

Introduction

“Union activism is not revolutionary – it is reform-oriented. But given that we were [state] employees (muwazafin) and that this was the first [independent] union, what we did was revolutionary” (Interviewee G, September 2011). This is what a leading activist in the real estate tax collectors’ movement reflected on the formation of the Independent Real Estate Tax Authority (RETA) Union in 2009. In April 2009, nearly two years before Egypt’s 2011 uprising that led to the ouster of former President Husni Mubarak, 27,000 government-employed real estate tax collectors formally established the country’s first autonomous union since the formation of a state-controlled union system in 1957. This constituted a direct challenge to a long-standing system of state control over workers’ representation. That a group of civil servants could mount such a substantial threat to one of the country’s most entrenched authoritarian institutions was surprising to activists and regime officials alike. Not only did the actions of the real estate tax collectors inspire other groups to mount similar challenges under Mubarak’s rule, they helped set the stage for an exponential increase in the number of independently-organized unions in the aftermath of Mubarak’s ouster. With the establishment of an estimate of 400 independent unions and at least two independent trade union federations by 2013,¹ the monopoly of the Egyptian Trade Union Federation (ETUF), in place since 1957, has been broken. Despite continued authoritarian rule in Egypt today, there is unprecedented competition over workers’ representation, making it difficult for the state to rely solely on the ETUF as it had previously done. This book explores institutional challenges to state control over workers’ representation in Egypt.

¹ This estimate is based on the combined number of unions claimed by the two largest independent trade union federations, namely the Egyptian Federation of Independent Trade Unions (EFITU) and the Egyptian Democratic Labor Congress (EDLC) by 2013. EFITU claims a membership of 305 enterprise-level unions, while the EDLC claims a membership of 186 unions (see Mahir 2013). On October 30, 2017, sixteen independent unions announced the formation of the Supreme Council for Independent Unions.

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Since 1957, successive authoritarian regimes had maintained tight control over organized labor through a system of state-corporatism, whereby the state “eradicates multiple or parallel associations” in favor of “the continuous interposition of state mediation, arbitration, and repression” (Schmitter 1974: 103). Successive regimes gave the ETUF a monopoly over workers’ representation and intervened in union elections to secure the loyalty of ETUF leaders. In the 2006–11 round of trade union elections, ETUF membership was 3.8 million, the majority of which were government employees or worked in public sectors of the economy. According to the International Labor Organization (ILO), union density was 26.1 percent as a proportion of wage-earners and 16.1 percent as a proportion of total employment in 2007 (Hayter and Stoevska 2011: 11).

High levels of state interference in union elections and successive attempts to maintain control over trade union organizations meant that organized labor in Egypt enjoyed little autonomy from the state. Given the organizational and financial resources enjoyed by the ETUF, and the risks associated with independent organization, it is surprising that a group of civil servants with no history of activism managed to leave the state-controlled ETUF and build an independent organization from the ground up. Doing so set a clear precedent for other groups, threatened the ETUF’s representational monopoly, and dealt a strong blow to the Mubarak regime’s ability to control workers’ mobilization and organization. In addition, it signaled the possibility of independent organization in a political context where independent forms of organization had been stifled for decades. Writing in 2002, Maye Kassem contends that “in the case of post-1952 Egypt, the absence of well-organized groups that are independent of the state has been a prominent feature of the political system” (2002: 61).

Long before the 2011 revolution, then, a smaller scale “revolution” was taking place at the level of interest representation in Egypt. What explains the emergence of independent trade union organizations in Egypt in the context of a long history of state control over workers’ representation? And why were civil service employees the first to establish these organizations? When compared to workers in industrial sectors, civil servants in Egypt have had a limited history of collective mobilization. In fact, observers argue that Egyptian civil servants were historically viewed as quiescent and unlikely to engage in confrontational battles with the state. Instead, civil servants historically advanced their economic demands by accepting bribes or getting second jobs rather than through collective action – the classic course of action for blue-collar workers. For their part, blue-collar workers in Egypt had

been at the forefront of workers' activism for several decades, even prior to Egypt's independence in 1952 (Beinin and Lockman 1987). From this perspective, it is surprising that it was a group of real estate tax collectors – not a group of industrial workers – that established the first autonomous union in Egypt's contemporary history.

