. First, it should be noted that in

all previous elections in Egypt since the early 1960s all candidates had to be members of the ASU; and yet in the November 1975 election there were 152 candidates of whom 65 were not party members. Thus some 42.7 percent of the candidates in Qawisna sought office without going through the local ASU hierarchy. Second, even though, on the average, roughly 65 percent of all council members are also party members, still in three of the seven village councils over half of their membership is not associated with the ASU. Third, after interviewing some 112 individuals in the rural areas of Egypt I was able to find only three people who felt the ASU was as strong or stronger than it was two years ago. The overwhelming majority of respondents indicated that the ASU had been greatly weakened in recent years, that it no longer had the leadership or drive it used to have, and that most of the villagers were less willing to take the ASU very seriously.

Family Status. The traditional Egyptian society is based on family ties and family relationships. An individual's status and power historically was a function of his family's power and position in the village. This reliance on family-based protection rested on the fundamental fact that, in a society where agriculture is the primary means of livelihood, large families are a prerequisite for security both in terms of guarding crops and in harvesting them. The large extended family represents the most effective unit for protection and solidarity. Big-family influence, epitomized in the traditional 'umdah system, has obviously been greatly weakened since the Revolution of 1952. Especially since the mid-1960s (some mark the end of the big-family influence with the Kemshish Incident of 1966), large land-owning families have had their power and influence curtailed. However, even though the

families owning 100 to 200 feddan (a feddan = 1 acre) no longer rule in rural Egypt, those families owning 25 to 50 feddan have come to the forefront and do play a significant leadership role in their respective villages. In the local government system which existed prior to the election in 1975, the ASU was able to recruit "non-Big Family" peasants to run for office in the village ASU committees. This attempt on the part of the ASU to weaken the big-family influence met with a certain amount of success and many observers of the Egyptian system have been curious as to the results of the November election. In a "free election" with non-ASU candidates would the "Big Families" reappear as a dominant political force in Egypt? Although we have no empirical data on the social and family characteristics of the previous ASU-dominated local councils, we can assume that special efforts were made to neutralize as much as possible the big-family influence.

An analysis of the Qawisna data suggests some new interesting trends in rural Egypt.

TABLE II-9

FAMILY STATUS OF VILLAGE COUNCIL CANDIDATES

	All Candidates	Elected Candidates	Defeated Candidates
Big Families	68 (44.7%)	51 (45.5%)	17 (42.5%)
Medium Families	78 (51.4)	58 (51.9)	20 (50.0)
Small Families	6 (3.9)	3 (2.6)	3 (7.5)
	100.0	100.0	100.0

First there is very little difference between winning and losing candidates. Well over 40 percent of both categories of candidates

were characterized as big-family candidates. Perhaps most significant is the fact that big-family influence has clearly reappeared, if in fact it ever really disappeared, in these particular villages. One can hypothesize that in a "free election" the more traditional patterns of political representation would re-emerge, especially in the smaller villages where family ties are still the most important source of influence and prestige. One additional item of information should be noted as we seek to chart big-family influence in the new village councils. The key political officer of the pre-Revolutionary period was the 'umdah. And while this office has lost much of its prestige and power it is interesting that every single village council member interviewed admitted that the 'umdah's family of their village was represented by at least one member. In fact, of the 112 members in the seven village councils 31 members were closely related to the 'umdahs of their respective villages.

There distinct patterns of electoral decision-making emerged from the interviews conducted in the Qawisna district:

1. Family Representative System. This system, which has existed in Egypt for centuries, involves an informal meeting of the heads of all the major families in the village. Through an informal discussion process candidates are selected to represent the various families. By law two individuals of the same family cannot both be members of a local council. Although competing candidates may seek support from the various families, before the formal election takes place all candidates, except those designated to be the "official 16 candidates agreed upon by the families" will have been encouraged (coerced?) to withdraw their candidacy. This family representative system appears to have functioned in three of the seven village areas of Qawisna District.

2. Competing Slate System. This system, which also has been known in earlier periods of Egyptian history--especially in the 1930s and 1940s, is most common in those villages where there are two major competing families or two groups of families. Each family or group of families presents a slate of candidates--approved by their respective families. In such a village, elections can be very divisive as the two power elites struggle for dominance. In the pre-Revolutionary period, when competing political parties championed slates of candidates for the office of 'umdah, these elections generated much controversy--even violence in some areas. However in Qawisna, during the November 1975 election, only one village council area of the seven presented two competing slates. It is interesting that the family slate from which the 'umdah had traditionally been elected won 15 of the 16 positions in the village council.

3. Mixed Election System. Fairly new in Egypt, this system represents a mixture of the old and the new. As in the older system, family leaders meet informally to identify potential candidates, yet along with the "family-selected" candidates "non-family" candidates emerge to challenge the "big families." These maverick candidates often have higher levels of education, have independent sources of income outside of land ownership, and generally come from one of the medium or smaller families in the village. In three of the seven village council areas, these non-big-family candidates were generally in the majority--making up anywhere from 50 to 60 percent of the village council members in their areas.

These three distinct patterns of electoral voting perhaps reflect the continuum through which modern Egyptian politics will flow

in the years to come. At one end is the consensus model in which family influence dominates the total political process; in the middle is the conflict model in which politics is defined as a zero-sum game in which politics by definition demands conflict, bitterness, and animosity. At the other end of this continuum is the pluralistic model which recognizes the legitimacy of competing candidates, and in fact subscribes to the notion that politics can be structured across a spectrum of reasonable differences. This, in some ways, reflects recent commentary in the Egyptian press about the need for a multiparty system (a minbar² for the left, the center, and the right). Yet in all the interviews with these village council members, not a single person was willing or able to articulate any reasonable basis by which the "three directions" might be distinguished. In fact all of those interviewed unanimously perceived themselves to be in "the center--with Sadat." One must conclude that while the legitimacy of competing candidates, not necessarily from the "big families," is now an established fact in many villages of Egypt, still very few candidates will use ideological differences as a basis for distinguishing themselves from others. Rural politics in Egypt is still a game of personality, family, and reputation.

Land Ownership. The figures presented below are a clear testimony to the tragedy of overpopulation in a country with limited agricultural land available for cultivation. Thus while over 40 percent of the village council members consider themselves members of "big families," only 10 percent actually own more than eight acres of land apiece. In

² A term used in the Egyptian press to denote different political parties which might emerge were Sadat to accept a multi-party system.

fact it is significant that 65 percent of the council members each own less than three acres or no land at all. The pressures of population, under the Koranic law of inheritance, gradually lead to continual division and fragmentation of a father's piece of land. Note that one in four of the defeated candidates was not a land owner.

TABLE II-10
LAND OWNERSHIP AND VILLAGE COUNCIL CANDIDATES

Land Ownership	Elected Candidates	Not Elected Candidates
No land	14.2%	25.6%
1 to 3 acres	50.4	46.3
4 to 7 acres	23.8	18.5
8 to 15 acres	7.1	5.1
16+ acres	<u>4.5</u>	<u>4.5</u>
	100.0	100.0

Education. One considerable problem facing the Egyptian government as it seeks to decentralize the local government system and begins to bestow decision-making powers upon the local council is the level of competency and experience the council members will have. Because the law prescribes that at least 50 percent of the council members must be peasants (owning no more than ten acres) and/or laborers (workers with high school education or less), the number of council members with higher levels of education will be limited. In the former councils, when ministerial representatives (village doctors, agricultural engineers, social workers, school principals, etc.) were voting members

of the village councils roughly one member in four (26.5%) had a college degree or more.³ Today only one member in ten (11.5%) has a college-level education. The consequences of this new trend is now difficult to measure and some have argued that the only difference is that the ministerial representatives in the village will still be attending the council meetings but now without voting privileges. It is thus assumed that these administrative officers, which are now constituted as the village executive committee, will wield a positive influence because of their education and expertise. Yet one message voiced by many of the council members interviewed was that these administrative officials often fail to attend the council meetings now that they have no voting prerogatives and thus the advantage of their expertise and higher levels of training are less apt to be felt within the sessions of these councils.

TABLE II-11

EDUCATION AND VILLAGE COUNCIL CANDIDATES

Level of Education	Percentage of Elected Candidates	Percentage of Defeated Candidates
Grade School or less	45.7%	36.4
Prep and High School	43.2	43.4
College	<u>11.1</u>	<u>20.2</u>
	100.0	100.0

Village Council Chairmen

The tendency for local council members to be inexperienced and uneducated is somewhat offset by the level of education and experience

³James B. Mayfield, Local Institutions and Egyptian Rural Development (Ithaca: Cornell University Press. 1974).

among the local council chairmen who are elected by their fellow-representatives. Based upon data collected from 17 of the 24 governorates we note the following differences between council chairmen and ordinary council members:

1. Although some 60 percent of the ordinary members of the local councils are classified either as workers or peasants, somewhat less than 40 percent of council chairmen are so classified.
2. While roughly 15.0 percent of the ordinary members have graduated from college nearly 40 percent (38.8%) of the council chairmen are college graduates.

This solid group of college trained local council chairmen may provide the leadership needed to direct and guide these local councils into becoming the kind of institution Egypt needs to implement the programs and policies of development and modernization.

TABLE II-12
 CONTRASTING PROFILE BETWEEN LOCAL COUNCIL CHAIRMEN
 AND LOCAL COUNCIL MEMBERS

	Chairmen	Members
Chairmen of ASU Committees	44.8	40.2
Level of Education		
Grade School or Less	17.4	54.6
High School	43.8	29.8
College Graduate	38.8	15.6
Percentage Who Are Workers and/or Peasants	39.3	63.1

Development of Local Government in Egypt

A careful analysis of local government in Egypt over the past three decades demonstrates the existence of at least four stages in its development.

Stage 1: The 'umdah system--highly centralized, generally very authoritarian, in which the one main representative of the central government, the village 'umdah or mayor, ruled the community in a strong, highly centralized way. The major focus was on security and control and most of the few functions of the various ministries were channeled through this office.

Stage 2: The "Unified Council" system--based upon the need to establish a village or town council which, because of its lack of experience, required fairly close supervision from the central government. The second stage included a local council made up of elected members (selected from the ASU committee), a few selected members, and the ministerial representative in the local area (doctor, social worker, teacher, security and housing officials). Bringing together the political representatives of the ASU, some traditional representatives, and some representatives from the various ministries, this unified council tended to focus on political awareness through an active single-party system and close interaction and supervision of political elements by the more knowledgeable representatives of the ministries providing services in the local areas.

Stage 3: The "Two-Branch Local Government" system--established under Public Law 52. This new system envisions the creation of two interacting and hopefully coordinating institutions of local government: first an elected council of local representatives freely chosen by their

constituents, and second an executive committee representing the various ministries providing services in the local area. The focus of this latest system is the need for the council to represent the people, to identify their needs, to consider alternative plans and programs, to develop a draft budget which represents the real needs of the people, and finally to conduct on-going monitoring and evaluations of the services and programs which the central government is providing. Also this new law envisions a strong executive branch called an executive committee which will seek to coordinate and implement the plans and programs developed by the councils in conjunction with the central ministries. In this third stage central control will remain dominant as the vast majority of laws and budgetary revenues will still come from the central government.

Stage 4: The "Local Self Government" system--which is expected to emerge in Egypt in the future. The local council will, because of the experience it gained in Stage 3, begin to assume greater responsibility for both legislative and executive functions. Adequate revenues will be made available to ensure that over 50 percent of the budget will come from local sources. The wages, current expenses, and capital expenditures will become more and more independent from central control and the executive committee will gradually divest itself of many of its functions and activities, assigning them to the council itself.

Two innovations in Public Law 52 appear to be harbingers of a stronger local government system for Egypt in the future. First articles 37, 54 and 70 announce the establishment of a special fund for services and development. It is based upon locally generated revenues and will remain in the council for independent development

projects both for additional services and income-generating activities. As of the end of September 1976 these funds have not yet been dispersed at the village level but all indications are that these funds will be available by January 1977. I refer to this special fund as a reminder that the Egyptian government does appear committed to allowing the local councils to play the dominant role in the future for economic development and increased service programs in the local areas. The Ministry of Local Government will apparently play a key role in implementing and encouraging the development of these "special funds." Let us now look more closely at the budgetary and financial system in Egyptian local government.

CHAPTER III

FINANCIAL RESOURCES IN THE EGYPTIAN

LOCAL ADMINISTRATION SYSTEM

One clear indication of Egypt's commitment to local autonomy and the eventual development of decentralized local government institutions will be the degree to which local councils in the present local administration are or can be financially independent of central government resources.

The total Egyptian government budget in 1976 was roughly six billion Egyptian pounds (approximately \$9 billion). The chief sources of revenue are the income tax, corporation tax, sales tax, import-export tax, land tax, loans, etc. Out of this six-billion-pound budget, only 390 million is allocated for local administration--roughly 6.5 percent of the total budget. Of great significance is the fact that local administration councils have access to financial resources which total approximately 90 million Egyptian pounds which is collected at the local level. Thus only 23 percent of the local administration budget is covered by revenues designated by law to be local government revenues. The other 77 percent of the local administration budget is allocated in the form of grants-in-aid from the central government. It is for this reason that Egypt at the present time must be classified as a local administration system rather than a local government system.

A brief description of the revenues available to the local councils in Egypt gives some indication as to the extent to which these

councils may or may not eventually become financially independent.

Governorate Financial Resources

Joint Revenues

Under Public Law 124, the first law of local administration passed in 1961, all governorates were allowed a share of a special add-on tax placed on all import and exports taxes. Under Public Law 52 passed in 1975 all governorates were given additional sources of revenues in the form of an add-on tax for "movable properties" (stocks, bonds, shares, etc.) and from all industrial and commercial profits tax.

The percentage of these taxes that go to the local administration system is fixed by law. The fixed rate for the import-export add-on tax is 3 percent, for movable property, 5 percent, and for industrial and commercial profits between 10 and 15 percent. The amount collected from these add-on taxes was roughly 20 million Egyptian pounds during the 1975-76 fiscal period. Half of the 20 million went into the budgets of the governorates where the import-export, movable property, industrial and commercial taxes were collected. Therefore some 30 percent of these monies go to Cairo, Alexandria, Port Said, Suez and Aswan governorates. The other half of the 20 million Egyptian pounds went directly into the Ministry of Local Administration. Although the Ministry of Local Administration would like to use this 10 million pounds for special development projects across all the governorates, the present arrangement with the Ministry of Finance is to allow one million pounds to be used for special developmental projects while the other nine million go into the Ministry of Local Governments budget under the category of the "Share of the Joint Revenues."

Each year the Ministry of Local Administration receives a letter from the Ministry of Finance, reminding the Ministry of Local Administration of the agreement by which only one million of these joint revenues can be used for special developmental projects. Efforts in recent years have been made by which a larger share of these joint revenues could be diverted to special development projects. The Ministry of Finance within the past year has agreed to increase these special projects funds up to four million pounds on the condition that the Ministry of Planning gives prior approval for these projects. Thus it appears that the Ministry of Finance has traditionally discouraged the creation of any financial budgetary system at the local level that would be independent of the central government's overall plans. Some sources in the Ministry of Local Administration have indicated that the passage of Public Law 52 reflects the commitment of the highest levels of government to establish eventually a more autonomous and independent local government system.

As these special project monies become available, governorates are encouraged by the Ministry of Local Government to submit their proposals for local development projects. The guidelines, so far announced, suggest that the project proposals should be between 20,000 and 60,000 Egyptian pounds--depending upon the size and importance of the governorate.

Other revenues available to the governorates include:

1. One quarter of the land tax and one quarter of the add-on land tax which by law is fixed at 15 percent of the original land tax. At present the total land tax and add-on tax is roughly 14 million Egyptian pounds. One quarter of that tax goes to the governorate level and the other three quarters goes to the towns and villages.

2. All taxes collected on motor cars, motorbikes, carts and bicycles.

3. Fifty percent of the sale price of all public building sold. The other 50 percent goes to the town or village where the building is located.

4. Receipts from allocation of the funds invested by the governorate and all the revenues from utilities controlled by the governorate.

5. Other taxes and duties imposed by the governorate.

6. Government grants-in-aid, already mentioned, total presently 75 percent of all governorate revenues. The fact that three-fourths of the governorate's financial needs still come from the central government precludes any meaningful system of autonomy or local initiative from being established in the short run.

Public Law 52 provides for a new source of revenues, unique to the traditional system of Egyptian finance, which potentially may become the basis for a truly independent local government system. By article 37 the governorate council may establish an "account for local services and development." This "special account" is completely separate from the central budget and does not devolve to the public treasury (central government) if it is not spent. Thus over the years this fund could grow to be a significant part of the local council's budget revenues. The revenues which go into this "special account" come from three sources:

1. Special local duties on various crops and food stuffs produced in the cooperatives.
2. Projects which may come from the development projects financed by this "special fund."
3. Donations, contributions and supports from local, national and international sources.

Although the amount of money available from the "special account" is obviously a very small percentage of the local council's budget, this

"special account" at least provides the mechanism for the eventual development of some financial autonomy for local councils in Egypt.

District (Markaz) Financial Resources

Of all the local government units, the district level has the least definitely defined set of revenue sources. It is clearly the most dependent level of government in the local administration system of Egypt. General sources of revenue for the markaz include:

1. Sources assigned by the governorate council.
2. Receipts from investments of all utilities under the direction of the district.
3. Government grants-in-aid.
4. Loans contracted by the district council.

Article 43 allows the district council to establish its "special account" for development projects. The law is not clear as to the source of monies for this "special account" at the district level. If the district is to play a more significant role in local government administration, specific sources of revenue will have to be identified for these districts.

