

Privatization is Still a National Requirement

The attitude of accommodating the concept of privatization is going international. Capitalist countries have appropriated it as well as the communist. It has well proved that countries and governments would rather go management than investment parties.

Management, in this respect, means arranging the climate for investment without interference. i.e. setting the rules that organize business at banks, bourses, money markets; laws and legislations for industrial and commercial men of law; and to evade monopoly or any conspiracy that would go against the welfare of the consumer. Meanwhile, it leaves a wide scope for competitors, whether from the country or from abroad, in order to seek the best services for the consumer and client who, eventually, becomes the benefited party through acquiring the market confidence.

There are more than one theory appropriated in the world of privatization, each has its pros and cons regarding the diversity of points of views.

There is a theory that advocates speed in implementing the privatization program in order to limit the drain of accumulative loss for every year of delay.

Bigger prices at a selling bargain would rather be considered a bigger loss for national economy if they come about in years of delay as compared to immediate selling, even for less prices.

In other words, annual cumulative loss should be taken into account while studying the available buying offers that can be instantly implemented through inserting the speed of accomplishment as a factor of comparison.

Another theory considers the importance of keeping strategic industries which require support and development through providing them with new thought and investments on the part of the specialized buyer.

This can be the case in rubber industries that include tires as well as chemical industries such as fertilizers or other industries such as steel, castings, cables, welding wires, and other infrastructure industries without overlooking the strategic importance of any of such industries.

This kind of privatization elevates investment thought that turns the country into a big investor that seeks to attract high-level investments, enabling it to be in the limelight. This owes to acquired modern technologies which are capable of covering the local market and enable the country to strike deals as a plausible international competitor.

This kind of investments usually comes under high-specialty monopoly industries. Naturally, dealing should cope with its special rules, rather than the laws of local tenders and auctions.

Not less important is the spread of unspecialized writers who circulate accusations here and there about bargains still under negotiations – which are considered classified information – across newspapers.

Consequently, hands shake increasingly notwithstanding the decreasing trust in the Egyptian negotiator, who becomes personally susceptible for press attacks. Of course, this contradicts with the professional and occupational characteristics of a dexterous negotiator.

The country gets no benefit out of such practices which only engineer shades of doubts and utilize them for personal gains of reputation or

documenting the "victory" of sounding the alarm that otherwise nobody could have heard of.

Of course this does not reflect the current reality. The Ministry of Investment, represented by its train of holding companies, entails numerous efficient cadres and bodies specialized in the sale and assessment operations, thanks to their available data and strategies that make them capable of taking proper decisions.

As a matter of fact, we can also take into consideration the usual diversity of trends within these companies, thus rationalizing any decision before it gets close to conclusion.

This issue invites our discretion regarding this intertwining phenomenon that aims at terrorizing the management that concludes any deal so as to hinder its accomplishment. This is not good for the individual, the establishment or the country.

There is a third theory adopted by many industrial countries. This theory takes into consideration the prospected buyer's point of view. Probabilities for future success for any company on the privatization program are decided on the day of purchase and so do the conditions of this purchase.

This means that selling a company too expensively or under oppressive conditions does not allow this industry future success - this if the investor accepts it. This does not benefit the country simply because the new buyer will most probably fail before buying a company.

In short, when the country makes tantalizing offers for a prospected buyer, it is considered a strong point rather than a weak point because it reflects wise

judgment that accomplishes national interests through the individual interest and the national industry owned by individuals.

We will all be happy the day we initiate a new policy in the country to encourage Egyptians to join the privatization program unhesitant. Providing citizens with adequate facilities would encourage them to set foot in this field and bear the risks and burdens on behalf of the country, so as to achieve personal success in industry, which in turn makes an economic achievement for the country. Thus, this process would achieve double success.

The privatization program has been such a burden on the Egyptian economy for long years after passing through the long and dark tunnel of corruption. Now it is dangling out with a "shaky hands" phenomenon. This is what we do not wish to continue.

The role of the Ministry of Manpower has shifted currently with workers already getting their rights without obstacles.

Instead of defending workers' rights, which are not wasted any more, the ministry is focusing more on stabilizing workers and enhancing their performance, thus helping them ascend the ladder of higher wages through setting training and qualifying programs.

This goes hand in hand with the theory that counts all Egyptian workers under the Ministry of Manpower, not just those who work for the public sector that is eligible for privatization.

Many other workers will be hired on fair terms, according to the system already in effect.

The privatization process provides a mechanism for early retirement that does not rule out chances for new job opportunities either in free business or occupations. This is similar to work systems in England, Germany and the European Union.

Considering the privatization experience in a country like Germany, we find that Eastern Germany went private in six years. Meanwhile, it offered credit through the banking structure with 1% interest, refundable in 10 years time.

The sum of money Germany allocated to privatize Eastern Germany hit a number of million marks for the first stage which were fully reimbursed after entire privatization.

In other words, privatization requires reimbursable funding from the country with banks funding privatization in return for cheap interest money within the framework of a funding structure provided by the country for these banks.