This book seeks to explain these puzzling developments. The emergence of the independent trade union movement under authoritarian rule in Egypt raises a number of important theoretical questions: Why do some previously co-opted groups challenge authoritarian institutions by creating independent representative organizations while others remain tethered to co-optive institutions? And how do some groups build independent organizations in the face of restrictive political environments? These questions are at the core of this book. This book focuses on a specific subset of authoritarian regimes, namely what some scholars refer to as “semi-authoritarian regimes” (Brown 2012; Ottaway 2002). Unlike fully authoritarian regimes, these regimes allow limited degrees of both political participation and political competition while at the same time denying opposition parties the possibility of winning elections (Brown 2012: 15).

Contrary to conventional wisdom, I find that there is a great deal of room for contestation in authoritarian regimes, especially with regard to issues that do not directly affect regime survival at the highest levels of power (i.e. the longevity of authoritarian incumbents). Not only are relatively weak groups able to mount successful challenges to authoritarian institutions, there is significant space for intra-regime dissonance and protracted battles between regime and non-regime actors. Existing explanations for why formerly co-opted groups leave state-controlled institutions focus on national-level structural factors – such as changes in the relationship between previously co-opted groups and the state. Alternatively, they examine the conditions under which trade union leaders abandon long-standing alliances with the state. These explanations cannot adequately account for the behavior of dissident unionists outside the trade union leadership and for why some groups leave state-controlled institutions while others do not. My argument accounts for this variation. I argue that a group's likelihood to leave state-backed unions and create independent organizations is contingent on two factors. First, workers in historically militant sectors are more vulnerable to greater scrutiny and repression by regime officials and officials in the state-backed union bureaucracy. Second, financial benefits tied to membership in state-backed unions can provide significant disincentives against the exit option, even in cases where groups have had a long history of militancy. Ironically, this can lead previously quiescent groups, including civil

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servants, to emerge as unlikely candidates for the establishment of independent organizations. This is only made viable when politicized leaders craft convincing frames to present the establishment of independent organizations as both politically feasible and financially necessary. In some cases, state officials might be taken by surprise when historically non-militant groups move to establish independent organizations.

Why Study State–Labor Relations in Egypt?

The study of state–labor relations can tell us a great deal about authoritarian politics. As Wonik Kim and Jennifer Gandhi argue: “For dictators, addressing the issue of how to handle workers is of paramount significance given their numbers and their importance in economic production” (2010: 646). Authoritarian incumbents resort to corporatist arrangements to maintain control over a variety of interest groups, most notably workers. Surprisingly, however, corporatist arrangements are relatively under-studied in the contemporary literature on authoritarianism, especially when compared to parties, elections and legislatures. Writing in 1977 about the study of authoritarianism and corporatism in Latin America, Collier and Collier point out that “cross-national studies have made a heavy investment in measuring and analyzing features of national political regimes related to democracy and territorial representation and have devoted limited attention to interest representation” (1977: 491). More than forty years later, this observation holds true for the study of authoritarian regimes in the Arab world. Given the role that corporatist arrangements play in maintaining authoritarian control, the study of corporatist arrangements can be particularly instructive for students of authoritarian rule. Without an understanding of major shifts in the ways in which interests are organized or how various social groups contest the rules that govern their relationship to the state, students of authoritarianism risk missing an important aspect of state–society relations that is not captured in studies of the electoral or legislative arena.

Understanding the factors that might motivate some groups, but not others, to leave corporatist institutions and establish representative organizations is a theoretically fruitful exercise for several reasons. For one, doing so helps deepen our understanding of when corporatist mechanisms of control endure and when they do not. In addition, the emergence of representative institutions outside of the purview of state control, especially in an authoritarian regime with a history of control over interest representation, can have transformative consequences for state–society relations by altering the nature of interest group

representation. This might take place through the spread of the model to other groups or through the emergence of democratic norms of decision-making within newly-formed representative institutions. To be sure, a radical transformation in the nature of interest representation may take years to materialize, but an understanding of the conditions under which groups decide to organize independently helps us better grasp the origins and trajectories of such transformations.