Towns Financial Resources

General sources of revenue for town councils consist of:

1. Taxes on buildings located within the jurisdiction of the town.
2. Seventy-five percent of the land tax and add-on land tax collected within its area of jurisdiction.
3. Sources of revenues assigned from the governorate council to the town council.
4. Duties imposed by the town council to include: birth certificates, licenses for quarries, mines, fishing rights, business licenses, animal registration, slaughter house registrations, public market, water, electricity and gas taxes, etc.

5. Half of the sale price on all public buildings sold within the town.

6. Government grants-in-aid.

Article 54 allows the Town Council to establish its "special account" for development projects in the town. The law is not clear as to the source of monies for this "special account."

Village Financial Resources

General sources of revenue for Village Councils are:

1. Seventy-five percent of the land tax and the add-on land tax for all lands within the jurisdiction of the village council area. It should be noted that peasants who have three feddan (feddan = 1 acre) of land or less do not pay land taxes. Since a significant portion of the peasants own less than three feddan of land, this restriction greatly reduces the tax base for each village.
2. Taxes and duties of a local character imposed by the village council.
3. Revenues from utilities managed by the village.
4. Sources of revenue assigned to the village council from the governorate council.
5. Central government grants-in-aid.
6. Loans contracted by the village council.

Article 70 states that "a special account for local services and development is to be instituted in every village." Whereas these "special accounts" are optional for governorate, district, and town councils, Public Law 52 specifically requires that every village council must have a "special account" for development projects. The Ministry of Local Government hopes this "special account" will motivate village councils to take a more active role in defining, planning, and establishing local village projects. It is hoped that providing these village councils with some independent sources of revenue should increase the importance and activity of the village council members.

Article 70 outlines in some detail the possible sources of revenue for these village "special accounts" which suggests that the authors of Public Law 52 did perceive these new sources of local funds to be significant. The sources of the "special accounts" include:

1. Seventy-five percent of the special duties imposed specifically for this "special account," mostly on agricultural products processed through the cooperatives.
2. The funds of the projects, which are defined as circulating capital.
3. Proportional share of revenues and rents coming from buildings and apartments constructed by this "special account."
4. Proportional share of the social service profits of the agricultural cooperatives in the village.
5. Donations, contributions, and support from local, national, and international sources.

A general impression gained from interviews with officials and council members from seven different village council areas is that most council members have only a rudimentary understanding of the budgetary and financial system as it applies to their village. The special account described above is still under the control of the district or the governorate offices although three of seven village councils thought the special account for services and development would be available for their use after January 1977. None of the village council members interviewed had any idea as to the amount the special account might contain, but all hoped they could draw upon it in the near future.

Local administration rather than local government is a reality in Egypt, not only because of the financial disparity between the budget and financial revenues available to local councils but also because of the very nature of the budgetary process in Egypt today.

Budgetary Process in Egypt

An analysis of the Egyptian budgetary process requires an awareness of the following four things:

1. The Egyptian government appears committed to the establishment of a decentralized system in spite of the fact that Egypt's administrative system has historically been very centralized.

2. The new Public Law 52 is worded to imply that such a decentralized system is now being established when in fact it appears that such local autonomy is still far in the future.

3. Most knowledgeable observers recognize that Egypt is in a transitional period in which the central government still plays the dominant role in all fiscal and budgetary matters. Yet there is sufficient evidence to suggest that procedures are being activated in the local areas which at least have the potential for establishing a more decentralized system of budgeting and finance.

4. It is important to distinguish between what the law says and what still exists in practice. This gap between the two should not be described in purely cynical terms, for the government appears committed to the gradual establishment of a truly local government system in which local councils will have access to their own separate revenues and resources.

Let us briefly seek to define the constraints of Public Law 52 which imply a decentralized system and those which clearly describe a very centralized system. Under Public Law 52 all councils at the governorate, district, town and village level are directly elected and as supposedly representative councils they are given responsibility for the preparation and development of their respective draft budgets.

Specific articles in Public Law 52 define these responsibilities:

1. Article 13 gives the governorate this responsibility for the area of its jurisdiction.
2. Article 41 gives the district this responsibility for the area of its jurisdiction.
3. Article 49 gives the town this responsibility for the area of its jurisdiction.

Thus in theory each council is supposed to develop a draft budget outlining the four major categories of: (1) Wages, Salaries, Bonuses, and Overtime; (2) Current Expenses; (3) Investments; and (4) Capital Transfer. The law implies that the decisions concerning budgetary amounts can be decided independently by each council. In reality it functions in a clearly different way. Although the council does give great input into the budgets that are eventually sent forward to the next level of administration, most of the inputs from the local councils which go beyond the rough guidelines provided by the ministerial representatives in the governorates are quietly deleted at the central government level.

The budgetary process in Egypt functions basically as follows: First in early spring the various ministries develop rough estimates of what they expect their budgets will be in the coming year. These estimates are gradually filtered down through the hierarchies of each ministry--first to the governorate level, then to the district and town and finally to the village levels.

At the same time the Ministry of Finance distributes a manshur (book of instructions and guidelines) to each governorate. The manshur specifically outlines the technical steps required for the preparation of the budget for each governmental level. Since the elected councils themselves rarely have the competence to prepare these budgets the executive committee of each village (which includes the respective ministerial

representatives, who have already received guidelines as to the budget they can expect, plus the heads of the councils' committees--health, education, social services, agriculture, housing, etc.) under the direction of the chairman of the village will prepare the draft budget which is then submitted to the village council for its approval. After some discussion first in each committee and then in the council as a whole the draft budget will be approved. It is not uncommon for these village councils to insist on budget requests which go far beyond the guidelines announced by the ministries. One official in the budget department of the Ministry of Local Administration admitted that these popularly elected councils often increase the size of the draft budget presented to them by the executive committee five to ten fold. Thus one of the major problems in the budgetary process is the tendency for village council members to have "a totally unrealistic view as to what the government can or should do for them." According to regulations from the Ministry of Finance, the draft budgets must be submitted in the form approved even though they are far beyond the guidelines established by the ministries.

After all local draft budgets have been approved, they are sent to the Department of Finance at the governorate level. This department is separate from the governor and is directly under the control of the Ministry of Finance. The Department of Finance puts all the drafts in proper form and incorporates them into one budget called "the General Craft Budget of the Governorate" which is first submitted to the executive committee at the governorate level. Although the law states that no amendments are possible at this level, it appears from various sources in different ministries that the executive committee, in which the

governor can play an important role, has been known to make changes. The governor submits the draft budget to the governorate council for its discussion and approval. This body, too, has been criticized for adding requests which are unrealistic and eventually have to be cut at the ministerial level. Once the governorate council has approved the draft budget each section is sent to its respective minister.

At this point a series of negotiations will take place between the various ministries and the Ministry of Finance. The Minister of Finance will reduce the amounts requested by the elected councils to a level consistent with estimated revenues of the total country. If serious conflicts emerge the final level of appeal is the Prime Minister in most cases. Next the draft budget is submitted to the Ministerial Committee for Planning and then to the entire Cabinet for final discussion and negotiations.

Now the draft budget is presented to the National Assembly for approval. When it is approved it becomes the budget. The Ministry of Finance at this point communicates the final budget items to the Governorate Department of Finance. Based upon the recommendation of this body the governorate council announces the distribution of funds for its villages and towns. It is then the responsibility of the governor to inform the local councils of the actual funds available in each budget category.

Village Budgets in the District of Qawisna

A limited analysis of the Qawisna District budget for 1976-77 reveals some interesting characteristics of the financial resources and categories of expenses. In discussing the amounts of each category for Qawisna District it appears that category III (Investments) and category

IV (Capital Transfers) funds are controlled, allocated, and dispersed at the governorate level. None of the budget documents inspected in the district council office or the village council offices had category III and IV funds enumerated.

In Tables III-1 and III-2 several significant observations should be noted as one seeks to evaluate the budgetary and financial system functioning in rural Egypt:

1. Table III-1 lists the budgetary expenses of the executive committees of the district, town, and villages in Qawisna District, while Table III-2 lists the budgetary expenses of the elected local councils. Note that the budgets for the elected councils are consistently less than 10 percent of the budgets allocated for the executive committees. The executive-controlled functions of local government in rural Egypt appear much more significant than the functions of the local councils if budgetary allocations are any indication.

2. Although the executive committee budgets are much greater than the local council budgets, it is interesting to note that the latter are scheduled to more than double in size between 1976 and 1977. There appears to be some commitment on the part of the central government gradually to increase the budgets for these local councils.

3. Local government budgets for executive committees tended to increase roughly 25 percent between 1975 and 1976. The recently announced 1977 budgetary allocations for the executive committees in the Qawisna district demonstrate the Egyptian government's desire to upgrade the quality of local government even more. Thus between 1976 and 1977 the budgets at least in Qawisna are scheduled to be increased on an average of over 55 percent among the seven village units. If this

TABLE III-1
 BUDGETARY TRENDS IN QAWISNA DISTRICT EXECUTIVE COMMITTEES
 (Amounts are in Egyptian Pounds)^a

	Category I		Category II			
	1976	1975	1976	Percentage Budget Increase 1975-76	1977	Percentage Budget Increase 1976-77
Qawisna District	40,000	33,480	34,204	(+ 2.1%)	47,385	(+38.5%)
Shubra Bakhum	--	4,446	5,714	(+28.5%)	8,617	(+50.8%)
Mit Birah	5,607	5,886	9,176	(+55.8%)	17,861	(+94.6%)
Om Khinan	12,200	6,241	10,477	(+67.8%)	15,949	(+52.2%)
Ibnahs	9,200	9,536	11,743	(+23.1%)	14,636	(+24.6%)
Bigayrim	3,681	6,477	7,307	(+12.8%)	11,561	(+58.2%)
Arab al-Raml	78,534	7,646	6,442	(-15.7%)	10,281	(+59.5%)
Tah Shubra	--	9,331	9,585	(+ 2.7%)	14,407	(+50.3%)
Village Average		7,080	8,634	(+24.2%)	13,330	(+55.7%)

^aOne Egyptian pound = approximately \$1.50.

^bCategory I includes wages, salaries, bonuses and overtime.

^cCategory II includes current expenses.

TABLE III-2
 DISTRICT, TOWN AND VILLAGE COUNCILS' BUDGETS*

	Category I	Category II	
	1976	1976	1977
Qawisna District Council	--	2896	3861
Qawisna Town Council	--	400	795
Shubra Bakhum Council	76	160	360
Mit Birah Council	76	160	345
Om Khinan Council	76	160	325
Ibnahs Council	76	160	340
Bigayrim Council	76	160	340
Arab al-Raml Council	76	160	325
Tah Shubra Council	76	160	340

*See footnotes to Table III-1.

trend were to continue over the next few years, the scope of local government services in Egypt could be enlarged considerably.

In Table III-3 below the items listed in the current expense portion of the district, town and village budgets are outlined in some detail. The largest single item is electricity. The central government's desire to provide electricity to the rural areas has required a large amount of funds for transformers, generators, wire, and poles. This public utility expense has accounted for roughly 70-80 percent of several village area budgets. Commodity expenses (fuels, spare parts, stationery and tools) generally account for less than 5 percent of the village budgets. Service requirements which include a wide variety of expenses (maintenance, publications, transportation, social services, training, etc.) generally include roughly 15 percent of the budgets. Many of the village chairmen complained that their transportation budgets were totally inadequate. Note that most village budgets have less than 150 Egyptian pounds (\$225) for transportation, hardly enough to cover the travel expenses of a village chairman who should be visiting all the satellite villages on a regular basis. Equally significant is the fact that only five pounds are set aside for training at the village level. From the interviews conducted, it was impossible to find a single village chairman who could explain how his funds for training were to be used. Obviously the need for training is crucial if the quality of service and administration are to be improved in the rural areas of Egypt. Yet few local officials have the interest, skill, or the funds to conduct effective training for their staffs.

Some general conclusions seem to be appropriate from this analysis of the budgetary process in Egypt.

TABLE III-3

FINANCIAL DETAIL OF THE QAWISNA DISTRICT BUDGET
 (Category II - Current Expenses), 1976-77
 (In Egyptian Pounds)

	Qawisna District	Shubra Bakhum	Mit Barah	Om Khinan	Abnahs	Begayrim	Arab al-Raml	Tah Subra
I. Commodity Requirements								
A. Raw Materials	1,000	300	250	50	25	15	10	10
B. Fuels, Oils, Power	1,500	54	54	39	39	38	38	50
C. Spare Parts, Miscellaneous	600	113	56	77	67	8	49	46
D. Stationery and Books	400	150	150	150	175	75	60	70
E. Water and Electricity	--	--	--	--	--	--	--	--
F. Small Tools and Equipment	<u>1,200</u>	<u>250</u>	<u>80</u>	<u>125</u>	<u>125</u>	<u>75</u>	<u>170</u>	<u>80</u>
Sub Total	<u>4,700</u>	<u>867</u>	<u>590</u>	<u>441</u>	<u>381</u>	<u>211</u>	<u>327</u>	<u>256</u>
II. Public Utility - Electricity	28,000	7,000	10,220	10,392	10,561	6,740	8,202	11,758
III. Service Requirements								
A. Maintenance Expenses	4,380	200	202	115	100	100	67	118
B. Publication and Media	50	10	5	5	5	5	5	10
C. Printing Expenses	629	220	180	160	150	115	115	180
D. General Transportation	750	150	110	175	120	70	70	100
E. Other Services (Fire, etc.)	7,371	1,000	1,704	1,732	1,909	1,125	1,200	196
F. Social Service Costs	25	--	--	--	--	--	--	--
G. Training	20	5	5	5	5	5	5	5
H. Miscellaneous Service Costs (Funerals)	<u>860</u>	<u>5</u>	<u>5</u>	<u>10</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Sub Total	<u>14,085</u>	<u>1,590</u>	<u>2,211</u>	<u>2,202</u>	<u>2,294</u>	<u>1,425</u>	<u>1,467</u>	<u>2,378</u>
IV. Current Transfer Expenses								
A. Rent	200	160	40	--	--	--	--	--
V. Committed Current Transfer Expenses								
A. Expenses Accrued From Previous Years	400	--	4,800	2,514	1,000	3,185	1,285	--
B. Welfare Expenses	--	--	--	400	400	--	--	--
Sub Total	<u>400</u>	<u>--</u>	<u>4,800</u>	<u>2,914</u>	<u>1,400</u>	<u>3,185</u>	<u>1,285</u>	<u>--</u>
Grand Total	47,385	8,617	17,861	15,949	14,636	11,561	10,281	14,407

1. The Egyptian government appears committed to allowing the directly elected councils to play some role in the development of budgets.

2. Although the outward appearance of this process would seem to suggest that much of the activity of the councils has little substantial impact on the final budget, nevertheless it cannot be denied that these council discussions can be valuable learning experiences in socializing these often very unsophisticated council members into the difficult and frequently technical aspects of the budgetary process.

3. The fact that the councils are allowed to amend budget requests often to very unrealistically high levels plays a functional role possible in two ways: (a) the very opportunity by which council members are encouraged to consider alternative budget options should strengthen their awareness as to the possibilities of effective government action at their level of concern; (b) the present tendency for the central government to delete these programs on the basis of revenue availability should sensitize these council members to their responsibilities if and when additional revenues were to be made available to them.

4. Given the relatively low levels of experience and competencies available to the local councils presently functioning in Egypt the present system of budgeting and finance for the local areas appears appropriate.

CHAPTER IV

PROBLEMS OF CHANGE IN EGYPTIAN LOCAL GOVERNMENT

Assumption I

The Ministry of Local Government will have an extremely difficult task in: (1) trying to implement Public Law 52; (2) providing adequate training for all the government officials and village council members working in rural areas; and (3) developing a personnel system which will obtain the level of commitment and administrative skill needed to make the new decentralized system function as it should.

The most pressing and significant question facing the leaders of the Arab Republic of Egypt centers on the issue of development. What mixture of funds, personnel, material, technology incentive, and institutional strategies are most appropriate to maximize the drive for growth and development? The Ministry of Local Government has been given the mandate to establish a local government system that will add to the broader task of development. Local government institutions are being established up and down the Nile River valley in an attempt to integrate services and programs, to stimulate local initiative and involvement, and to encourage economic productivity and higher standards of living. All of this requires change.

The key officials in the Ministry of Local Government who have participated in bringing about organizations and procedural changes in the local system of Egypt over the past two or three decades have learned that it is not enough to draft a new law, write up new executive regulations, and issue instructions putting change into effect. Fundamental changes in the attitudes, behaviors, expectations and levels of

motivation must be made at the ministerial, governorate, district and village levels. Put succinctly--effective change in the local government system of Egypt will require alterations in the behavior of individuals and groups that function in the local government system of Egypt.

Change always upsets the state of affairs in an organization. Some may welcome the upset because they found prior conditions restrictive or oppressive. Others, who had no argument with the old, may also welcome the new because they see enlarged opportunities and potential gains. But change in the status quo is likely to be viewed askance by many who do not want to be disturbed in their ways and who are uncertain of what the future may bring in its wake. This is especially true of older persons who no longer have the energy or the desire to make the effort required to adjust to the new.

As the Ministry of Local Government begins the tough work of implementing Public Law 52 in ways which will maximize political, economic and social development in the rural areas of Egypt, it must consider both the factors encouraging change and those factors that act as barriers to change in Egypt in order to direct attention to the problems that the Ministry of Local Government must consider in developing and carrying out its plan.

A first important factor operating in favor of change in Egypt is the clear evidence that President Sadat and his key advisors and ministers are strongly supporting the new proposals for rural development and the establishment of an effective system of local government. Second, Egypt has gradually through successive shifts and slow changes provided an environment where the local councils may begin to function as effective instruments of representation, planning and evaluation. Moving very

slowly from a fairly centralized systems to a more decentralized one, the local councils have been given adequate time to prepare for the arduous tasks of self-government. Finally, specific efforts are being made to provide these local councils with funds and resources necessary to eventually emerge as independent local government units capable of identifying needs, generating sufficient funding, developing and implementing programs, and then pursuing the tasks of evaluation and follow-up.

