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My Beloved Egypt

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Industrialists who experience Egypt's contemporary industrial and economic renaissance cannot disregard the limited outlook they see in international conferences and forums. This outlook regards Egypt as a sleeping beauty resting by the north coast of Africa above a culture of 5000 years and one third of world's discovered antiquities.

Besides its limited veracity, this viewpoint does not actually reflect a true image of modern Egypt in reality and as seen by its people. In fact, Egypt is a unique case by all standards that rarely resembles any other case:

- A country located in North Africa, Egypt reflects a bright image for the promising future of this continent exactly as the developed world wishes for it.
- The 5000-year civilization is just the history of discovering Pharaonic scripture, which is less than the real age of the ancient Egyptian civilization, which dates back to 15,000 years. This civilization was established on the banks of the great River Nile and was made by ancient Egyptians to be a valuable legacy for the whole world.
- It is widely known that undiscovered monuments in Egyptian soil are estimated at three times as much as the discovered monuments.
- Egypt has an undeniable role in developing the Arabic language through the creativity of its intellectuals and writers. They

created a renewable source of enriching the Arabic language in general and the cultural and artistic language in particular for the sake of all Arabic-speaking societies.

- Egypt is geographically located between Africa and Asia, where one can easily move from one continent to another through crossing the Suez Canal – just crossing a distance of 100 meters only.
- The Suez Canal is unquestionably a new miracle that was created by modern Egyptians for the best interest of the mankind without discrimination. The miraculous thing of the Suez Canal is that it was made in an era when electricity and internal combustion engines had not yet been discovered. The Canal was dug by the only available tools; human energy and primitive tools, such pickaxes scuttles. It is quite known in construction engineering that digging in sand without modern equipment is not much easier than digging in water. The Suez Canal is indeed a new pyramid-like miracle that was created by modern Egyptians to serve the entire world.
- Egypt has a unique role as an ever renewable source in meeting the needs of Arab countries of teachers, engineers, legislators, lawyers, judges, doctors as well as trained and untrained labor.

Current Economic Renaissance in Egypt:

History repeats itself. Many people forget that in its contemporary history and in the late 1950's, Egypt had administered a stock market that was then ranked 5th in the world. At that time, Egypt owned huge reserves of gold and financial accounts that were deposited with British banks. That is why famous economic analyst B. Hanson stated in the early 1960's that the Egyptian Economy was about to achieve a boom through which it could join the prosperous countries, long before anyone heard of Asian tigers and their program for economic reform.

However, with the advent of the 1980's, the picture totally changed because Egypt was involved in a number of wars that drained its economy, wasted its resources, crippled its points of strength and embroiled youth of the country into a dark tunnel that obstructed these points and dispersed future hopes. Accordingly, an economic analyst described the Egyptian economy at this stage as similar to a tangled and intricate rope that cannot be easily untied without being embroiled in an explosive situation because economic solutions conflicted with political and social aspects.

With that he was referring to the demonstrations that erupted when President Sadat tried to downgrade subsidy of some commodities and free its circulation away from the governmental dominance.

- Countering modern global changes, two significant economic schools appeared in Egypt. They were supported by a large segment of the society, including political figures of decision makers, government officials, economists, writers, intellectuals, non-governmental organizations and businessmen.