The study of state–labor relations has also generated valuable insights into the politics of democratic transitions (Collier 1999; LeBas 2011; Rueschemeyer, Stephens and Stephens 1992; Valenzuela 1989) and the dynamics of authoritarian rule (Cook 1996) in Europe, Latin America and Africa.

I examine challenges to corporatist arrangements in late Mubarak Egypt as an opportunity to study the emergence of independent forms collective organization under authoritarian rule. Similar to Cook's study of the emergence of the independent teachers' movement in Mexico (1996). I take seriously the emergence of independent, grassroots organizations under authoritarian rule.

Late Mubarak Egypt provides a particularly fruitful setting for studying grassroots challenges to corporatist arrangements under authoritarian rule. First, as discussed in the next section, Egypt's restrictive brand of state corporatism makes efforts to organize independently highly risky. Second, the fact that some groups chose to establish independent organizations while others did not allows us to hold some broader structural factors constant and isolate the conditions under which certain groups decided to organize independently. Third, at a time when Egyptian politics appeared stagnant, workers' activism emerged as one of the most persistent forms of collective action in the late-Mubarak era.

In the five years preceding Egypt's 2011 uprising, workers demonstrated their readiness to pioneer new forms of collective action, take risks to engage in collective action, and push the boundaries of their relationship to the state. During this period, Egypt witnessed "the longest and strongest wave of worker protest since the end of World War II" (Beinin and El-Hamalawy 2007). This wave was a response to the more aggressive adoption of neoliberal economic reforms since 2004, especially the accelerated rate of privatization of state-owned enterprises. Despite the fact that these reforms produced "impressive GDP growth rates," they were accompanied by "high inflation and mind-boggling price increases, particularly for food stuffs" (Shehata 2010: 253). Workers were thus faced with a situation where wages cannot keep up with soaring prices. According to some estimates, more than two million Egyptian workers (Beinin 2012: 3) participated in more than 3,000

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protests between 2004 and 2010.² That this wave of protests came to encompass civil servants, in addition to traditionally active blue-collar workers, added a new and important dimension to workers' activism in Egypt. It signaled a marked change in the relationship between the Egyptian state and its own bureaucracy. This wave of mobilization culminated in the emergence of four independent trade unions under Mubarak rule. In the post-Mubarak period, dissident workers have continued to lobby for greater freedom of association and have established an unprecedented number of independent trade unions.

Focusing specifically on challenges to state-corporatism in the late-Mubarak period, I explore a crucial period of state labor relations in Egypt, one that has important implications for our understanding of authoritarian politics. As such, I offer a much needed update to the existing scholarship on Egyptian corporatism and trade union activism, most of which has focused primarily on the history of workers' militancy and state labor relations in Egypt (Beinin and Lockman 1987; Bianchi 1989; El-Shafei 1995; Goldberg 1986; Goldberg 1992; Paczynska 2010; Posusney 1997; Pratt 1998; Shehata 2009).³ Importantly, I adopt a broad conception of the term workers, one that encompasses both civil servants and blue-collar workers. This is important given the fact that both groups earn similar wages and face similar socio-economic challenges. In addition, many civil servants increasingly consider themselves part of Egypt's working class.

State Corporatism in Egypt

Collier and Collier (1979) have usefully distinguished between various types of corporatism by pointing to variation in the level of "inducements" and "constraints," both of which can be used as tools for the co-optation of labor. Collier and Collier advocate viewing corporatism as involving an "interplay between inducements and constraints" (1979: 969). Inducements entail the "application of advantages" to "motivate organized labor to support the state, to cooperate with its

² The Land Center for Human Rights and the Egyptian Center for Social and Economic Rights estimate that more than 2,700 protests took place between January 2005 and December 2010. A list of periodic reports published by the Land Center can be found here: www.lchr-eg.org/archive/104/104-3.htm. Two hundred sixty-six workers' protests took place in 2004 (see Shukr 2011: 127–8).