But how does Egypt in the next two to three years implement this new system in the most efficient and effective way? The success of the Ministry of Local Government in implementing Public Law 52 hinges on the extent to which the Ministry is able to help council members and executive committee members alter their behavior. They will no longer be allowed to do many things that they were accustomed to do and they must learn how to do many new things. Such a transformation of behavior in Egyptian government will not be easy to effect, and unless all of the resources of the Ministry in conjunction with all ministries concerned with rural development work together, it is likely that the change expected will not be effectively implemented.

Established ways of behaving and interacting especially in the administrative systems of Egypt are not easily altered because of the multiple reinforcements that usually exist. Over the years employees may have learned that in a ministry or in a governorate organization promotions are granted to those who have not stepped out of line; to those who always check with their superiors before taking action and insist that their subordinates do likewise; and to those who are cooperative even when it involves ignoring what they believe to be right.

All human behavior is learned. Hence, the success of the implementation process will also depend on the opportunities afforded the members of the local government systems at the ministerial, governorate, district and village level to receive training in new skills. The Ministry of Local Government must provide a climate for learning and devote adequate resources to the task. The acquisition of new skills is the crux of the implementation process.

A whole series of new skills and behaviors are going to be needed if Public Law 52 is to be implemented effectively:

- (1) How to motivate people who are under you, above you and with you.
- (2) How to communicate in an effective way which utilizes a two-way system of interaction.
- (3) How to monitor and check up on people without making them feel they are being overly supervised and controlled.
- (4) How to plan and implement programs which will help people to solve their real problems.
- (5) How to acquire technical skills in leadership, budgeting, preparing agenda and plans of action, and community development strategies.

Adults usually learn more informally, largely as a result of alterations in the environment. All the training in the world will introduce no change unless behaviors are really changed. A whole series of changes will be required: The relationships between supervisors and subordinates, the criteria used to assess good work, the level of expectation and activity, and alterations in the incentive and reward

system are all required if new behaviors are to emerge. The challenge that the Ministry of Local Government faces is to alter the basic mechanism and controls available to it in such a manner that they contribute individually and collectively to bringing about the changes in behaviors of elected members in the councils and the appointed members of the executive committees required to make a success of the new local government system. To this end the ministry must introduce appropriate changes in its personnel policies and in its control measures; it must also make provision for a continual monitoring and feedback system-- including periodic surveys of villagers' opinions, continual visits from district level supervisors, and opportunities for executive committees and council members as a group to visit the district offices for team-building training and encouragement. Only a continual interaction between district-level and village-level officials will stimulate the effort required to make the village council a viable institution for change and development.

One of the key responsibilities the Ministry of Local Government must face is the establishment of an incentive and reward system that clearly and quickly rewards the new behaviors desired. For example any individual who knows the villages of Egypt well recognizes that the officials who work in the villages, except for a few exceptions, tend to be one or more of the following: Apathetic: "There is nothing I can do." Unconcerned: "They [fellahin] really don't want to change any way." Critical and Superior: "They [fellahin] are really too stupid to understand what I am trying to do." Isolated and lonely: "I am so far from my friends and family and no one here really cares about me." Discouraged: "I really tried for the first few months but nothing happened." Anxious to

leave: "I will soon be leaving--let the next person try to do something."

Helpless and unqualified: "I have never lived in a village before and there is so much to do and I don't know where to start." Fearful and

unsure: "Some of key people in the village told me to mind my business and do what they say and I will be all right." Indifferent: "I do what is required in paper work and no more--that is what I am paid for."

Easy-going: "Ma'alaysh, baada bukra, inshallah we may try something."

These behaviors will dominate in the villages until there is an incentive or reason to change. The Ministry of Local Government and most other ministries will continue to pour hundreds of thousands of Egyptian pounds into wages for their officials and employees with very little effect until new behaviors needed are identified, practiced, encouraged, and rewarded. It is recommended that careful analysis of the pay scale and alternative programs be considered especially at the village and district levels. At the present time there is little distinction between competent and incompetent village chairman or between aggressive, highly motivated district leaders and the more passive officials in terms of pay or special bonuses. Obviously, criteria of effectiveness must be developed to reward and reinforce those behaviors needed to ensure the effectiveness of the new local government system.

The Ministry of Local Government must recognize and surmount another hurdle in its personnel actions if a plan for change is to have any chance of succeeding. It must be alert to the key officials in the ministry and governorates who cannot or will not support the new system. Opposition to the changes may arise from different sources and express itself in different forms, but in any case such behavior, unless checked and contained, can prove very disruptive. There is probably no greater

threat to the implementation of Public Law 52 than if key officials, at whatever level of local government, through lack of capacity or lack of willingness do not uphold and support the new system. For the success of this new local government depends upon the integrity and competency of those responsible for implementing this law.

Over the years Egyptian officials have become sensitive to the importance of using modern personnel methods which stress agreement by consent rather than by coercion. And there is much merit to approaches that minimize the use of punishment. Yet the need for discipline remains and its proper use in the next year of implementation is most important. Since we all know that people cannot learn without time or practice, it will be easy for officials not to press subordinates to meet their new responsibilities. They will be too willing to accept excuses. But if this happens, it will be harder to bring about the desired changes in behavior. Since there is little fear, those who are disinclined to change will cling to their old ways.

CHAPTER V

TOWARD AN UNDERSTANDING OF RURAL POVERTY IN EGYPT

Assumption II

The crucial element for an efficacious rural development program rests upon the effectiveness of the local official who is assigned to the rural areas. Only if he truly understands and empathizes with the peasants and is skilled in communicating and working with them will his efforts be productive and useful.

The problems of the poor and ignorant fellahin in Egypt are not accidental or inadvertent. They did not occur by chance or fate. The problems of the Egyptian peasant are a culmination of systematic planning and organization that goes back five thousand years. Conceived in man's greed, nourished in his transgressions and acted out in the atrocities of man's inhumanities to man, the social and economic problems of modern Egypt are a consequence of rational planning and methodical implementation.

The problems of the rural populations along the Nile River are the products of the systematic conditioning of one segment of society by another. With an economic motive clearly in view, the ever stable fellahin have been systematically conditioned to internalize inferior attitudes and behaviors; and conversely, and consequently, the upper elements have been systematically conditioned to internalize superior attitudes and behaviors. Even a cursory look at the history of rural Egypt solidly documents the tendency.

The cycle of social failure begins, then, by conditioning one

group (the fellahin) to experience themselves as inferior in order to serve the interests, primarily economic, of other groups who are in the process, either implicitly and/or explicitly, shaped to experience themselves as superior. Again, the conditioning process, although somewhat neutralized since the revolution of 1952, has been methodical, pervasive and cumulative in its impact. Discriminatory practices in all areas of existence taught the peasant that he was inferior, and his powerlessness to change this basic teaching reinforced the effects of the original teaching. Exploitation and privation in the areas of man's basic needs, the shelter he provides, the food he eats, the family he protects, the freedom he has, the justice he receives, all converge to intensify the fellah's feelings of hopelessness and frustration.

Students of human behavior have long known that frustration can stimulate a wide variety of coping mechanism including: submission, passivity, regression to simpler modes of coping, evading the situation, forgetfulness, aggressiveness and hostility. The Egyptian peasant has experienced the violence of thar (blood revenge), the subtleties of the fahlawi personality and the tragedy of fatalism so easily captured in the concepts of ma'alaysh, baada bukra, and insha'allah. All of these social activities, characteristics, and experiences are but a reflection of the wide variety of ways the human spirit can devise coping mechanism for his frustration.

The conditioning process which molds the attitudes and perceptions of both government officials and peasants begins even before the child enters school. For the peasant child, it begins with the deprivation that attends poverty. It begins with the poor health and inadequate

diets of the parents. It continues with the poor health and inadequate diets of the children and later their children. The brains and bodies of millions of Egyptian children are damaged by hunger and the lack of the proper kinds of food. The intellectual development of these children is further retarded by a lack of stimulation in the home--the absence of simple stimuli such as toys and books contribute to this retardation. When the lack of proper medical care and other disabilities are added to these crippling liabilities, the life prospects of the peasant child are pathetic.

During the early years, so critical to a child's intellectual, social, emotional, motivational, and physical growth, the Egyptian peasant child is, even today, undergoing a systematic conditioning process to develop his inferiority. Now, we can say that some of these conditions, at least in the short run, are out of our control. But what of the schools over which there is supposedly some control. What happens to the peasant child when he enters school?

Empirical research of the past decade and a half in Egypt suggests that rural schools have consistently failed to effectively teach low-income peasant children the basic skills which middle-class pupils in Cairo and Alexandria learn readily. As a consequence they may never learn to read effectively. They tend to achieve lower and lower intelligence quotients over the course of their schooling and are consequently much more apt to drop out of school early. The assumption that the fellah child is innately not disposed toward utilizing even an effective educational experience has in the past been widely held. There has been a great deal of research on the interaction patterns of teachers and lower class students which suggests that students who were

consistently treated as slow learners, unable to comprehend the material and basically inferior to other students quickly learned to behave in ways that confirmed the initial message they were receiving.

The discussion so far should not be interpreted as a unique criticism of the Egyptian school system, because there is wide evidence that these dysfunctional interaction patterns between teachers and lower class and poverty-level students exists in most countries of the world--including the United States, Europe, and all parts of Africa and Asia. The emphasis of these remarks is to suggest an important lesson that can be learned by an analysis of this relationship which exists between the teacher and peasant child. The background, the social class, the expectations, the assumptions and the attitudes of all administrators (doctors, health workers, social service people, accountants, engineers, and rural development workers) who work in the rural areas of Egypt will tend to create negative and often dysfunctional interaction patterns. Most government officials who must deal on a regular basis with the peasant are usually quite oblivious to these patterns of interaction. There is much empirical research to suggest that when social, educational, economic and even subcultural (urban vs. rural) differences exist between the official working in the village and the peasant with whom he must work, these differences present a communication barrier which does not allow facilitative interpersonal processes to take place. It is to this question that any new strategy for rural development must be concerned.

Although many scholars have argued for priorities which focus on technology, huge capital investments, national industries and international trade, few will deny that Egypt's future will and must be a

function of the fellahin and the changes needed to improve their standard of living and way of life. Egypt, while it obviously can use technical development, still will never move out of the vicious cycle of poverty, disease and ignorance until serious emphasis is given to the problems of human resource development. The take-off phase of Egyptian growth and development must be synchronized with an effective and integrated program of rural development. While both technological and human development strategies can be encouraged, the human development dimension of this plan must be given equal if not a greater priority in the next crucial years to come.

What is the infrastructure that has now been established?

First the ministries of health, education, agriculture, social affairs, and housing have performed the prodigious task of introducing institutions, programs, policies, procedures, and a new awareness of what the village life can and should be. A whole generation of village children has been exposed to medical services, educational opportunities, agricultural cooperative efforts and many other programs designed to make the village a better place to life and work. The establishment of these vestiges of modernity (cooperatives, village councils, health units, schools) encompass only the first phase of rural development and must be defined as introductory. This introductory phase 1952-1976 must be perceived as a period where the masses are softly aroused. Though their capacity for action and movement is imprisoned in the heavy yoke of tradition and apathy, new strength is slowly engendered as their eyes open to the wonders of this new era. This is still only an era of awakening and wonder for the masses of Egypt. Pessimists cannot see the changes that will come from the first phase. For out of these

twenty-five years of increased awareness, discovery and comprehension will emerge the second phase of Egyptian growth. This era if it is to see fruition must move from the formal, the structural and the mechanical to the personal, the social, the civic and the human. Formal institutions have been established--new village councils, rural health units, family planning centers. New structures of cement and wood have sprouted in the form of combined units, primary schools, and cooperative buildings. The mechanical wonders of tractors, television and computers may dazzle the peasant boy and old farmers may shake their heads in amazement, yet these changes by themselves do not change the inner self of the Egyptian--his values, his norms, his perceptions, his attitudes and his traditions.

The masses have had their eyes opened. Their awareness and desires have been shaped and formed by the formal, the structural and the mechanical--yet the inner self cries out for something else to change. The new formal institutions will quickly become hollow and meaningless without changes in attitudes and perceptions of the people. The new structures will decay and crumble without changes in goals and motivation. The new mechanical wonders will remain irrelevant and distant without some fundamental changes in the social, behavioral, and civic dimensions of human action. While this type of change is often characterized or defined in spiritual--even mystical--terms, philosophers of our age argue consistently that man in the modern age needs more than the techniques of industry, more than the institutions of modernity. He needs to reestablish that sense of humanness which comes when people interact as people and not as robots. When the village doctor who counts the women in his village taking the pill as so many

numbers to report to the governor, and when the agricultural engineer perceives the fellah as something only a little above the gamoosa, and when the social worker closes up her office at 1:50 in order to catch the 2:15 train to Cairo--there has been no human interaction between these bureaucrats and the peasants. Until that changes Egypt will change very little.

The tragedy of poverty, sickness, ignorance and low productivity in Egypt is not unique to Egypt. The United States itself is plagued with the same malaise, the same tendency to find solutions in formal institutions, new structures and the latest technical gadgets. Yet the life style of poverty which breeds third generation welfarism, drug addiction, juvenile delinquency, crime, and unemployment in the United States, also appear not too susceptible to the strategies of the formal, the institutional and the technical. If my argument has any merit--it applies as much to the United States as it does to Egypt; and the strategy of change I am suggesting is based upon a new system of administration and local government which demands a style of interaction and confrontation between the administrator and the peasant which must be based upon a greater reliance in the experiential, the personal, and the subjective. This new trend in administration theory has been defined as humanistic, participatory, or phenomenological. Enough success in this new approach to training and management development has been verified empirically in the United States to warrant its consideration in Egypt. I have no illusions concerning the obstacles, the differences, the traditions and the realities of Egypt that make her unique. The Egyptian government appears committed to creating a strong system of local government where greater participation and greater involvement of the peasants is not

just a slogan but is the goal and the very basis for an emerging democratic society. If this is indeed Egypt's destiny then the local government institutions being established now must be taken seriously, must be given an opportunity to mature and grow. Such a vision requires administrators who are sensitive and aware of their responsibilities, their challenges and their opportunities. Such administrators will not emerge spontaneously--the system that produces, motivates, monitors, and evaluates these people must be carefully considered. The new law of local government (Public Law 52) appears to provide an opportunity for the changes we have discussed.

CHAPTER VI

SOME PRINCIPLES OF RURAL DEVELOPMENT

COMPETENCY AND COMMITMENT

Assumption III

Government officials who were born and raised in a village environment are probably more apt to be accepted and their behavior is probably more apt to be imitated by the peasants than officials who are from urban areas.

Government officials who are assigned back to the area (district) from which they originally came will have a higher level of interest, commitment and willingness to stay than officials who are sent to an area far from their homes.

The first and most basic principle of any effective program in rural development has to be local officials who have the ability to see the world through the eyes of the rural person being helped. If the local official cannot see the world through the peasant's eyes, and communicate accurately to him what he sees, then all advice, all directions, all reinforcements, rewards as well as punishments, are meaningless. If the local official cannot see the world through the peasant's eye, then he must learn from him. Today the Egyptian peasant will say, "You khawaga (foreigner) cannot know what it is to be a fellah!" This is a fundamental assumption with which the fellah relates to the administrator. An effective local official must come to accept this fundamental assumption held by the peasant as the starting point for their relationship. Only gradually as the local official comes to listen, and more important, to hear, will the relationship

between the administrator and the rural person come to be based upon trust and mutual understanding.

A related proposition involves the question of whether the local administrator (village doctor, social worker, teacher, engineer or policeman) really has anything to offer that the peasant really wants. Put in the simplest terms: can the local official offer the peasant something that will enable the peasant to live more effectively in his world--not the administrator's world? Rural development workers in the Egyptian villages are so accustomed as would-be-change-agents to make judgments about the peasants that they forget that an effective interaction process cannot take place unless the peasant has made a judgment of the local official and gives to him the power and recognition as an agent of his change. Egyptian bureaucrats are so accustomed to seeking permission from above that they seldom think to obtain permission from below. The first order of business, then, must be to help the local administrators get themselves in order before embarking upon projects that would help the peasants.

Let us seek to identify some of the characteristics and strategies that potential local officials should have before being assigned to the village or district levels of government.

Perhaps the most significant source of human development is modeling or imitation. Most of a child's learning is imitative of the adults and older children in his environment. These significant figures are automatically important influences on the child's behavior because they provide services which he needs and have abilities which he desires.

However in most rural service delivery systems in Egypt the relationship between administrator and peasant lacks the conditions which could establish the administrator (social worker, doctor, or school teacher) as a model for the peasant's development as is usually found in the early parent-child relationship. In order for the administrator to establish himself as a potent reinforcer, the administrator must first establish that he/she has something that the peasant wants and in order to accomplish this he must establish that he understands "where the peasant is coming from," the way the peasant sees the world, his needs, his hopes, his frame of reference. The ability to convince a peasant that he/she, the administrator, truly understands the peasant, is a skill most rural administrators in Egypt think they have; but in fact most administrators lack this skill to a great extent. If the administrator can communicate to the peasant his ability to facilitate the peasant's development toward achieving the peasant's ends (his perceived goals), then the administrator has set himself up as a potent reinforcer for the peasant and a model for the peasant's behavior. Thus the administrator becomes not only a source of insights and new knowledge but also a source of reinforcement and, perhaps most important, a direct source of behavior repertoires. From a training point of view for potential Egyptian bureaucrats, administrators, and local officials who will interact with the fellahin, the focus of interest, then, is upon the administrator's ability to perform a wide variety of complex behavioral patterns and skills that may be imitated and adopted by the peasants.