- The first school adopted an internal slow development ideology. This view was supported by a social outlook and highly considered the huge volume of the activities of the public sector in the national plan and taking precautions against rapid change. The second school adopted a liberal, free market ideology. President Mubarak has had a historic vision with his courageous political decisions. He opted for directing the economic helm toward integrated economy. He set a program for economic restructuring in a manner that qualified Egypt to deal with international 21st century variables. This change shifted Egypt economically to its current status quo.
- The Egyptian achievements that were attained during the period 1990-1996 deserve appreciation, especially economic indicators were not just corrected but rather became in a fixed and maintainable status:
 - Inflation decreased from 15% to 5.7%.
 - Deficit of the State budget decreased from 1.6% in 1995 to 1% in 1996 compared to 15% in 1990.
 - The pound rate of exchange has remained for six years within a range of LE 3.38 and LE 3.40 against the American dollar at a time when the stock market was liberated and all restrictions were eliminated in the realm of foreign currency transactions.
 - The value of foreign exchange reserves hit about \$19.10 billion.
 - Economic growth rate in the national income reached 3.90% in 1996. It is expected to rise to 5% in 1997 and 8% as a target value in 2000 to face 2.1% population increase per annum. The interest rate for loaning is estimated at 10.5% for the Egyptian pound and 5% for the American dollar. This percentage is still high and requires intervention of authorities to decrease it to be compatible with the aspiring and constructive economic plan so that the private

sector can contribute 70% to the State development plan. This is especially as full opportunities have been granted to domestic and foreign investors to participate in the fields of agriculture, industry, infrastructure, finance, insurance, private-sector airports, free zones and power plants as well as managing and investing in these projects.

- The stock exchange market was established and activated to manage investments that are 11 times as much as it was four years ago.
- The contribution of service and tourism sectors hit 55% of national income in 1996. Industry's contribution to the enhancement of the national income rose by 17% compared to the previous year. Provision of job opportunities increased by 14%.
- In the labor market, Egypt comes second to China regarding eligible employees between 20-24 years. Egypt is also a low-cost labor market; however it is currently facing the challenge of creating 500,000 new job opportunities per annum.
- Perhaps this challenge has prompted President Mubarak to address it with a countermeasure that is no less in size but rather exceeds it in economic standards. This challenge is represented in the large-scaling national project for developing south of the valley. This project will not only absorb large numbers of labor but will also create a self-directed mechanism that should improve the distribution of wealth and income, abridge differences between north and south Egypt, and launch activities for the south valley in particular that do not exist in the north.

The main features of economic renaissance that characterize this phase can be summarized in 6 points:

- 1- Egypt's economic reform program will not arise from intense political changes as was the case in the Soviet Union and East and Center European countries. This program can be achieved through an economic and political vision, brave enough to endure gradual progression of economic reform without bearing unendurable economic burdens.
- 2- The Egyptian economic reform program is pure Egyptian and does not replicate any other system that is different in nature and circumstances from the Egyptian reality.
- 3- Egypt's economic reform model was met with appreciation and support from the World Bank, International Monetary Fund and global and financial institutions.
- 4- The Egyptian government is endowed with the support of the private and business sectors through implementation of its economic program. This fact was verified when the IMF advised the Egyptian government to lower the value of the Egyptian pound; a suggestion that was rejected by all economic sectors which later proved to be a sound decision.
- 5- One of the main characteristics of the economic reform program is that it is sustainable in terms of implementation yet irrevocable at the same time.
- 6- The economic reform program accepted the global system as well as the consequences and challenges of joining this system as a participating and eligible partner.

Undoubtedly, the economic and industrial renaissance currently undergone by Egypt operates side by side with its pioneering role as a peacemaker, a fact that set an example for others to follow in. Egypt chose to pay the heavy price of peacemaking on its own accord. Nowadays, it is clearer than ever that pushing ahead with implementing the international system through liberating international trade and joining partnerships whether with the European Union or Mediterranean countries or Middle Eastern blocs, can only be implemented through just comprehensive peace in the Middle East. This stage is considered the bottleneck through which all Middle Eastern countries should pass. It is a new burden with significant consequences, which history chooses to assign the major part of which to President Hosni Mubarak, May God grant him strength and patience to bear the upcoming responsibilities.

Today is much different than yesterday

Egypt, which was befallen with political and military conspiracies in the past that hampered its major boom then, can never be subjected to the same experience nowadays no matter how conspirators who seek to change its status may be. Egypt now holds its fate in its hands as well as a clear vision, wisdom and responsibility of steering the Arab nation to safe shores.