³ Some recent works have tackled the rise in workers' mobilization in the late Mubarak era (Alexander and Bassiouny 2014; Beinin 2010; Beinin and Vairel 2011; El-Mahdi 2011b; Langhor 2014), but these studies dealt primarily with the trajectory of the workers' movement as a whole rather than systemically comparing various workers' groups to each other or tackling the specific question of institutional challenges to state corporatism.

goals and to accept the constraints it imposes” (Collier and Collier 1979: 969). Constraints entail “producing compliance by the application or threat of application, of negative sanctions or disadvantages” (969). A common example of a constraint is “[controlling] leadership and leadership recruitment with the goal of restricting the role of radical political groups” (981). The imposition of institutional constraints (especially with regard to leadership recruitment) has the effect of decreasing the autonomy of organized labor from the state by empowering trade union leaders and making them more loyal to the state.

In comparison to other corporatist labor regimes in the Middle East and Africa, Egypt’s labor regime is characterized by relatively low levels of autonomy for organized labor from the state. In contrast to Zimbabwe and Zambia, for instance, where “trade unions retained control over their internal governance, and union members had the ability to elect more radical union leadership over time” (LeBas 2011: 40), Egyptian corporatism has been characterized by increasingly high levels of state interference in union elections, making it difficult for dissident activists to attain leadership positions.

Egyptian corporatism can be characterized by a high level of both inducements and constraints. These levels have fluctuated over time, with a rising level of constraints since the 1990s. Compared with Tunisia, for instance, Egyptian corporatism has had historically higher levels of inducements and constraints. Whereas Tunisia has had a monopolistic system of interest representation, like Egypt’s, state interference in union elections was limited to the top leadership level of the union structure. As a result, local branches retained a fair degree of autonomy from co-opted trade union leaders. As such, corporative provisions in Egypt have arguably been used more to restrict workers’ political power than to gain their support. Since its establishment in 1957, the ETUF was conceived as a tool for maintaining control over workers. Successive authoritarian regimes used corporatist legislation that guaranteed the ETUF a number of inducements, including representational monopoly, compulsory membership, and a mandatory check-off system. Under this system, union membership dues are automatically deducted from members’ salaries, ensuring regular collection of dues and relieving unions from that burden. Constraints were also placed on strikes (entirely outlawed until 2003). The specific corporatist mechanisms employed in Egypt are discussed in greater depth in Chapter 1.

Compared with other single-party states in the Middle East, all of which have a monopolistic union structure, Egypt fares relatively worse when it comes to both *de jure* and *de facto* labor standards (Cammett and Posusney 2010: 257). *De jure* labor standards “are estimated by

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Table I.1. *De jure and de facto labor standards in single-party states in the MENA*

Single-party states	De jure labor standards	De facto labor standards
Algeria	78.6	51.5
Egypt	53.6	26.8
Syria	61.4	27.2
Tunisia	84.3	55.7
Yemen	56.4	29.5
Regional average	58.6	37.1
World average	72.2	45.7

Data from Cammett and Posusney (2010: 258).

evaluating national labor legislation with respect to seventeen indicators pertaining to freedom association, the right bargain collectively, and the right to strike” (Stallings 2010: 145–6). The total score for *de jure* and *de facto* labor standards is one hundred, each, with higher scores reflecting higher standards. As Table I.1 indicates, Egypt performs worse than both the regional and world averages.

The corporatist labor regime in Egypt can thus be seen as an extreme case of state corporatism, where organized labor enjoys little autonomy from the state. Given that it is difficult for trade union dissidents to win union elections and capture leadership positions, unions are unlikely to emerge as bastions for political opposition as they have in some African and Latin American countries (Collier 1999; LeBas 2011).

At the same time, however, the high level of restraints imposed on labor make independent organization risky. The emergence of independent unionism in a context where such initiatives are highly risky makes Egypt a particularly good case to examine for this study.

Explaining Exit and Organization

The primary focus of this book is to explore why and how previously co-opted groups might *formally* defy the state-sponsored corporatist structure *and* establish alternative organizations to represent their interests. I treat this outcome as analytically distinct from informal attempts to bypass the state corporatist structure for mobilization-related purposes, such as the organization of wildcat strikes. One of the key differences between the two types of behavior is the degree to which they constitute a break with the norms governing the relationship between workers and the state. The organization of wildcat strikes could be seen as an example of what Burgess (1999) refers to as “norm-breaking

voice.” According to Burgess, “norm-breaking voice” violates the norms of the alliance between unions and parties but “does not constitute abandonment of the relationship” (1999: 113). While the concept of “exit” aptly captures the decision to leave an organization, it does not fully capture the decision to establish an alternative one. I focus on both the decision to exit and the decision to establish an independent organization. I call this the “exit and organize” option. The exit and organize option constitutes a long-term strategy. In contrast to occasional, and sometimes spontaneous, participation in wildcat strikes, the formal establishment of alternative organizations requires far more long-term involvement and a commitment to engage in politically risky action for extended periods of time, rather than on a short-term or one-time basis. For the sake of brevity, I will use the term “exit” to refer to the “exit and organize” option throughout the book.