As has been suggested, the peasant must perceive the administrator as one of his own kind. Only when the peasant sees him

as someone with whom he can identify, or someone to whom he can aspire will he react positively. If the peasant cannot identify with the administrator, if the latter is perceived to be someone beyond his ability to emulate, then it is difficult to motivate the peasant to change himself under the administrator's guidance. For the peasant, administrators, as models who are from the same background, represent what can be, what the peasant can become: an administrator from the same background represents hope. The implication of this insight should have great significance for ministries who must select young college and secondary school graduates to work in the villages.

Concepts that can be extremely useful for any aspiring administrator who is to be assigned to a village are the notions of reinforcement and conditioning. According to Professor B. F. Skinner, one of the leading proponents of these concepts, much of human behavior is produced and maintained by what he calls "the contingencies of reinforcement" that exist in every person's life. Translated into more simple terminology, these reinforcements are nothing more than a system of rewards and punishments which exist in every society in order that certain types of behavior may be rewarded. Other types of behavior are not rewarded and thus eventually will be extinguished; and still other types of behavior are generally punished. This system of behavior modification is based upon very complex modes of change strategies. Nevertheless, the basic principles involving the rewarding of desirable behavior and the nonrewarding or punishing of undesirable behavior can be extremely useful. Much of the failure from change strategies implemented in rural Egypt can be attributed directly to the unwillingness of the change agents to consider what peasant behaviors

are being rewarded, what peasant behaviors are not being rewarded and why. Without a careful identification of the rewards needed to stimulate and reinforce the behaviors designed for an effective rural development program both among peasants and administrators and without appropriate punishments to eradicate various undesirable behaviors within these two groups very little of a fundamental type of change will take place in rural Egypt. The application of a systems-wide reward and punishment process requires some basic changes in the ways ministries and government institutions in Egypt treat their employees. A whole new set of incentives devised to reinforce those behaviors acknowledged as requisite for an effective rural development program must be implemented at the ministerial, governorate, district, and village levels. Without such an incentive system very little cumulative change can be expected from the administrators responsible for rural development in Egypt.

Another very important research finding that may prove useful to an administrator who is to be assigned to a village deals with assumptions of expectancy theory. Expectancies on the part of significant authority figures lead to individual behavior that is congruent with the expectancies. For example if we take a group of unselected children and randomly designate some of them as demonstrating unusual scholastic promise, the teachers will come to expect high levels of achievement from these pupils. Where the pupils do not in fact differ at the beginning of a school year and where the differences between pupils exists entirely in the minds of the teachers, the children from whom teachers expected intellectual excellence will actually demonstrate gains significantly greater than among the students the teacher

assumed were of a lower ability. The implications of this tendency in the minds of people who work with the peasants of Egypt are profound. Egyptian administrators must be trained to recognize that among many urban trained officials their expectations for the achievement of the peasant students is very low and the achievement levels of peasant students, in fact, do tend to be low. One wonders which causes which-- the administrators' expectations or the peasant child's achievements. If expectancy theory is true for Egypt, the expectations and perceptions of the Egypt administrator must be modified with education and information. A more complete awareness of the peasant's history and his life should enable the village teacher; the village doctor, the village social worker, the village rural development worker to understand the years of conditioning that have shaped the mind and the behavior of the Egyptian fellahin. Obviously such training should be required of all administrators and officials who must interact with the peasants of Egypt.

CHAPTER VII

DEVELOPMENTAL APPROACHES AND TRAINING

OPPORTUNITIES IN EGYPT

The first part of this initial analysis of the Egyptian government's attempt to implement Public Law 52 has focused upon the progress of the Egyptian government in establishing local councils, executive committees, and ministerial programs in rural Egypt to stimulate economic, social, and political development. Yet there is evidence that many cultural, legal, financial and administrative problems will continue to block and retard the implementation of Public Law 52. It is my impression that the next stage for the Ministry of Local Government to complete should be a new strategy of training which will infuse the Egyptian bureaucracy with a new set of skills, techniques and approaches to rural development.

In the total Egyptian local government system there are four broad categories of local government officials, employees and representatives. Each category includes a group of individuals who need various types of training in order to function effectively in their sphere of local government activity. The four categories include: (I) Executive Officials; (II) Local Council Members; (III) Executive Committee Members; and (IV) Community Development Workers. From Table VII-1 it is easy to see that within each category there are different levels of local government personnel. Some aspects of training should be common to all individuals associated with local government in Egypt:

1. The history and development of local government in Egypt
2. The cultural and social characteristics of the Egyptian peasant
3. The structures, procedures, and regulations of the local government system in Egypt
4. Administrative skills in communication, problem solving, decision-making and motivation
5. Rural development strategies for economic, social and political progress and modernization.

In Table VII-1 we have identified nine general types of training that many categories of officials functioning in the rural areas of Egypt might find useful. A brief outline of these various sorts of training follows:

(Type A) University Training. Most local government officials who aspire to work at the ministerial and governorate levels of local government will require advanced university training in public administration and management with emphases on planning, finance, budgeting, law, administration, and evaluation.

(Type B) Diploma Program. This program provides mid-career training in the areas of (1) local government theory and law; (2) administrative and management processes; (3) economic and community development; and (4) leadership and analytical skills. For a more detailed description, see: "A Report on the Local Government Administration Program in the Faculty of Economics and Political Science at Cairo University," a report published by a joint team of experts from Indiana University and Cairo University.

(Type C) The Institute of Local Administration. This became a part of the National Institute of Management Development in early 1971 when, under a presidential decree, the Higher Institute of Management de-

TABLE VII-1

AN EGYPTIAN TRAINING MATRIX
(The areas checked are only given as examples.)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
<u>Types of Training Programs</u>	University Training	University Diploma Program	Institute of Local Administration	ORDEV Training Institute	Ministerial Training Programs	Technical Administrative	Foreign Training Experience	EAR-Training Experience	Savings Bank Training
<u>Categories of Local Government Trainees</u>									
I. Executive Officials									
A. Governors	X		X		X	X	X	X	
B. District Chairmen	X		X	X	X	X	X	X	
C. Village Unit Chairmen	X	X	X	X	X	X	X	X	
D. Administrative Staff		X	X	X	X	X	X	X	
II. Local Council Members									
A. Local Council Chairmen			X	X	X	X	X	X	
B. Local Council Committeemen			X	X	X	X	X	X	
C. Local Council Members			X	X	X	X	X	X	
III. Executive Committees									
A. Teachers	X					X	X	X	
B. Doctors	X					X	X	X	
C. Social Workers	X					X	X	X	
D. Agriculture Engineers	X					X	X	X	
E. Police	X					X	X	X	
F. Civil Engineers	X					X	X	X	
G. Other Ministry Representatives	X					X	X	X	
IV. Community Development Workers									
A. ORDEV Specialists		X	X	X				X	
B. District Training and Assessment Officers		X	X	X			X	X	
C. Savings Bank Specialists	X	X		X				X	X

Local Administration were integrated into a single body. This consolidated the three institutions committed to training government officials in modern management techniques at all levels of government administration.

In late 1970 two ancillary training centers were established; one at Asyut to meet the training needs of the governorates in Upper Egypt; and the other at Tanta to serve the governorates of the Delta area. These local centers are designed to provide training for:

1. Members of village and town councils.
2. Secretaries of village and town councils.
3. Newly appointed chairmen of village councils and local personnel.
4. Department heads and staff of town and village councils' administrative units.

This Institute of Local Administration has four broadly defined goals:

1. To train all levels of personnel in the local government system.
2. To conduct field research and scholarly studies on the problems and trends of local government both in Egypt and abroad.
3. To maintain close relations with national and international organizations concerned with local government development.
4. To collect data and statistics, library resource material, all types of documentation and research information relevant to local government development.

(Type D) ORDEV Training and Evaluation Center. It is anticipated that the Ministry of Local Government will begin the construction of an ORDEV Training and Evaluation Center in the governorate of Qalyubia just north of Cairo before the end of 1977. Such a center would provide introductory and advanced training in the areas of rural development strategies, economic and social project development and implementation, team building,

Action Research approaches, evaluation, monitoring and diagnosing skills, and skills in integrating and coordinating government services and in generating greater participation and involvement of the local population.

(Type E) Ministerial Technical Training. Each ministry tends to develop its own appropriate technical training required for its representatives in the village, town or governorate to perform their responsibilities. Doctors receive medical and health training, social workers receive welfare and community development training, agricultural engineers receive agricultural and irrigation training, local government officials receive training in decision-making, agenda making, budgeting and planning, etc.

(Type F) Ministerial Administrative Training. All ministries have in-house training in the procedures, reports, lines of communication, and internal organizational systems of their respective ministries. This training would be given on the regulations, procedures and communication channels to be used between the ministry, the governorate, the town (dictrict), the village and eventually to the citizen himself.

(Type G) Foreign Training Experience. There are various local government officials at the ministerial, governorate and district levels who could profit from exposure to some training and observation in the United States. As Egypt seeks to implement a decentralized system of local government, many of the administrators and local officials responsible for establishing this new system might well gain new insights, additional professional skills, and a greater sense of how a decentralized system can be made to work if they were given an opportunity to visit the United States for some limited training experience. (See Chapter VII.)

(Type H) Local Savings Bank Program. Experts in village economic development have long argued that the standard of living among peasants

will not improve until the productive powers of the peasants themselves are enhanced. One unique and possibly very relevant strategy developed in Egypt during the early 1960s for rural development is the "Local Savings Bank" program. A detailed description of this approach to rural economic development will be presented in Chapter VIII.

(Type I) EAR-Training. This type of Experiential Action Research Training should be developed to help establish a cross-ministerial type of training which would emphasize the interactions, the coordinating mechanisms, the linkages, and the need for team building among all the ministerial representatives at the district and village levels. This specialized type of training would probably be especially useful for ORDEV and other community development workers responsible for implementing a more integrated system of government services, creating economic development strategies, and increasing greater citizen participation. This type of training will also be described in greater detail in Chapter IX.

Specific Training Strategies for Egypt

It should by now be obvious that a whole series of new skills and behavior are going to be needed if Public Law 52 is to be implemented in any effective way. Even a cursory glance at the many categories of potential trainees, which include many tens of thousands of people, dramatizes the need for extensive training programs. While Egypt today admittedly has few of the facilities required to complete this most prodigious training effort, some care should be taken to avoid overlapping and duplication. Eventually it is hoped there will be universities and colleges, diploma programs, local government training centers, ORDEV training and research institutes and many other training

facilities in all the governorates of Egypt. But until that time comes, opportunities for training must be carefully defined and outlined, specific training priorities must be established, and various foreign sources of training must be considered.

At this point let us describe in some detail three possible training programs that might be helpful for those responsible for implementing Public Law 52:

- A. District Chairmen Training
- B. EAR-Training
- C. Local Saving Bank Officer Training

As one reads through a description of each of these three possible training programs for Egyptian local government officials, it should be emphasized that each program seeks to focus on a different level of government, seeks to lay stress on a slightly different set of training goals, and seeks to achieve very different kinds of objectives:

A. Level of Government Focus

- 1. District Chairman Training - District Level
- 2. Savings Bank Training - Village Level
- 3. EAR-Training - District-Village Level

B. Training Goals

- 1. District Chairman Training - Leadership and Problem Solving Skills
- 2. Savings Bank Training - Local Banking and Economic Development Skills
- 3. EAR-Training - Communication, Coordination and Assessment Skills

C. Training Objectives

- 1. District Chairman Training - To broaden the vision and awareness of District Chairmen concerning their opportunities and possibilities. This training should expose them to the many ways that a balanced urban-rural development program is possible and desirable

2. Savings Bank Training - To create a staff of competent village bank officials who will help finance a series of economic projects and programs which will stimulate economic growth, higher standards of living for the villagers, and greater levels of income for the local government system functioning in rural Egypt.
3. EAR-Training - To build up a cadre of community development workers who can coordinate and integrate the various government services available in the villages and towns of one district, and who are able to identify, promote, and help implement various types of ORDEV income-generating projects. They can monitor, assess and diagnose the programs and projects that presently function in rural Egypt, and finally they can contribute to the training and development of village council and executive committee members as they seek to solve their own problems through greater community involvement and participation.

CHAPTER VIII

SPECIAL TRAINING PROGRAM FOR DISTRICT CHAIRMEN

(RAIS MARKAZ)

One unique innovation in Public Law 52 is the establishment of district councils with representatives from each of the village council areas and district executive committees made up of ministerial representatives in health, education, agriculture, housing, security, and social affairs. These new district-level institutions have been established to integrate an evenly balanced program of development for both the towns and the villages.

It has long been argued that the governorate was geographically too large to function as an effective unit of administrative control and follow-up. The village areas, while appropriate for certain types of community development activities and service delivery systems, were often not large enough to be viable units for economic development or economies of scale planning. In addition it can be argued that a district which encompasses six or seven village council areas (probably 150,000-200,000 population) is ideal as an administrative unit for monitoring, evaluating, and follow-up.

This new echelon of local government establishes the next link in a long-standing commitment of the Egyptian government to establish an effective local government system through the eventual decentralization of functions, responsibilities, and programs down to the local level. The new district government structure has a unique opportunity

(1) encourage a district-wide economic development system; (2) to coordinate in a more effective way all government services in the towns and villages of the District; and (3) to strengthen and encourage a truly decentralized local government system in which local councils will encourage greater involvement and participation.

Concomitant to this type of reasoning is the recognition that rural development in Egypt must include the integration of towns and villages within a framework of the district area to facilitate a more balanced rural-urban orientation to development. Key to this whole concept is the development and training of district personnel under the leadership of the Ministry of Local Government's representative in the district--the district chairman (rais markaz). This key person who now tends to see himself as a town mayor rather than district chairman will have to broaden his views to include a greater appreciation for a district-wide plan of growth and development. The Egyptian government has stated that eventually the ministries will decentralize their offices, programs, and activities down to the district level--with the district executive committee chaired by the district chairman coordinating these ministerial programs.

Given the key position of the new district chairman let us outline a training and development program which should facilitate his transformation from a town mayor primarily concerned with limited security and administrative functions to a district chairman who will be more broadly concerned with community development in urban and rural areas, economic growth and development, and district-wide integration and coordination of services and programs.

Before spelling out the training format recommended, it must be recognized that town mayors (now district chairmen), who have been

transferred every two or three years--primarily because many of them in the past were army officers, have not been particularly effective. Almost none of these town mayors have had their families living with them. A man, whose family lives in Cairo or Alexandria or even in the nearby governorate capitol, will have his interests and thoughts elsewhere.

When both the mayor and the local leadership are aware that the mayor's tenure will be limited to one or two years, there is little incentive to develop close ties or to seek to cooperate in policy decisions. The local leadership and dominant decision-makers of the town are well aware that time is on their side. A continual changing of district (town) chairmen reduces their effectiveness, destroys any hope for consistency and disrupts the continuity needed for any long-range development program. The term of office should be at least four and preferably six or more years--especially if the chairman is effective and wishes to stay. Efforts should be made to provide adequate housing facilities for his family, and adequate means of transportation (jeep or small car) must be available on a continual basis, so that he may visit and revisit the many communities that make up his district.

At this point let us outline in some detail a potential District Chairman Training Program. It must be clearly understood that this would need considerable input and discussion from the Ministry of Local Government before the finalized version of such a program could be implemented.

First efforts should be made to identify twenty or thirty of the most motivated, creative and energetic district chairmen in Egypt

who appear committed to working and living in one district area for four to six years with their families.

Local administrators should be recruited and trained from those districts which have highly effective district chairmen. It is strongly urged that preference be given to those administrators and local council members who are qualified and eager to obtain training in the ORDEV training programs, the University of Cairo diploma program, the Institute of Local Administration training programs, etc. Every effort must be made to increase the cumulative impact of such training. A haphazard and random selection of potential trainees weakens the additive effect. The Ministry of Local Government Training Office must be given the opportunity to select trainees on the basis of some system of prioritization. If the district chairman, the ORDEV trainees, those in the diploma program and those in the Institute of Local Administration programs were all to return to the same districts after having received a somewhat similar, if not a complementary, training experience it is envisioned that they all would be more apt to work cooperatively and to encourage and reinforce each other's activities. There is nothing more frustrating than to return from a training program and to find your boss or supervisor not only cool toward your trainee but perhaps even hostile. This district-by-district approach to training not only makes more sense but will have a much more broadened impact. The success of Egypt's efforts in national development depends upon the vision, the skill, the behavior, and the ability of those being trained and given positions of responsibility.

A profile of each district selected for this special training strategy must be conducted. A complete evaluation and assessment of

the programs and problems of the district should be conducted prior to the training program (levels of disease, kilometers of paved roads, number of undrained swamps, mortality rates, numbers of income-generating projects, numbers of children completing technical schools, level of marketing facilities, etc.). Then one year after the trainees have returned to their districts a follow-up assessment and evaluation should be conducted in order to identify the successes and/or failures that have taken place. Such an assessment is absolutely essential if any judgments about the utility of such a strategy can be made. This pre- and post-test approach will provide the base line data needed to make intelligent decisions about which training is useful and which is not, and why.

District Chairmen Training

Since this is a pilot training project, it is recommended that each district chairman selected have: (1) at least five years experience as a town mayor; (2) at least a B.A. or B.S. degree; (3) a strong sense of what a district chairman can and must do to implement the full implications of Public Law 52; (4) a strong desire and commitment to live in one district with his family for at least 4 to 6 years; and (5) a working ability in the English language. If this training program proves useful then subsequent district chairmen will have the one or two years needed to upgrade their English for some later scheduled training program.

In-Country Pre-Training Seminar

It is recommended that all the district chairmen selected for this training be brought to Cairo for a one-week seminar. During this

week the entire program will be explained, questions will be answered, the necessity for a pre- and post-test collection of data presented, and a brief review of their duties and responsibilities as district chairmen will be reiterated.. Each chairman would be encouraged to identify ten to fifteen problems in his own district with which he would like help.

