

Egypt Country Profile
The Road Ahead for Egypt

FEMISE Coordinators

December 2004

This report has been drafted with financial assistance from the Commission of the European Communities and the Arab Fund for Economic and Social Development.

The views expressed herein are those of the authors and therefore in no way reflect the official opinions of the Commission nor the Arab Fund.

This edition is published in December 2004 by:
The Economic Research Forum for Arab Countries, Iran and Turkey
7 Boulos Hanna St.
Dokki, Cairo, Egypt

under the FEMISE II program:

with the financial support of:
The European Commission
Arab Fund for Economic and Social Development

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Acknowledgement

This report is produced by the Economic Research Forum under the supervision of the Managing Director, Dr. Samir Radwan, who contributed a great deal of time and effort towards its preparation. The report is the first in a series of country reports to be published by both the Economic Research Forum and the Institut de La MÈditerranÈe within the Country profile project. It is based on the contributions of a number of Egyptian ERF research fellows and affiliates that have accumulated knowledge through the years and have taken an effective role in the policy making process of their country.

ERF is most grateful for the participation of Egyptian government officials, especially the former Prime Minister H.E. Dr. Atef Ebeid; the Minister of Planning, H.E. Dr. Osman Osman; and Minister of Manpower, H.E. Mohamed El-Amawy, as well as university professors, distinguished members of the Egyptian and international economic arena; and the media, through their attendance at the several organized meetings, workshops and most importantly the final seminar that launched the report. Without their comments and feedback, this report would not have been possible.

ERF is especially grateful to the effort that has been made by Dr. Heba Handoussa, former ERF Managing Director, towards the establishment of this project within the FEMISE II program. Without her insistence on the importance of the production of such country reports, this project would have never seen the light.

This report would not have been produced without the continuous efforts and devotion of the members of the country team: Dr. Mahmoud Mohieldin, who is now the Minister of Investment of Egypt and Dr. Sahar Nasr who prepared chapter one: Macroeconomic Policy and Performance and chapter two on Financial Policy Issues; Dr. Hanaa Kheir-El-Din and Dr. Ahmed Ghoneim who prepared chapter three on: Trade Issues; Dr. Ziad Bahaa El-Din who is now the Chairman of the General Authority for Investment (GAFI) and Dr. Noha El-Mikkawy for their work in the preparation of chapter four on: Governance and Institutional Issues and last but not least, Dr. Leila El-Khawaga, Dr. Ragui Assaad and Ms. Mona Amer for their efforts in the preparation of chapter five on: Labor Markets.

ERF is grateful to Dr. Hanaa Kheir-El-Din for her work as the Country Editor of the profile of Egypt, her continuous efforts towards the editing of the whole report, the preparation of the final draft and the write-up of the Introduction are highly appreciated.

ERF is very grateful to the contributions made by the Thematic Advisors of the Country profile project for their efforts towards the preparation of the outlines of the chapters in the initial phase of the project and their inputs towards the chapters of the profile, namely: Dr. Ibrahim El Badawi, World Bank, for his input towards the Macroeconomic and Fiscal Issues chapter; Dr. Nasser Saidi, former Minister of Economy and Trade and Minister of Industry, Lebanon, for his input towards the Financial issues chapter; Dr. Raed Safadi, OECD, for his input towards the Trade Issues chapter; and Dr. Hadi Esfahani, University of Illinois, for his comments towards the chapter on Governance and Institutional Issues. A special word of thanks is made to Dr. Ragui Assaad, University of Minnesota, who has made substantial efforts towards the preparation of the Labour chapter of the report. The inputs of the thematic advisors and their comments have enriched the report.

ERF is grateful to the inputs of international experts from various national and international organizations, especially in the designing phase of the project. A special word of thanks is given to: Dr. Ahmed Galal, Egyptian Center for Economic Studies, Dr. Bernard Hoekman, World Bank and Dr. Jamel Eldin Zarrouk, Arab Monetary Fund.

The report would not have been possible without the financial support of the European Commission through the FEMISE II program (coordinated by ERF and the IM) and the support of the Arab Fund for Economic and Social Development (AFESD).

ERF is grateful to its staff for their contributions towards the preparation of the report. Special acknowledgements are made to Daa Nour El-Din for his contribution towards the preparation of the Multicriteria analysis of the report; Heba Abou-Shnief, for her input towards the governance chapter; and Yasmin Fahim for her input towards the Labor chapter. Also, ERF acknowledges the effort that is made by Maryse Louis in managing and coordinating the Country Profile project. .

ERF is also grateful to Dr. Frederic Blanc, Institut de La MÈditerranÈe, for his work towards the preparation of the Multicriteria indicators of Egypt.

The report has benefited from the contributions of many institutions and individuals from Egypt and outside, which are greatly appreciated. ERF acknowledges the work that has been made towards the layout, the designing and the printing of the report.

Preface

The Country Profiles project launched by the Economic Research Forum and the Institut de La Méditerranée represents an attempt to provide researchers in the region with an opportunity to present their own point of view concerning the major developments in their own countries and identifying policies for reform.

The Country Profile project is coordinated by the Economic Research Forum (ERF) and the Institut de la Méditerranée (IM) within the frame work of the FEMISE programme supported by the European Commission. The project also receives funding from the Arab Fund for Economic and Social Development. The project will produce 10 Country Profiles for the South Mediterranean Countries. ERF coordinates five of those ten countries: Egypt, Jordan, Syria, Turkey and Palestine. Also the Arab Fund will support the production of three more countries from the Gulf, namely: Oman, Qatar and Yemen.

The Country Profiles' objective is to monitor the transition of the countries in question with an analytical view that could assist the policy-making community in designing their reform efforts. State-of-the-art methods of analysis are employed in order to assess performance, and suggest alternative trajectories and policy prescriptions for economically and socially sustainable growth. Also, the use of consistent sets of quantitative and qualitative data, whenever possible, will ensure cross-comparisons among countries.

The Profiles cover five thematic areas addressing in an empirical and analytical manner the following topics:

- (1) Macroeconomic and Fiscal Issues;
- (2) Financial Issues;
- (3) Trade Issues;
- (4) Governance and Institutional Issues; and
- (5) Labour and Human Resource Development Issues

Moreover, a comparative perspective is provided by comparing the position of the countries studied against established benchmarks using a multi-criterion analysis.

The present Country Profile for Egypt is the first to be published in the series. The significance of this volume is primarily due to the fact that it provides a "home-grown" point of view on the different facets of development in the Egyptian economy. This is the value added of this volume. Certainly, there are several reviews of the Egyptian economy, and we might and we might wonder as to why another such effort, but the significant characteristic of the present one is that it represents a point of view from within.

Moreover, this was not a traditional publication by a group of researchers that ends up on a shelf. In fact, it was the subject of dialogue at different levels. First, it was a dialogue among its authors themselves; secondly, it was the subject of a dialogue and peer review by economists from the MENA region during the 10th ERF Conference in Marakesh (December 2003). Finally, and perhaps most important, this volume has been the subject

of a rich debate in a national seminar which brought together government ministers, representatives of the business community, members of Parliament and representatives of the civil community. The donor community was represented by embassies and the European Commission. The former Prime Minister was also engaged in a lively debate on the contents of the Profile. The ultimate test came when two of the main authors of the Profile were appointed to the new government in Egypt. This provided a unique opportunity for them to put their views into action; a task which they were not hesitant to undertake.

It is hoped that this volume and the modality of doing research in this way, provide a model for serious work that crosses the gap between research and policy- making in our region.

Samir Radwan
Managing Director