In explaining exit, comparative work on state labor relations focuses on (a) the conditions under which trade union leaders exit alliances with the state or (b) macro-level factors that make exit possible in some contexts but not others. Neither of these approaches can fully account for the emergence of the exit option among activists outside the union leadership and for variation across sectors within the same national context.

One approach to the study exit focuses on the behavior of trade union leaders. In a comparative study of Mexico, Venezuela, and Spain, Burgess seeks to explain the conditions under which union leaders would exit long-standing alliances between unions and parties when these parties adopt economic policies that jeopardize workers’ benefits. Drawing on key concepts from Albert Hirschman’s *Exit, Voice, and Loyalty* (1970), she argues that union leaders face a “loyalty dilemma” whereby they must decide to either be loyal to the party or to the workers (Burgess 1999). The decision favors loyalty to the party in contexts where the party raises the costs for union leaders to behave loyally toward workers and where trade union leaders are not pressured to respond to workers’ concerns. “The sanctioning power of workers is strongly influenced by the dynamics of union competition and relatedly by the legal framework governing union formation” (Burgess 1999: 119). In cases where workers are unable to freely remove trade union leaders or switch allegiances to competing unions, union leaders are less accountable to the rank and file and are therefore more likely to be driven by their loyalty to the party. What Burgess overlooks, however, is that trade union leaders are hardly the only important actors whose behavior needs to be theorized in order to better understand some of the outcomes that are of interest to students of state–labor relations.

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These outcomes include the stability of party–union or state–labor alliances. In the Egyptian case, for instance, activists outside of the officially sanctioned trade union leadership took initiatives to challenge corporatist structures, even when leaders remained loyal to the state. This study thus highlights the agency of dissident unionists and rank-and-file workers even in cases where trade union leaders have incentives to maintain the status quo. In this sense, understanding the constraints on the behavior of trade union leaders constitutes only one side of the story and must be supplemented with greater theorization of the behavior of those operating at other levels of the union movement. This study offers a more fine-grained account of the potentially divergent preferences of both co-opted union leaders and activists outside of the union leadership on the other (see Chapter 2).

Another approach to the study of exit reveals that variation in corporatist arrangements could affect the likelihood of exit. Hishaam D. Adi points to variation in types of corporatism in explaining divergent labor responses to privatization in Egypt and Mexico (2009), arguing that this variation has implications for the likelihood of exit in both countries. Explaining the relatively slower rate of privatization in Egypt when compared to Mexico, he distinguishes between an inclusionary form of corporatism in Mexico under the rule of the Institutional Revolutionary Party (PRI) and an increasingly exclusionary corporatism in Egypt under the National Democratic Party (NDP). These different variants of corporatism, according to Aidi, produce a scenario whereby “the more access to the state is closed off, the more political agitation occurs outside the party and corporatist framework, further isolating and weakening the regime” (2009: 6). According to Aidi, Mexican rulers ensured that organized labor enjoyed access to public office and participation in policy formulation in ways that Egyptian rulers did not (2009: 70). Aidi thus contends that exclusionary systems of corporatism, such as Egypt’s, are more likely to experience exit than countries with a more inclusionary system of state–labor relations (such as Mexico). Aidi’s analysis falls short, however, of accounting for which sectors are more likely to advocate for the exit option and why. I build on Aidi’s work by investigating both longitudinal and cross-sector variation within Egypt, thereby gaining more leverage on the conditions under which workers would exit the historic state–labor alliance. Doing so, I highlight the fact that the exit option that Aidi discusses is neither structurally inevitable nor equally viable for all sectors. Instead, I stress that even under structurally permissive conditions, group leaders play a critical role in framing exit from official unions as a politically viable option in an authoritarian context and in seeking the support of