Data Collection in the Selected Districts

For four to six weeks a group of students (perhaps from ORDEV or from the Diploma Program of Dr. Ahmad Raschid) would be sent to the district to perform the pre-test data collection. Working closely with the district chairmen, every effort would be made to identify the needs and problems of that district. Hopefully there would be time for evening discussion groups between the data collectors and the district chairman and his staff. There may be some value in collecting data in a few control districts in order to compare them with the selected districts after the training is completed.

Training Program in the United States

Three types of activities are envisioned for this phase of the training which should last four to six weeks.

1. A short tourist tour of Washington, New York and Los Angeles.
2. A two- or three-week intensive introduction to local government training and practice in the United States. It is anticipated that such training could take place at the Institute of Government Training Center at the University of Utah in Salt Lake City, Utah. This introduction to local government practice in the United States would not rely solely on lectures--but would include workshops and discussions on specific problems (sanitation, education, transportation, social welfare, water systems, communications, roads, marketing facilities, rural economic development) which the district chairmen themselves had identified. Such workshops would include experts and

practitioners in these problem areas and would provide opportunities not only for the district chairmen to ask questions and interact with these American local government officials but also would be given opportunities to visit and observe the programs and activities actually being implemented. Utah has a strong tradition of local government activity with many parts of the state having a desert-like climate somewhat similar to that of Egypt. Preliminary discussions with some 50 local government officials in the Salt Lake area and some 15 professors in several local universities all indicate their willingness to participate in such a training program. Several mayors and county commissioners have already expressed a warm desire to give of their time and facilities to this project at no cost to the training program. It is my impression that such a training experience could have a profound impact on key local government officials from Egypt both in terms of their attitudes toward the United States and their awareness of alternative systems and programs for local government.

3. Finally, a two- or three- week tour would then be conducted to a series of towns and cities throughout the United States both to give the district chairmen a feel for the diversity of local government in the United States and to provide them with opportunities to observe the specific projects, programs, technologies, and approaches that might be relevant to their needs and interests.

It should be noted that Senator Jake Garn, past president-elect of the League Cities, Commissioner Stan Smoot, president of the National Association of County Commissioners, and Governor Calvin Rampton, Chairman of the Governors Council are all from Utah. I have contacted each of them and each has assured me that every effort would be made to coordinate this training program with the national local government associations mentioned above with which each is associated.

In-County Follow-up Seminars

It is recommended that these twenty to thirty district chairmen have an opportunity to meet together for a four- to five-day follow-up seminar after returning to Egypt to discuss problems, share results of different activities, reinforce each other's commitment and interest in the program and to consider alternative programs and approaches which might be useful. Such seminars might be conducted three, six, and nine months after returning to Egypt.

Post-Training Data Collection and Evaluation

At least one year after the training program in the United States has been completed it is strongly recommended that another data collection activity take place--not only to determine if any significant changes can be identified but also to gauge the attitudes, opinions and feelings of the district chairmen about the training program. How can it be improved? How was it most helpful? Should it be continued? Did it really make a difference in their effectiveness as a district chairman?

Suggested Schedule of Events

- A. Twenty to thirty district chairmen¹ be selected prior to June 1977.
- B. An in-country pre-training seminar to be conducted prior to July 1977.
- C. Pre-training data to be collected in selected districts prior to September 1977.
- D. Training program in the United States to be conducted during September and October 1977.
- E. In-country follow-up seminars to be held:
 - One in January 1978
 - One in April 1978
 - One in July 1978
- F. Post-training data collection and evaluation to be conducted in August and September 1978.

¹There would be some value if at least four or five of the people brought to the United States were key officials in the Ministry of Local Government both to observe but also actually to experience this type of training.

CHAPTER IX

RURAL SAVINGS BANKS: A NEW STRATEGY FOR ECONOMIC DEVELOPMENT IN THE RURAL AREAS OF EGYPT

There have been many attempts in the past two decades to help rural communities in Egypt develop economically. In recent years the Organization for the Reconstruction and Development of Egyptian Villages (ORDEV) has actively sought to initiate special income-generating projects into pre-selected village communities--as a means of stimulating economic growth and higher standards of living and also as a means for strengthening and legitimizing the local councils as a mechanism for change and development. Yet there is some ambivalence as to the most effective way for implementing an economic development program in Egyptian villages.

Today rural sociologists, developmental economists, community development theorists, cultural anthropologists and others continue to debate among themselves a myriad of conflicting theories, strategies and approaches to rural development. Some argue that the change agent must be a local individual from the target community and someone with whom the total community can identify. Others insist that such local personnel are generally not available and thus specially trained change agents must be sent to the rural community to facilitate the introduction of new technologies, institutions and programs.

One serious question which has divided experts for several decades centers on the problem of how best to stimulate economic growth

in a traditional village economy. Many have argued that rural peasants have neither the technology, the organization, nor the capital resources needed to stimulate and structure economic growth and therefore require the guidance and the direction of a centralized bureaucracy. Others continue to insist that economic growth requires individual activity in which groups of entrepreneurs initiate their economic activities, take appropriate risks, and perform the many tasks needed for an income-generating project to succeed.

All agree that a peasant's standard of living will not change much until he is given an opportunity to seek a productive outlet for his creative energies. For those who emphasize the obstacles of poverty, overpopulation, and disease; the problems of resource allocation and distribution; the challenges of illiteracy, apathy, and corruption; and the lack of an entrepreneurial class all insist that some type of government-sponsored program is not only inevitable but absolutely essential. This emphasis on central-government stimulation tends to rely on government-supported cooperatives, administrative systems, and local government institutions.

For those who emphasize what they call the innate and largely untapped economic instincts of the peasant farmer; the strength and vitality of a marketing system for allocating and distributing goods and services; and the need for institutional mechanisms which reward risk taking, capital investment, and the initiation of new economic enterprises, also insist that rural development requires a system which identifies, recruits, supports and encourages individual entrepreneurs in village communities.

Whether production and higher levels of income can best be

stimulated through a centralized system of bureaucracy or a decentralized system of marketing economics will not be resolved in this paper. Yet perhaps the solution to Egypt's need for rural development will be found in a judicious utilization of both approaches to rural development. It appears rational to assume that the central government of Egypt will continue to play a significant role both in terms of its use of agricultural cooperatives, ministerial programs, and local government councils to organize and direct various types of economic activities. Yet recent public statements by President Sadat suggest the need, at least in the long run, to consider the possibility of revitalizing the private sector both through the encouragement of foreign investments and the stimulation of local entrepreneurs. Let us now describe a specific approach to rural development which in fact did seek to integrate the two extreme approaches mentioned above. This approach was a unique attempt to establish local savings banks in each village community in such a way that they would prove to be not only complementary to the local administrative systems and the local popularly elected councils but also would be harmonious with the traditions and the demands of the local culture and the dominant religion. The whole concept of this "Local Saving Bank" approach was based upon a system of recruitment and training completely consistent with the author's EAR-Training to be described later. Let us discuss in some detail the history, development and results of this "Local Saving Bank" program.

During the late 1950s a young Egyptian graduate student, Ahmed al-Nagger, was given a fellowship to complete his Ph.D. in Germany. During the course of his studies he examined local savings banks and their development during the late nineteenth century. He noted their

role as financial institutions but was more strongly impressed with the role these banks played in the social and political development of Germany's rural areas. Returning to Egypt Dr. al-Naggar, after many months of discouragement and frustration, was able to convince various key officials in the Egyptian Government to implement his idea for an independent local savings bank among the fellahin. Financing was still a major stumbling block until Dr. al-Naggar obtained the support of various officials in the West Germany Government who agreed to a joint venture.

Calling upon his former acquaintances in West Germany, negotiation was also consummated for a German-Egyptian agreement to jointly finance and support a rural banking system in Egypt.¹

With the signing of this agreement, Dr. al-Naggar was invited to implement the program by establishing a pilot project. After a careful preliminary investigation, the town of Mit Ghamr (population 50,000), a markaz capital in the governorate of Dakahlia was selected as the project site. Mit Ghamr was chosen for three reasons: first, it is located near the center of the whole Delta region, and thus offers an excellent opportunity for future expansion in several directions; second, it is demographically representative of the vast majority of rural communities in Egypt; and third, both the Governor and the General-Secretary of the ASU in Dakahlia were personal friends of Dr. al-Naggar and had promised their support and cooperation.

During the initial stages of the development, Dr. al-Naggar and

¹Most of the information concerning this bank program was obtained from interviews with Dr. al-Naggar and his staff, local government officials and local villagers who were aware of the rural banking system.

his staff postulated four conditions that would have to exist if the local bank system was to be effective in Egyptian villages:

1. Employees of the bank must be carefully selected and trained to ensure that they have not only the knowledge and skills required by a bank official but also the dedication, sympathy, and desire to effectively work with the fellahin.
2. No bank is to be established until a strong bond of trust and mutual acceptance has been created between the bank workers and villagers to ensure a continuous and open line of communication between the community and the bank.
3. Every effort must be made to discover and utilize the formal and informal leaders of the community in order to ensure that all significant groups are allowed to participate and share in the functioning of the banking system.
4. National and local administrative support is vital if the banking program is to start but equally important is the fact that this government support must be indirect and subtle. Every effort must be made to create the illusion that this is the villagers' bank and not the government's.²

The four assumptions became the foundations upon which Dr. al-Nagga developed a program to train future bank officials. The author spent several months interviewing and observing these young bank officials both in the bank's Training Institute and in the villages where banks had been established. My interest in these young men largely stems from the tremendous difference noted in their attitudes and behaviors toward the fellahin when compared with the vast majority of bureaucrats working with the rural peasants. Much of their devotion, their dedication, and enthusiasm appears to have been generated through their training program.³

²Interview with Dr. al-Naggar, January 14, 1967.

³The following information largely stems from an unpublished report presented by the author to the Ford Foundation in March 1967.

Selection

In early July 1962, Dr. al-Naggar placed advertisements in two Cairo newspapers (al-Ahram and al-Akhbar) twice a week for a two-week period. The advertisement stressed that candidates were needed to pioneer a project which would stimulate the rural people to help themselves, that there would be a certain amount of risk involved but that potentially the program could be highly beneficial to the development of the country.

There were some 622 applicants, who were screened through a series of tests and interviews. Dr. al-Naggar working closely with Dr. al Said Mohamed Khairy, Assistant Professor of Industrial Psychology, 'Ain Shams University, presented a series of industrial psychology tests to measure intelligence, personality traits, leadership capabilities, integrity, and patriotism of the applicants. Second, each person was individually interviewed by Dr. al-Naggar or Dr. Khairy in an attempt to determine (1) their reasons for seeking employment with the local savings bank program; (2) how willing they were to work in the rural areas; (3) if they would accept work for three or four months without a salary and if they would be willing, if necessary, to take a salary cut from their present employment; and (4) the extent of their motivation, patriotism, and understanding of the problems facing rural Egypt.

Of the original 622 applicants, 209 were disqualified through this first stage of screening which was conducted during a five-day period. The remaining 413 were divided into groups of six to eight individuals. They were instructed that they would be given a series of topics and that they would have one hour to discuss these topics. Some of the topics for discussion included (1) the Arab League--should this organization be

encouraged or discouraged? (2) Housing--should new housing projects be built in the center of the cities or on the outer areas of cities? (3) Sex and women--should mixed education be encouraged or discouraged? (4) Youth problems--what are the basic problems of youth today in the U.A.R. and what solutions are possible? (5) Transportation and traffic problems--what solutions can be recommended for the present crowded bus situation? (6) Rural areas--what projects are best conducive to alleviating the problems of the fellahin?

These discussion groups were not guided or directed, but were allowed to develop spontaneously. Each group was observed carefully in an attempt to measure each candidate's ability to work in a group situation.

Upon the completion of these group discussions, Dr. al-Naggar, Dr. Khairy, and his assistants made the final selection of twenty-one candidates.⁴ These candidates ranged in age between twenty-four and thirty-two, although the majority were under thirty. All had graduated with a B.A. from an Egyptian University--two in Sociology, two in Business Administration, twelve in Accounting, two in Economics, and two in Psychology. Four of the twenty had only recently completed their university work, four had been employed in various ministries, one was in journalism, and the other eleven had been working for private companies. Six of the candidates were from a village background while the other fourteen came from Cairo, Alexandria or Ismailia.

Training Program

The training program started in September 1962, and ended six months later in April 1963. The earlier portions of the training took

place in a rented building in Cairo. Classes were held six days a week from 9 a.m. to 3 p.m. and from 5 p.m. to 8 or 9 p.m. The training program included the following techniques: reading assignments in Egyptian history; the culture of the Egyptian fellahin; economic history of the underdeveloped countries; economic situation in the United Arab Republic; principles of community development; leadership techniques; group dynamics; history of the savings banks; banking systems in Germany, Great Britain, the United States and the Soviet Union; economics with an emphasis on banking and finance; the new local government system in the U.A.R.; techniques of social research; interview techniques; survey techniques and objective reporting; and finally, public relations and publicity.

Discussions

One of the most important and effective means of training the candidates was the informal discussion sessions. Each student would prepare a lecture or two on some phase of the training. This technique not only provided an opportunity for independent reading research, but it also developed confidence among the trainees as they presented and explained the material they were studying. Following each lecture there would be a question and answer period. Dr. al-Naggar indicates that many of the unique aspects of the present Local Savings Bank Program were developed during these discussion periods. During the discussion of how a new savings system could best be introduced into the villages of Egypt, the idea of a "non-interest paying account" came into existence. Subsequent discussions broadened and conceptualized this non-interest paying approach into a bank system with three types of savings accounts.

Dr. al-Naggar felt that the real problems of the fellahin were questions of behavior and attitude rather than poverty or lack of

intelligence. During these discussions, Dr. al-Naggar and the trainees sought to conceptualize more clearly the ways and means by which the peasant's behavior patterns could be changed. The value of this kind of approach to training cannot be overemphasized. Group participation stimulated individual creativity and initiative. Each member of the group felt that the techniques and solutions being developed through these informal exchanges of ideas belonged to them. The ability of Dr. al-Naggar to present key questions that would stimulate a broad range of responses, ideas, and solutions provided not only an intellectual growth for the trainees, but suggested a whole new range of creative solutions to the problems of community development in Egypt.

Research Papers

Each trainee was required to write a series of research papers on some of the following topics:

- What is community development?
- How can one introduce new ideas and techniques among rural people?
- What problems and aspects must be considered in preparing talks or discussions with groups of peasants, women, students, etc.?
- How do you discover the real leaders in the village?
- What are the latest up-to-date bookkeeping systems for banks?
- What are the major problems involved in administering a local bank?

The major value of this kind of research in depth was not fully appreciated by the trainees until they actually began their work in the project itself. Within a matter of months, however, the value and necessity of these research papers soon became apparent. Not only was the information found in these training research papers applicable and valuable for a solution of the kinds of problems faced by the trainees in their new employment, but the expertise and confidence generated by an actual application of knowledge recently gained greatly reinforced their confidence and commitment to the whole banking program.

Practical Exercises

During the latter part of the training program the trainees with Dr. al-Naggar spent a week camped outside a village in the governorate of Menufia--just north of Cairo. During the week, the trainees were encouraged to mix with the villagers. Following the age-old tradition of Arab hospitality, village shaykhs and heads of different families invited small groups of trainees into their homes. The primary purpose of this week's training was to:

1. Provide an opportunity for the trainees to live in a village under somewhat controlled conditions, thus allowing them to observe and participate first-hand in the lives of the rural fellahin.
2. Provide an opportunity for the trainees to apply some of the techniques of community development, such as developing a sense of who the "real leaders" are, means of cultivating their friendship, and methods of influencing and motivating these real leaders.
3. Provide an opportunity to gain through informal discussions with the villagers a clearer picture of the attitudes, behavioral patterns, group norms, common expressions (the fellahin jargon), and concepts of themselves, their families, outsiders, the government and the outside world in general.

Once a reasonable amount of trust and friendship had developed between the villagers and the trainees, special meetings were called in which the savings bank project was explained to them. Perhaps more important than explaining the project itself, was the opportunity afforded by these meetings to probe deeply into the fellahin's attitudes toward savings, development, and investment. Special meetings were held just for women, for students, for the shaykhs, and the fellahin. Each group was encouraged to speak frankly, to discuss and debate their personal feelings about a village savings bank. Many assumptions, fears and prejudices voiced by the fellahin themselves provided insights for the trainees in how the program would have to be modified when introduced into Mit Ghamr.

The goals of this training program should properly be divided into three categories:

Knowledge: The trainees were introduced to a general understanding of economics, rural sociology, psychology, public administration, banking and finance, community development and the general and specific problems facing the United Arab Republic.

Technical and Administrative Skills: Although an opportunity to practice the skills listed below was not provided for in the six-month training program to the degree necessary for competence, it should be noted that during the first six months of the actual program itself, the trainees were utilizing these skills during the day and then having them evaluated, strengthened and reinforced during the evening sessions. During the training session itself, each trainee was required to submit a tentative plan for introducing the bank system into a village. These plans were to be formulated in terms of planning, coordination, organization, control, reporting and evaluation. Trainees were introduced also to the techniques of public relations, inter-personal communications, group dynamics, interviewing and social research, which included methods for observing, conducting surveys and presenting questionnaires. In addition, the trainees were given a refresher course in accounting skills, use of business machines, and even a driver training course in the use of automobiles, trucks, and motorbikes. A beginning course in the German language was initiated as well as a general review of the English language. One interesting and what proved to be a most important portion of their training was a "refresher" course in the Islamic religion. Villagers are keenly aware of the "proper and improper" ways of praying and performing the rituals of a true Muslim. The trainees

were encouraged to be aware of and practice the finer points of the Islamic faith. Also there was instruction on the use of the Koran and the various Hadiths which were applicable to the banking program. One of the most effective ways of introducing the banking program into the village was through the local religious leader. His support was often crucial in determining how readily the villagers would accept the banking project. Thus, it was extremely important that the trainees be sensitized to the practices, rituals, and religious teaching prevalent among the rural fellahin.

High Morale and Motivation: By far the most important factor in analyzing the effectiveness of this banking project is the individual attitudes, motives, and sense of mission of these original twenty trainees. In evaluating the training program, as well as the bank project itself, this crucial element must be taken into consideration. It is my impression that this program, devoid of personnel imbued with the motivation and desire to succeed that existed among these original twenty, would never have achieved the early success that it had. It is readily admitted by all the "original twenty" that their commitment to the project is primarily a function of Dr. al-Naggar--his personality, his devotion to his work, and the sense of mission that he feels. This charisma, this personal relationship between Dr. al-Naggar and his trainees must be institutionalized, impersonalized and made a function of the program itself if the program is to proceed outside the sphere of one man's influence and personality. The crucial nature of this bond between teacher and student, however, is not easily impersonalized, nor made a function of an institution.

One of the major weaknesses of the program thus resides in the

fact that it is primarily a function of one man--Dr. al-Naggar. The crucial question of whether it can expand beyond the influence of this one man must be considered. However, a serious evaluation of the program is outside the scope of this paper. But while considering its unique facets, it is recommended that the following questions be kept in mind: What aspects of the training program cannot be duplicated? What aspects can and should be duplicated? Given those that cannot be duplicated, what substitutes might be incorporated which would ensure similar results? Let us now explore the techniques, the approaches, and the experiences to which the "original twenty" were exposed.

The Importance and Practicality of the Project

Dr. al-Naggar explained and analyzed the problems and obstacles that the Egyptian peasants must overcome if they are to enjoy a higher standard of living and the comforts and blessings of modernization. He explained the relationship between savings and development and the need to change many common attitudes and beliefs of the fellahin. He created a feeling among the trainees that the savings bank project would be one of the most effective ways of improving the conditions of the fellahin. The validity of this belief (that the bank could change attitudes and conditions of the rural villagers) was not fully appreciated until the trainees actually began to introduce the project among the peasants. As the trainees saw the attitudes of villagers toward savings actually change through their own efforts and powers of persuasion, as new cottage industries were established, and personal needs and financial problems were actually solved, the trainees gradually, probably imperceptibly, internalized a commitment to the bank that no training program could have ever developed.

Personal Relationship to the Bank Program

The trainees were constantly reminded that this was their own program, that each of them had a unique opportunity to participate in a pioneer project that would eventually have a tremendous impact on the lives and future of a vast majority of the Egyptian people. One aspect of this early training program, which may well be extremely difficult to duplicate in future groups of trainees, was the very fact that the project at this stage of development was still largely a loose set of generalizations in the mind of Dr. al-Naggar. These original trainees were active participants in clarifying, conceptualizing, and making operational many of the techniques, processes, methods, and modes of operation that are now regular procedures for the entire banking staff. The very fact that these "original twenty" played such an active role in developing and implementing the new project provided an added bond to the program that will indeed be difficult for future trainees to develop or even to experience.

The Sense of Risk

As was noted above, in the pre-training interview sessions Dr. al-Naggar probed deeply into the feelings of the candidates concerning salary and risk taking. He emphasized that members of the banking program would be paid according to their work output; that their salaries might be less than they were presently making; and that in the initial years of the project there might well be months when salaries would have to be reduced. At the same time he appealed to their willingness to take a risk in a program that would fail or succeed according to their own efforts. This approach, known in Arabic as mukāfa'a shāmilah, emphasized that employment would be based on a free contract with no guarantees of

salary, promotion or permanence. All salaries and promotions were to be based on work performed. The common system of employment known as daragat which assumed that once a person is hired he can never be fired and whose salary and promotion depend primarily on the degree and year of graduation, was completely rejected in the banking system. Again, because of the unknown quality and future of the banking project as a basis for a meaningful career, the risk taken by the original trainees certainly strengthened their commitment to the bank program. This kind of a psychological reinforcement will also be difficult to duplicate among future trainees who are already aware of the bank's success and its ability to provide a comfortable salary.

Meaningful Title and Position in the Banking Project

Upon completion of the first three months of training, the trainees were given the title bāhith (researcher), and upon completion of the six month program they were given the title of khābir (expert). The purpose of these titles was twofold: first, to encourage the trainees to believe that this training course had given them the necessary knowledge and skills in a new field of endeavor which justified and validated their new title; and second, the title provided them with a measure of prestige which not only gave them confidence and self-esteem but provided the villagers and townspeople with a symbol of rank so very necessary in the interrelationships of a rural community.

Personal Relationship Between Dr. al-Naggar and the Trainees

Each trainee was given special individual attention, and they were encouraged to come to Dr. al-Naggar whenever they had a problem. Dr. al-Naggar went out of his way to arrange special dispensations to

meet the personal needs of his group: he arranged to have the wife of one trainee move to Mit Ghamr after the project started; he was ever ready to provide personal loans for short-term needs; and he even loaned his personal automobile for non-bank matters. These many examples of genuine personal concern for the trainees created a bond of loyalty and devotion that would be very difficult to duplicate in future training programs. One might add also that Dr. al-Naggar made it a special point to "overstimulate" their motivation and dedication to the program.

During the early days of the project, they were all subject to a certain amount of pessimism and cynicism from government officials and academicians, many of whom deliberately tried to discourage the idea of a local savings bank among the fellahin. As Dr. al-Naggar admits, it was the challenge of these negative attitudes coupled with an intense loyalty for the banking project that has created this "super-motivated" individual.

From this description it should be obvious why these young men have proven to be so enthusiastic and devoted to this project. Dr. al-Naggar himself argues:

Most of the success or failure of the educational aspects of this experiment, depends to a great extent on the skill, zeal, and enthusiasm, and attitudes of those working in the field-- this is in addition to their capacity for influencing the attitudes of the people. Actually the selection of these employees can be considered as the corner-stone for the success of the project.⁵

When the training program was completed, the group of trainees with Dr. al-Naggar moved to Mit Ghamr. During the first few weeks they made an effort to meet the formal leaders in the community: members of the town council, the government administrators such as the clinic

⁵Ahmed al-Naggar, Banuk al-Idkhar al-Mahaliyya: al-Kitab al-Sinawi (The Local Savings Banks: Annual Report) (Cairo, 1965), p. 40.

doctors, head masters of the schools, and the chief social worker; also the shaykhs of the various mosques and the local Coptic priest, the chief of police, the members of the ASU lajnat al-'ishrīn, and influential members of the five leading families.

At the same time the town was divided into three sections and the twenty bank "experts" were also divided into three groups and encouraged to get acquainted with as many people as possible within these areas. The initial reaction on the part of most of the peasants was one of great suspicion and doubt. Some argued they were tax collectors, others were convinced they were seeking information for the ASU, others suggested they must be Communist agents, while some thought they were members of the Muslim Brotherhood. The bank workers seldom discussed savings or banking but merely encouraged the peasants to talk about their problems and ways in which these problems might be solved.

Once the curiosity of the townspeople had been aroused sufficiently, Dr. al-Naggar asked the town council chairman to call a series of formal meetings with various leadership groups in the community. In these formal meetings with the members of the leading families, the ASU, the school teachers, the labor union, the youth clubs, the women's organizations, Dr. al-Naggar explained the purpose of the banking program and the procedures that would be used. In order to appeal to a broad class of people, the bank provided three kinds of accounts:

(1) Savings Account. This account would pay no interest. The minimum deposit was five piastres (twelve cents), and withdrawal was possible at any time. An interest-free savings account was a unique innovation developed during the training session, and proved to be a key factor in gaining supporters from among the conservative Muslim population.

The Koran prohibits usury, and this new approach to banking galvanized a large number of Muslim religious leaders to openly support the banking project.

(2) The Social Services Fund. Each pious Muslim is supposed to give a portion of his income as a donation to the poor. Working with the local religious leaders, Dr. al-Naggar suggested that this religious tax (zakat) be collected and allowed to accumulate in the bank. A committee of local leaders would meet periodically to determine how this money could be distributed as charitable gifts. Surprisingly enough, many people contributed to this fund who had never before given zakat. All bank depositors were eligible for this "disaster insurance." While the author was staying in Mit Ghamr, a local horse-drawn taxi driver suffered an accident in which his horse, his sole means of livelihood, was killed. Within two days the bank, through the social service fund, replaced his horse. It is obvious how this kind of activity would greatly add to the reputation and acceptance of the bank.

(3) Investment Accounts. This account requires a minimum of one Egyptian pound and can only be withdrawn after one year. Once a year each depositor is given a share in the bank's profits earned from the projects financed and supported through investment funds.

After these formal meetings with specific leadership groups, the bank experts moved out among the people. They spent many hours in the coffee houses talking with the elder members of the town, they visited homes, and they followed the fellahin out to their fields. Special attempts were made to suggest goals that the fellah might achieve if he saved a little each week. Farmers were shown they might have a new plough or a gamoosa. Students were encouraged to save for a bicycle or a new

soccer ball. Women were urged to consider the value of a kerosene lamp or a sewing machine. Many group discussions were held in the local factories, the schools, public buildings, and in local club houses.

Gradually a few peasants would give ten or fifteen piastres to one of the bank experts and then a few hours later they would demand their money back. As their confidence in the bank officials grew, more and more people began to bring their money in. A temporary bank office was set up in one of the central buildings of the town. Within the first year, over 1,000 individuals became depositors and after three years, there were 50,000 in the area of Mit Ghamr alone. Finally, in August 1964, the bank moved into its own building constructed on land donated by the Governorate.

As the idea spread throughout the governorate, several communities requested that a bank be established in their area. By the spring of 1967, there were nine branches of the bank: (1) Mit Ghamr; (2) Bilqas; (3) Sherbin; (4) Mansura; (5) Dakirnas; (6) Ziŕla; (7) Heliopolis; (8) Kasr Aini Hospital; and (9) Cairo Municipal Railroad Station. By 1967 there were over 200,000 depositors with deposits in the three accounts exceeding 500,000 Egyptian pounds. The bank staff included over 300 employees all recruited, selected, and trained in the same way as the "original twenty."

The major purpose of the bank was to finance local projects that will stimulate economic growth. The bank would not extend loans to any individual until he had been a depositor for at least six months. The bank extended two kinds of loans: non-investment loans were extended to individuals who needed a quick short-term loan to cover some emergency or to replace some item required for their livelihood. The borrower was

required to repay only the amount borrowed (no interest charged) and could repay the loan at his convenience; investment loans were offered to depositors who wished to invest in some local industry or commercial endeavor. During the first year loans were made to start a brick factory, a shoe factory, a bamboo basket factory, a bakery, and several other cottage-type industries. In each instance, the bank gave technical assistance on how to buy raw materials, internal procedures of production, record keeping, and efficient marketing of their products. The bank had one employee whose major function was to locate customers in Cairo for the products of these bank investors. The loans were repayable over a reasonable period of time, based upon costs, rate of growth expected, and profits to be earned. Each borrower agreed to share a portion of the profits earned during the term of the loan. Again it should be noted that the borrower was not paying interest--he was only sharing his profits with the bank.

One bank official proudly indicated that during the bank's first year about 80 percent of the depositors put their money in the savings account. At the end of the year, when those who had their money in the investment account were given a 6 percent dividend for their invested money, about half the savings account depositors shifted their money to the investment account. The peasant quickly learned the advantage of long-term savings and investments.

One aspect of the program that needs to be noted is the "evening session." Each evening all the bank experts met with Dr. al-Naggar for two or three hours to discuss their day's experiences and to plan for the next day's work. All of the twenty officials were asked to describe their daily experience--people they had met, what new approaches they

had discovered for gaining "new converts," what were people saying, who are the "real leaders," and what are their recommendations for improving the program. Thus, each evening these bank workers came together as a board of directors, each was treated as an equal and many new ideas were generated through these "brainstorming sessions."

Dr. al-Naggar states in a report on the results of the new bank program after its first two years of operation:

The question now is, what does it mean when 33,000 persons become savers . . . this is an important social operation which includes three aspects: (a) the people have moved out of their seclusion, (b) they have expanded and widened the circle of their social contacts, and (c) confidence and trust have been created, thus making the people move away from the fatal effects of passivism. Response and activity was thus stimulated because the piastre means much to these people.⁶

One point that Dr. al-Naggar consistently emphasized was the fact that the bank had more than just an economic function in society. True, the bank was created to encourage savings, to limit consumption, and to provide capital investment for local development projects, but there were other functions just as important. The bank had a social and a political role, and in the long run, these could well be more significant at least in terms of the various organizations and institutions that the government was trying to create in the rural areas.

In one government program established to increase egg production, an administrative agency wanted to give away some prize chickens to various villagers scattered throughout the Delta. But the fellahin refused to accept a free chicken from the government because they feared they would have to pay a fine if anything happened to the "government's chicken." Dr. al-Naggar made arrangements to distribute the chickens

⁶Interview with Dr. al-Naggar, March 3, 1967, p. 27.

for the government free of charge. He then announced through a meeting of the depositors that the Bank had some chickens it would sell for a nominal fee. The depositors purchased 27,000 of these prize chickens.

The doctor of a village health unit went to the director of the local bank branch and complained that he had tried for six months to bring the women of the village together for a lecture on the methods and values of family planning. The bank director merely called a meeting of all the women depositors in the village and the doctor was given a ready-made audience of over 300 women.

The education committee of the Mit Ghamr town council invited several members of the Bank's board of directors to the monthly meeting to discuss the question of building a secondary school. The bank officials suggested that the bank finance the project with the stipulation that all students be required to pay a certain fee until the school is paid for.

In one village outside Mit Ghamr, the branch bank director had developed in conjunction with the local social worker a rather successful family planning project. Two new ideas were incorporated in their program. First, prior to announcing the family planning program, the bank director and the social worker visited all the midwives (daya) in the village. From past experience it was known that these women had vigorously opposed the government's family planning program in other areas. From casual conversation, it was learned that the midwives earn about three and a half Egyptian pounds a month for their services. The bank director asked them if they would support the family planning program if the bank paid them four pounds a month, to which they readily agreed. In addition, these midwives were given an official title and

sent to a nearby combined unit for a few days training. This made a tremendous impression. The salaries for the midwives were allocated from the Ministry of Social Affairs, but disbursed by the bank director whom all the midwives greatly trusted.

Second, instead of giving the doctor or the social worker one pound for each woman converted to family planning, it was agreed that the person bringing the woman to the clinic would take fifty piastres and the other fifty piastres would be placed in a community fund. When the author visited this village, they were saving money for a youth club house and the director mentioned that many of the teenagers were taking their mothers to the clinic so that fifty piastres could be put in the community fund.

These examples suggest the tremendous potential that the banks might play in rural Egypt. Even more significant is the lesson this experiment suggests for future rural development in Egypt. The obvious source of this new institution's success lies first in its leadership--men with knowledge, with skill, but even more--men with initiative and a deep sense of mission. But equally important is the fact that the villagers trusted and accepted this new structure in their midst. The bank was legitimate in their eyes because it sought to satisfy their needs and was gradually fulfilling their emerging aspirations.

Dr. al-Naggar suggested further that:

. . . the political effect of this program is mainly centered in strengthening the system of local administration and in participating to find a common solution facing the villagers. The process of encouraging people to move out of their isolation and seclusion, and to participate in public fields of interest has significant political effects. The process of finding and creating new aspirations and interests is, in itself, a political task.⁷

⁷ Ibid., p. 50

The obvious contrast between this "new institution" and many other government organizations presently functioning in Egypt is significant enough to warrant a broader discussion of the causes for the bank's success.

While the following are merely tentative suggestions, they may offer some insights into the process by which individuals came to accept and support an alien institution. First, the bank, as a new institution, was not incompatible with the needs and behavioral patterns of the villagers. The fellahin have traditionally saved, yet their savings were usually hidden in jars under the earthen floors of their homes or invested in golden ornaments worn by their wives. Often these savings were unwisely spent on a wedding or a funeral or other uneconomic consumption. Also, the fellahin have frequently been forced to borrow, but seldom were loans contracted through a bank. Most fellahin borrowed from a local money changer at exorbitant rates. Given these obvious needs (a place to save their money and an institution through which fair and convenient loans could be obtained) the bank was certainly not inconsistent with their felt needs. However, government banks had existed in Egypt for many years. The local post office, after seventy years of encouraging a savings program had only 7,000 depositors in all of Mit Chamr prior to the establishment of the savings bank. In the late 1950s the government instituted an agricultural credit bank, yet after ten years experience more than 60 percent of the loans were never paid back. In contrast, a solid 100 percent of all loans made to the people in Mit Chamr by the Savings Bank had been repaid. One fellah explained to the author that money from a government bank did not have to be repaid because "they have lots of money." When asked why he would repay his loan to the local Savings Bank, he pointed out that "the

money in the Savings Bank belongs to my neighbors, my relatives, my friends--if I didn't repay that loan I would be stealing from them."

Another important generalization which can be gleaned from this project is that traditional values are not necessarily inimical to the introduction of new structures or institutions. To the contrary, the most readily accepted new institutions are those defined in terms of traditional values. The "non-interest account" is a perfect example of how a traditional value can be efficacious in stimulating innovation.

Dr. al-Naggar notes also:

The people are still clinging to the intellectual and spiritual aspects that are closely related to the values in which they believe. Interest, for the people is prohibited and unlawful, and the people believe that God will bless this project because it fulfills the teachings of religion. This simple but deep belief has been the motive driving thousands of people to deposit their few piastres in full trust and confidence, without having any material benefits drawing or attracting them to it.⁸

One unique aspect of this bank program, which created an advantage over most government institutions operating in rural Egypt, is its ability to measure success. How does one go about measuring trust between the villagers and a village council, or between the farmer and the cooperatives or social units? Each bank was easily able to measure its progress in a community by the number of depositors and by the amount of money they are willing to deposit. Thus, while a doctor or a council chairman may become discouraged and fail to see that his efforts have resulted in any progress, the local bank employee had a constant motivation to see how many people he could "convert." His efforts were quickly measured and his sense of success more easily activated. The same motivating factor worked for the depositors themselves. The more they deposited, the more the institution gained acceptance and became legitimate.

⁸Ibid, p. 27.

An eminent psychologist, Leon Festinger, has developed a concept that helps explain the process by which individuals shift legitimacy from one structure to another. When a peasant must choose between two alternatives, one of which is clearly superior, his decision entails no doubts and conflicts. Thus, most traditional villagers have little trouble in deciding to follow their old 'umdah rather than the new village council chairman. But if the two alternatives are both attractive, the choice creates what Festinger calls "cognitive dissonance."⁹ In psychological terms, the anxiety created from rejecting an accepted method or a tradition procedure for some equally acceptable method or procedure produces a certain amount of mental anguish over the decision made. In such a state of anxiety, the individual seeks to reduce this dissonance by changing his evaluations of the two alternatives after having committed himself to one. Thus he reduces these disturbing doubts by increasing the value of the chosen course of action and decreasing the value of the rejected course of action.

Cognitive dissonance does not arise in a situation where a superior enforces compliance for a particular action by virtue of his position with its concomitant assortment of sanctions. If a cooperative director uses his coercive power to force the fellahin to adopt a particular seed or utilize a new piece of equipment, the obvious consequences make obedience unequivocally the preferable alternative. Although the peasant acknowledges that submission is unpleasant, there is little doubt in his mind that the consequences of noncompliance would be worse. In this situation there can be no cognitive dissonance and, hence, little opportunity for the director of the cooperative and his orders to

⁹Leon Festinger, A Theory of Cognitive Dissonance (Evanston, Illinois: Row, Paterson, 1957), pp. 61-68.

become legitimate through a process of "dissonance reduction."

How is legitimization generated through this process of dissonance reduction? Let us take the local banks again. When the bank offers services to a fellah either to hold his money or provide him a loan, there is no obligation to accept, and in reality there are various alternatives available by which these services might well be satisfied. If, through the effective encouragement of the bank officials or his friends and neighbors, he decides to deposit his money, a certain amount of cognitive dissonance is bound to arise. Is the bank really dependable? Is my money safer in its vault than in the floor of my own home? To resolve this cognitive dissonance, he will be compelled to rationalize his decision. Soon he inflates the value of the bank and deflates the value of hoarding money in his home. One interesting development noted among the new bank depositors was the tendency to justify their decision to support the bank not only in terms of personal motivation, but to suggest they were doing this for the good of Mit Ghamr, their country and the revolution. Although these justifications for one's action may easily be seen as rationalizations, they quickly become a social phenomenon as more and more people adopt the same ideas. The members of a village who deposited money in the bank were often found sitting together discussing the values of the bank and actively seeking to encourage others to follow their example. Social communication gradually transfers these individual rationalizations into common values. As these values become widely spread and generally identifiable with the functioning of the local bank, its existence, its structures, and its methods of procedure gradually gained legitimacy. The common belief that the bank did offer superior services became the

basis of many normative restraints which were reinforced by social values that justified compliance and discouraged non-conformity. These norms, like social norms generally, were internalized by the group members and socially enforced, with the result that even the potential deviant who for some reason did not feel personally obligated, for example, to repay his loan to the bank, was then under social pressure to comply lest he incur the disapproval of his friends and neighbors.

If this analysis proves to be correct, the same process would hold true in the operation of any structure in society. The new village council chairman, the ASU secretary-general, the doctor, the social worker, or the agronomist would all become legitimate to the extent that compliance to their requests rests, not upon coercion or administrative obligation, but upon the villagers' own social norms and system of values. This rests on the perceived images that the villagers and bureaucrats have toward the structures operating in their community. To the extent that these structures can be identified with the benevolent fulfillment of some need or value, to that extent they will become legitimate. In most cases our feelings of loyalty and acceptance develop through a process of socialization in which the values and the institutionalized structure of these values are internalized and made a part of our conscious attitudes and assumptions. Festinger's concept of cognitive dissonance adds a new dimension to the process of legitimization inherent in the transitional society where new institutions and structures are rapidly being introduced. Those who are determined to see the ASU gain legitimacy or the village council gain an accepted position in the village might well consider the implications of this process.

How are we to evaluate the spiritual achievements and the noble motives that have once again been brought to life? How are we going to evaluate the changes in our society--its values, its morals, and behavior. If we seek to evaluate them now, we shall fail. For despite all of these achievements we must admit that all we see are buds, but in the future these buds will yield their fruits to us.¹⁰

The initial results of this Local Savings Bank project were very promising, especially in the mid-1960s. Unfortunately there were subsequent decisions by the Nasser regime which effectively curtailed the continual growth of this type of banking system. Many elements in the ASU perceived this "modified system of entrepreneurial capitalism" as inconsistent with the socialist ideology fostered in Egypt at that time.

Today the situation in Egypt appears completely different and there is room for optimism that some type of village savings bank system would be not only appropriate but in fact completely consistent with the plans and developments of President Sadat's new economic programs.

¹⁰al-Naggar, op. cit., p. 27.

CHAPTER X

EXPERIENTIAL ACTION RESEARCH (EAR) TRAINING:

A STRATEGY FOR IMPROVING THE EGYPTIAN LOCAL GOVERNMENT SYSTEM

I am convinced that the path of development in Egypt will be determined in important and indeed in essential ways by the local government officials actually assigned to the rural areas. Central ministries and chief administrative officers can and will give direction, but the local administrator, representing the various ministerial programs available in the rural areas are those who will achieve or fail to achieve the goals and values implicit in such direction. It is therefore necessary that we consciously consider the types of training and experiences available to local government officials in Egypt.

The Egyptian administrator now functioning in the rural areas of Egypt needs a special type of training which is not based upon the old techniques of lectures and university classroom experiences. While such a formal education system will continue to be used for advanced degree training and some of the more technical aspects of planning, budgeting and administration, a new type of training experience is needed for the officials who actually have the responsibility for implementing a local government system in the village communities of Egypt. One such approach is called EAR-Training. It is based upon experiences which were gained in Peace Corps and rural government

training situations in the United States and the Middle East. As you read a description of this EAR-Training approach you will note that it has many similarities with the training approaches used in the Savings Bank training program described in the previous chapter. EAR-Training is based upon team building, communication skills, problem solving techniques and higher levels of interpersonal skills. This approach to training was first introduced in the late 1950s and has proven to be successful in a wide variety of cultures and local government environments.

Let us first describe the theory and assumptions underlying this approach to training. Second, we will outline how Egyptian administrators might be trained in this new technique. And third, we must identify how administrators with this training would be used in the towns and villages of Egypt.

The Theory and Philosophy of EAR-Training

The name of this training strategy is based upon an approach which I call Experiential Action Research Training or sometimes just EAR-Training. Although the name EAR represents the words Experiential Action Research it also underscores the fundamental importance that listening and communicating have in this type of training. It has been said that we have one tongue and two ears for communicating--implying that we should listen twice as much as we talk. It has been argued that officials from Cairo tend to talk twice as much as they are apt to listen when they interact with local officials in the rural areas and that this may be one source of the

clearly was a major problem in some rural areas of the Western United States.

EAR-Training involves a commitment to a specific system of training, research and implementation. The system of training is based upon an experiential model of education as opposed to the classical "university model," and utilizes a mechanism for change which is based upon the concept of team building. The system for initiating and implementing change stems from the concepts and techniques used in Action Research. The careful combination of an experientially based training program which insists upon a team building approach for the administrative system used, and utilizes an action-research methodology for change and implementation appears to provide a series of advantages especially relevant to conditions in rural Egypt. While this particular strategy will be described as if it were to be used in a future Ministry of Local Government training program, it must be recognized that such a strategy would have to be pre-tested in a variety of local situations in Egypt before it could be recommended for wide use in the districts and villages. EAR-Training includes the following two basic ingredients:

Experiential

Training in most ministries of Egypt has traditionally been based upon a "university model" of education. Using primarily the lecture method of instruction, this type of education was designed originally to train scholars, researchers, and professionals, for whom rationality, abstract knowledge, emotional detachment, and verbal skills are primary values. In recent years management training programs have begun to recognize that most problems in their administrative organizational systems tend to be "people-problems" rather than "technical

problems." The "university model" was found to be inadequate as an appropriate way to deal with the human element in organizational life. Some of the most significant problems that local officials seeking to interact with the villagers are faced with are emotional and interpersonal. Such problems require skill in establishing and maintaining trust and communications, motivating and influencing, consulting and advising--all the complex of activities designed to inculcate change. In the areas of rural Egypt where urban trained officials must seek to work with the peasants, the performance of these interpersonal skills must take place across differences in values, in ways of perceiving and thinking, and in cultural norms and expectations. Obviously the training needed for the development of these kinds of skills cannot be learned in classrooms. A new strategy of learning is needed which requires a new set of educational principles: (See Table X-1.)

(A) Experience-Action Orientation. The experiential approach to training must require that the person experience the emotional impact of the situation he will face when he is assigned to a village. He must be able to translate ideas and values into direct action, with all the attendant risks and difficulties. This requires that the learner (trainee) actually experience the process of influencing others to action. This principle, then, is that training situations should require that discussion and analysis lead to decision and action on the part of the trainee. This would imply, for example, that even the best led "discussion group" is only half a training situation, because it does not lead to action.

(B) Problem-Solving Experience. The trainee should be continually exposed to situations that require him to diagnose what is going on,

TABLE X-1
TWO MODELS FOR LEARNING

University Model	Experiential Model
<p>1. <u>Sources of Information:</u> Information comes from experts and authoritative sources through the media of books, lectures, audio-visual presentations.</p>	<p>1. <u>Sources of Information:</u> Information comes from the social environment where the learner works. Various methods used are surveys, observation and questioning.</p>
<p>2. <u>Learning Setting:</u> Learning largely takes place in a classroom or a library.</p>	<p>2. <u>Learning Setting:</u> Learning can take place wherever one finds oneself.</p>
<p>3. <u>Role of Emotions and Values:</u> Problems are dealt with mostly in the abstract. Emotions and value questions should not be discussed. Questions of reason and of fact are paramount.</p>	<p>3. <u>Role of Emotions and Values:</u> Most problems are filled with questions of values and emotions. Facts are often less relevant than the perceptions and attitudes which people hold. Values and feelings must be considered and dealt with.</p>
<p>4. <u>Criteria for Success:</u> Favorable evaluation by the teacher or expert usually in the form of grades.</p>	<p>4. <u>Criteria for Success:</u> The ability to establish and maintain effective and satisfactory relationships with others in the work setting. This includes the ability to communicate with and influence others.</p>
<p>5. <u>Major Goal:</u> Purpose is defined as learning the facts or the truth. It requires objectivity, the ability to stand back and analyze, and to offer explanation, theories, and reports.</p>	<p>5. <u>Major Goal:</u> Purpose is defined as being able to become involved: to be able to give and inspire trust and confidence, to care and to take action in accordance with one's concerns.</p>

Data used in these problem-solving exercises must be gathered by observation of the physical environment and experience with persons involved in some problem, as distinguished from the kinds of abstract information obtained from experts and authorities. Learning to use data obtained from one's own experiences, particularly from the environment where one works, helps to free the trainee from dependence on authoritative sources of information. In experiential training designs, problems should be constructed so that their definition and solution require the problem solver to develop information from the persons who are present with him in the problem situation. This type of training is very different from the typical classroom, where the teacher defines the problem and then gives the information needed to solve it. (See Table X-1.)

Action Research

The second aspect of EAR-Training involves the implementation of "action research" as the basic change strategy to be used in a village environment. Action research is a particular strategy for social and organizational change which includes a special combination of three sources of data: the client system (villages), the change agent (local official in the village) and Behavioral Science Research (trainer and data processor at the district level).

Some early efforts to define action research started with the work of Karl Lewin who during World War II conducted some interesting research on planned change strategies. At that time meat was rationed in the United States, and scarce ration stamps were required to secure the choice cuts of meats--roasts, steaks, and chops. Other cuts of meat were not rationed (liver, brain, tongue, heart), but for a variety of reasons people would not use them. Lewin's research centered on the question of determining if housewives could be induced to change their meat-buying and eating habits and to start using these nonrationed products. With his research assistants, Lewin set up some experimental conditions. Some housewives were put in groups that listened to attractive lectures which linked the problem of nutrition with the war effort, and emphasized the vitamin and mineral value of the nonrationed meats. The preparation of these less popular meats was discussed in detail, including a distribution of mimeographed recipes. Yet despite all this training, only 3 percent of the women who heard the lectures served any of the nonrationed cuts of meat.

Other housewives were asked to participate in discussion groups and were requested to discuss food, nutrition and the war effort--to see what housewives could do to assist in this area. Following the discussion sessions it was found that 32 percent of the women served at least one of the previously avoided products. Apparently something happened in the group sessions that was not present in the lectures to produce change. Lewin's own analysis indicates he felt the differences were due to (1) the degree of involvement of people in the discussion and decision; (2) the motivation in actually being a party to the decision; and (3) group influence and support of others in reinforcing the decision.

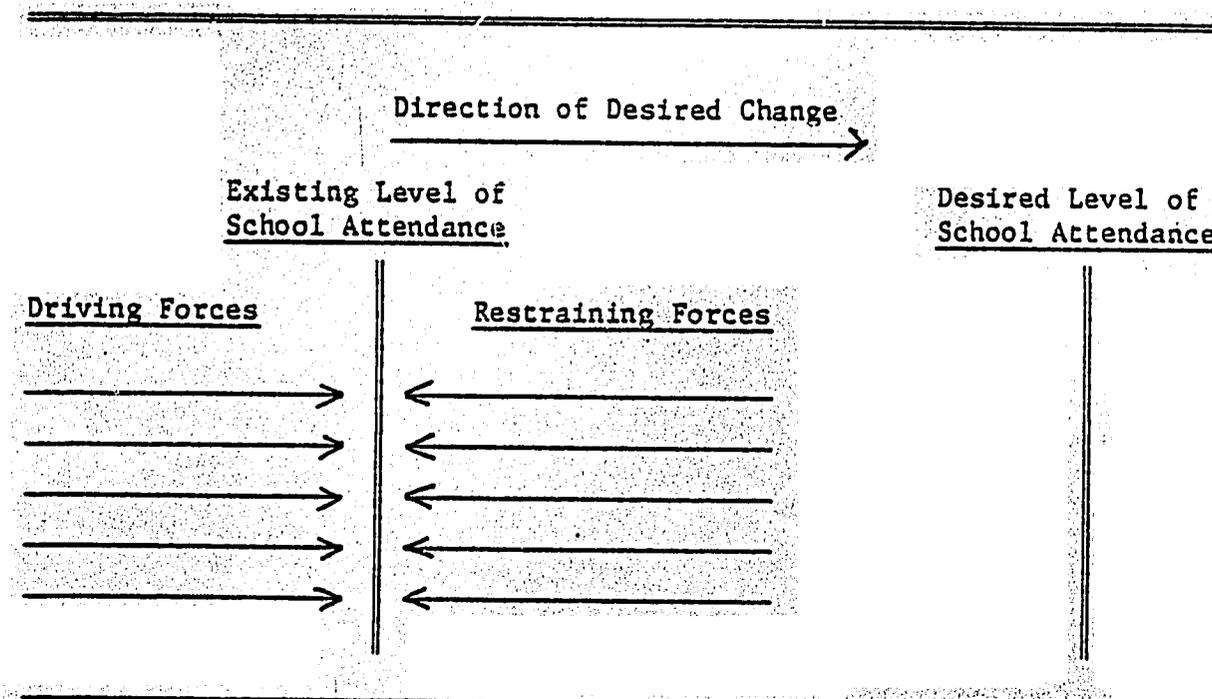
for analyzing the planned-change process. He visualized any existing condition as in a state of balance or equilibrium (with some fluctuation) locked between two sets of forces--driving and restraining. He called his model of counterbalancing forces "force field analysis."

In Lewin's meat-eating problem, the restraining forces that kept housewives from buying and using the nonrationed meats seemed to be taste, smell, appearance, family reactions, low status attached to eating these meats, lack of approval by others, and lack of information about preparation. Driving forces that pushed toward change were patriotism, hunger, nutrition, no stamps needed, new taste experience.

It would be easy to transfer this kind of analysis to the Egyptian village. How many questions would a fully functioning executive committee and representatives from the local council be able to identify and analyze in "Force Field Analysis" terms? For example, with a little thought such a group of officials and villagers--working as a cooperative community development "team"--ought to be able to identify 5 or 6 major restraining forces (obstacles) which are presently keeping some village children from attending school each day, and with a little thought they ought to be able to think of 5 or 6 driving forces (good reasons) why these children should be attending school each day. A diagram of these interesting forces would look as follows

TABLE X-1

FORCE FIELD ANALYSIS IN VILLAGE
SCHOOL ATTENDANCE



Given the field-of-forces model, there are really three basic change strategies:

1. Increasing the driving forces.
2. Decrease the restraining forces.
3. Do both.

There is good evidence to suggest that just increasing the driving forces results in a certain degree of increased resistance, leading to the vicious cycle of "the more you force the peasants--the more they resist." More appropriate is the strategy of either reducing or eliminating restraints, or even better, moving previously restraining forces around to the driving side. The group-discussion-decision method used by the Savings Bank program with the Egyptian peasant changed peer-group pressure from a restraining force to a driving force. Peasants who formerly had been uneasy about the bank system and the reactions of their

neighbors later began to obtain support from those very neighbors.

In more recent years a more systematic method for planning and implementing change has emerged. It is related to Lewin's early research strategies and is called action research. Action implies a great deal of interaction and participation between peasant leaders and local officials and assumes that experimental and team building kinds of training have already taken place. Research implies the collection of data, analyses of alternative strategies, and the gradual accumulation of new information about what works and does not work in villages.

The basic steps in action research include the following action and research kinds of activities:

1. Define the Problem and Determine the Change Goals. In planned change one moves from the existing situation, which is seen as a "problem" or a condition to be altered. The change target or goal is also identified. Careful and patient interaction between peasants and officials will be needed before the "real" problems will be identified.
2. Gather the Data. In order to determine what the real forces in the situation are, it is important to gather accurate information about both resistance forces and positive factors. Accurate and complete data require a great deal of trust and cooperation between peasant and official. Data gathering may be accomplished by interviews, group discussions, team brain storming, and observation.
3. Summarize and Analyze the Data. After being accumulated, the data are put into some type of summary form. Analyses of the data should help determine which factors are most important, which are amenable to change, which cannot be influenced or modified, and which

have the greatest probability for lending themselves to a successful change endeavor.

4. Plan the Action. Following analysis of the data, the plan of action to be utilized is prepared. In a good action plan the following matters are considered:

- a. Who are the significant people who need to support a change program?
- b. Where should action-taking begin?
- c. Who should be assigned to take what specific action?
- d. When should first reports of action be prepared for review?
- e. What resources (time, money, equipment, personnel) are needed for the change program?
- f. What is the estimated completion time?

5. Take Action. After the plan of action has been carefully worked out, the next logical step is to put the plan into effect.

Lewin's model would encourage the following in the action-taking stage:

- a. Work on reducing restraining forces.
- b. Involve people in planning their own change.
- c. Develop social supports for change
- d. Get people to make their own decisions to change.

6. Evaluation and Research. Any good action research program has build into it the criteria for its own success. How do you know if you have reached your goals? Goals should be stated in such a way that evaluation criteria are evident and easily applied. For example, "Our goal is to have a 5 percent increase in class attendance during the school year"; "Our goal is to have the village pond drained within six

months"; "Our goal is to have at least 10 farmers using a new type of seed during the next year"; "Our goal is to bring all the dayas of our village into the village health center for training and recruitment to the family planning program."

Out of evaluation comes the need to determine what succeeded and what failed and why. It is important that in this sixth stage of Action Research the village officials and village leaders come together with a trainer-researcher, hopefully someday available in each district, to talk through the previous month's or year's activities, share what seems to have worked in their village, and learn what seems to have worked in other villages of the district. In this way the Action Research becomes a self-correcting and cumulative system of action-research and then more action.

A Possible Schedule for Village Training

It is recommended that this type of EAR-Training be introduced into the curriculum of the proposed ORDEV Training and Research Center which is to be built sometime in 1977 or 1978. It is suggested that a team of experts familiar with experiential training, team building and Action Research strategies be recruited from among faculty and trainers available in Egypt and the United States to perform the following:

1. Develop the curriculum and outline of subjects to be covered.
2. Collect and catalog training materials, books and research materials to be used.
3. Recruit and train a group of assistant trainers who would be available to help train people first in the ORDEV Institute and perhaps later in various training centers that might be established in Upper and Lower Egypt.

Once a cadre of EAR-Trainers are available to staff the ORDEV Institute and then perhaps other training centers and institutes in Egypt, then a special effort must be made to recruit and train enough ORDEV personnel so that each of the 140 districts in Egypt would have an ORDEV representative. It would be anticipated that each of these ORDEV representatives would have the following types of training:

1. Team Building and Human Relations/Group Dynamics
2. The Psychology and Social Characteristics of the Fellahin
3. Rural Economic Development (Projects and Small Industry)
4. EAR-Training
5. Skills in Monitoring, Assessing, Diagnosing, and Evaluating.

In order to appreciate the potential impact of these district ORDEV representatives in the whole process of implementing Public Law 52 it is important to recall the serious problems and obstacles which plague the village administrator, the village council member, and the average peasant in a village community. The list is long, and those who would truly comprehend the scope of this problem must live and work in the villages themselves. The obvious problems of illiteracy, ignorance, disease, apathy and village traditions are, in fact, no more serious than the lack of a committed and concerned cadre of administrators, the continual shortage of funds and supplies, and the absence of any system of monitoring, assessment or diagnosis which could be used to chart progress and/or determine priorities of change.

There is much optimism that the district echelon of administration will begin to coordinate and integrate the services and programs being implemented in the villages and rural communities. Yet Public Law 52 does not delineate what types of administrative personnel would

Let us see if we can identify a three-stage process by which the Ministry of Local Government might indeed provide the trained people needed to perform these functions:

Stage I - ORDEV Representative trains and develops the executive committees and chairmen of village council committees in team building, action research, and community development strategies for economic, social and political change.

Stage II - Village unit chairmen and village council chairmen work with the village council membership to develop programs and activities which will integrate and coordinate all government services being implemented in all the satellite villages of the village council area. The focus of this phase is to increase public involvement and citizen participation in the decisions and actions of the village council.

Stage III - Each ministerial representative (doctor, teacher, agricultural engineer, social worker) will gradually begin to recruit and train para-professionals to help them in their individual sectors of service. It is anticipated that these locally trained helpers will play an important role in helping the villagers to more effectively help themselves.

Before we describe these three stages in some detail let us outline the major functions of the ORDEV training representative:

(1) Trains all executive committees and chairmen of village council committees of each village council area of the district at least one day every two months in the district capital. The morning session would allow all the village doctors and chairmen of health committees to meet as one group, all the social workers and chairmen of social

chairmen of agricultural committees to meet as one group, etc. Efforts would be made to share ideas, develop and plan new approaches pertaining to their own areas of expertise. In the afternoon each individual executive committee and respective village council committee chairmen would meet to discuss and plan ways to improve and integrate the programs and services existing in their own individual villages.

2. Visits each village council area at least once every other month to observe, encourage, advise and monitor progress and implementation activities of the village.

3. Collects data, information, opinions, attitudes, and statistics which could be used in an effective information system which involves monitoring, evaluating, diagnosing, and planning.

Identifies and encourages specific income generating projects which ORDEV could support and help finance in each of the village council areas.

Stage One in Village Training

The executive committee of each village council area is to play a coordinating and executive role. Based upon recommendations, suggestions and requests from the local council, the executive committee seeks to implement, initiate and administer programs and projects functioning in the village council area. The membership of this committee very appropriately includes: the village unit chairman, the village unit secretary and representatives from each of the ministries which have programs in the village council area: health, education, social affairs, agriculture, housing, and security

Within the village council there are elected members who have

been nominated and elected by their peers to be the chairmen of the four or five legislative committees functioning in each council. These legislative committee chairmen may prove to be the key linkage between the council members and the individual administrators who make up the executive committees. In fact I am recommending that these two groups (the government administrators of the executive committee, and the legislative committee chairmen of the village council, plus the village council chairman) be constituted as a community development steering committee which would have the responsibility of meeting on a regular basis in the district capitol building with the community development steering committees of the other village council areas of the district.

In the district of Qawisna, for example, this would involve some 14 people from each of the seven village council areas or a total of 98 persons. It is envisioned that these 98 officials and administrators would meet in Qawisna at least once every other month. Perhaps the meetings could be held the second Monday of January, March, May, July, September, and November. Initially in these meetings the participants would have to be given extensive training in the areas of rural development, team building, action research, and administrative rules and procedures.

First it must be recognized that the effectiveness of the executive committees will require that the individual administrators function as a unified and fully integrated team of local officials. Personal observation convinces me that village administrators do not fully communicate, plan, or discuss problems that may be common to them all. Doctors seldom discuss common problems with the school teachers. and

agricultural engineers generally see no reason to contact the social workers or other administrators in the village. Each ministerial representative perceives himself responsible to his own ministry and to no one else.

The new system of local administration defined in Public Law 52 envisions the executive committee to be an integrated team of change agents--not a group of separate bureaucrats each going his or her own way. With appropriate team building training or some type of EAR-Training these separated administrators will be less apt to see themselves as working for this minister or that minister or even for some particular governorate or district official but rather, hopefully, they will come to see themselves as a team of specialists working with the village council to bring change and development to their village area.

If all these executive committees and village council committee chairmen could be brought together for a training workshop once every other month under the direction of the District ORDEV representative, some exciting new lines of communication, planning, evaluating and feedback could be initiated. It would be helpful if during the first few workshops several staff trainers from the ORDEV Training and Research Center would be available to support and augment the district ORDEV representative's training efforts. The workshop ideally would have two parts: (1) sectoral team building, and (2) village council area team building.

Perhaps in the morning session all the village doctors and chairmen of health committees could meet as a single group to discuss and deal with the problems in the sector of health. At the same time all the social workers and chairmen of the social work committees, all the

agricultural engineers and chairmen of the agricultural committee, all the school principals and chairmen of the education committees, and so forth would meet separately to discuss the specific problems of their individual sectors.

Efforts would be made to share ideas, develop and plan new programs, establish new strategies and seek new solutions to the problems with which each respective sector is concerned. Through a structured workshop of village officials and ministerial representatives, these sectoral groupings would seek to reinforce each other, would seek to identify common obstacles, and would seek to communicate a new sense of commitment and dedication which is often lost through the discouragement and apathy of their isolated position.

These sectoral discussions only emerge as effective sessions for change after representatives from each sector have met over the course of several months. As they come to know and trust each other, the creative energies and innovative ideas should combine synergistically to reinforce and strengthen the thrust of the District's total efforts to deal with the sectoral problems identified.

In the afternoon, the workshop would be organized around officials and representatives working in each of their respective villages. Informed by the experiences of others shared in the morning session, motivated by the successes of other villages, and, we trust, united to exchange their complementary skills and approaches for the solution of their common problems, these villages leaders may learn to work together. This opportunity for all the members of a village executive committee to meet with village council committee chairmen,

problems, to plan and implement new programs and new goals should generate greater unity and commitment. It is assumed that this type of bi-monthly training, performed away from the village in the district capital would provide these village leaders with the opportunity to gain insights from the ORDEV training officers, to learn from officials and representatives in other villages, and then to develop that sense of integration and unity needed to help mold these separate individuals into village teams of community development specialists.

Stage Two in Village Training

Once the six administrators of the executive committee and the village council committee leaders have begun to function as a team--the next stage of training would seek to increase participation and involvement of the total membership in the village councils and other leader and citizen groupings. This phase of training would no doubt require a facilitator from the district to help. Again the focus would be on the skill areas mentioned above, team building, and some preliminary training in problem solving, decision-making, and village economic development. This particular stage in village development assumes that the training impact of stage one would have some cumulative impression on the workings of the village councils. The leadership of these councils must seek greater participation from the representatives of the satellite villages who often have less education and experience. The key to this stage of training will be the effectiveness of the executive committees in each village. Only as they learn to function as a catalytic force in the village community will new forms of participation and involvement emerge. There are no simple tricks or easy techniques by which these stages of development are to be completed.

As effective methods for collecting information on the attitudes and opinions of the villagers are developed, as techniques for assessing and evaluating programs and services are implemented, and as the peasants and their representatives come to feel their input can really make a difference will this stage reach maturity.

Stage Three in Village Training

This last stage of training is by far the most difficult and in reality is the key to any effective rural development program. This stage requires patience because the training itself will not be a structured 2-3 day session or even 2-3 month training course. It will require an on-going program between the administrators and the peasants of the village. It will involve the establishment of goals, the active involvement of as many villagers as possible, careful monitoring and continual feedback sessions between administrator and peasant. It will require some coordination, encouragement and direction from the district level--but most of all it will require extensive participation and involvement from the village and/or villages serviced by the administrator.

The logic and strategy implied for this third level of training requires the active efforts of the administrators to recruit and train local villagers to help the administrator perform his tasks in the village. This type of "village involvement" program is based upon the following assumptions:

1. The key element of this third stage is the recruitment of villagers who appear to have the potential interests and abilities to function as interns or paraprofessionals under the administrator. A relationship must be developed between the administrator and the peasant

intern based upon trust and sincere interest. The peasant intern must be able to see the tangible human benefits that can come to his/her village because of the program directed by the administrator.

2. The goal of this third stage then culminates in the development and employment of functional professionals, that is, persons with the natural abilities in a given area who are trained to a relatively high level of expertise in that area. Although these peasant interns and paraprofessionals do not have the formal or educational credentials, they will be able to function effectively as professionals. There is a growing recognition of the potential work contribution that a cadre of trained peasant professionals could make to the rural areas of Egypt. No significant changes will occur in rural Egypt until the peasants begin to help themselves. The growing willingness to utilize nonprofessionals is a function of the administrator's inability by himself to discharge his responsibilities adequately in the village to which he/she is assigned. Yet from experience in many countries, it has been found not only that the subprofessional can complement or supplement the activities of the professional, but also that he can do the job as well or better than the professional administrator. For a variety of reasons the peasant intern can have an advantage over the administrator in certain areas of functioning.

Thus the person indigenous to the populations being serviced appears to have a greater ability (1) to enter the milieu of the peasant community; (2) to establish peer-like relationships with the peasants needing the service; (3) to take an active part in the individual peasant's total life situation; (4) to empathize more effectively with the peasants' life style; and (5) to teach the peasant and his family,

from within his frame of reference, more effective actions and behavior. In short the peasant paraprofessional when appropriately employed can be the human link between society and the person in need of a specific service--a necessary link that the urban trained administrators are not now adequately providing.

3. As this third stage of training becomes a reality, the professional administrator in the village should be able to surround himself with a dozen or more dedicated peasants who are sensitive to the goals and aspirations of the program being implemented. The interaction between administrator and peasant intern should allow for the type of self-correcting participation sessions described earlier. These discussion sessions should generate information that can be used to modify and improve the services and programs being offered. As the peasant interns participate in these problem solving sessions, as they see their recommendations and ideas included in the program--the program becomes theirs. The only effective village development program is one where the central government administrators are constantly training themselves out of their jobs. In order to accomplish this, natural leaders with natural abilities must be sought out and developed in their areas of expertise.

All of this is not to say that some credentialed professionals would eventually not be needed in the village. What is envisioned is that the role of the capable administrator would be expanded to include professional responsibilities as a consultant to rural development programs in the entire area of the village council. That is, the administrator would be free to devote his/her time in setting up, selecting, training, conducting and evaluating programs in the smaller villages

CHAPTER XI

CONCLUSIONS

The rural areas of the Arab Republic of Egypt are experiencing revolutionary changes. The vast majority of these changes are unplanned and spontaneous reactions to the world-wide cultural diffusion inherent in the transportation and communication revolution penetrating the emerging nations of Asia and Africa. Since the Revolution of 1952, both Nasser and Sadat have voiced strong commitment to reform and development. The present regime is seeking to introduce new processes and institutions through which this reform and development might be encouraged and advanced.

This report is based on the assumption that the political, economic, and social structures presently functioning in rural Egypt can be understood only through a detailed account of the culture within which these structures must operate. The Egyptian culture has been portrayed in terms of certain fundamental historical, social, and psychological factors that have determined the general beliefs, attitudes, and sentiments that give order and meaning to the Egyptian local government system. This suggests that the perceptions and images held by the peasants and rural administrators must be considered before one identifies and develops new strategies and institutions for change.

The crucial question facing the effective functioning of local government is the lack of appropriately trained local people. As central

government services are offered to villagers, the more energetic and intelligent young people leave the villages to seek better education and employment opportunities in the urban centers. The frailty of local politics and the scarcity of employment opportunities precludes the rural areas from holding the more competent members of their communities. In an attempt to reduce the urban migration from village to Cairo, new efforts are being made to strengthen the local political system through direct and free elections not only as a means of providing a truly significant political experience to large segments of the rural population but also as a means of controlling and challenging the local functionaries into improving and expanding their services in the village.

Within the past two decades many laws have been passed, many training programs have been conducted, and many projects have been funded--all geared to the development of rural Egypt. Yet the fundamental conclusions of this report are very simple and very basic. First, training if it is to have any impact (1) must be related to new behaviors; (2) must be made to identify where the system was before the training took place; (3) must provide opportunities to practice and receive feedback on the training experience; and (4) must structure a careful evaluation of each phase of training to ensure that effective training is encouraged and reinforced and ineffective training is eliminated as quickly as possible.

Second, Public Law 52 creates a new echelon of local government at the district level which not only provides the vehicle for decentralizing the functions, responsibilities, and programs down to the local level, but also establishes the mechanism by which the ministerial representatives in the local areas can be integrated and coordinated

into an effective service delivery system. Every effort should be made to strengthen the leadership and the administrative capabilities of the district organization. The district encompasses an area small enough for competent administrators to have some impact. Egypt's rural governmental system has lacked the consistent leadership and the administrative skills in assessment, diagnosis, evaluation and follow-up which are needed if rural development is to be cumulative and goal-oriented.

Third, there should be no illusions as to the difficulty of establishing this new district system, no premature optimism over the question of linking training strategies to specified administrative and behavioral goals, and no promises that traditions and cultural values can easily be defined to facilitate rather than hinder change. The solutions and recommendations identified in this report must not be conceived as merely a question of administrative reorganization or the establishment of new procedures, laws or regulations. A long-range solution will require a gradual process. Innovation or change is not necessarily resisted by the Egyptian peasant. Opposition develops only when a traditional value is directly attacked or repudiated. From the Savings Bank project, developed in the mid-1960s, it appears that new ideas, values, and behavioral traits will largely be accepted to the degree that the changes and reforms are defined and identified in terms of traditional values or at least shown to hold a higher position in the value hierarchy claimed by the individual. It has been argued that the experiential action research orientation to training is more apt to provide an environment where the interactions between peasant and bureaucrat will be productive rather than destructive.

The fundamental purpose of rural development is to generate