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## **Guilds and Trade Unions in Modern Egypt: A Case Study of Work Organization and Work Ethics**

**Raouf Abbas Hamed**

Cairo University

### **Introduction**

Egypt witnessed remarkable change in the economic structure in the nineteenth century, modern economic sectors were created and subsequent social changes took place. Nevertheless, the structural change did not sweep away the traditional sectors of the economy with their respective social institutions. The co-existence of the new economic sectors created by the state, together with the traditional ones, provided ground for structural dualism being a major characteristic of transition periods in the process of modernization.

Two phases could be distinguished in the role played by the state in changing the economic structure of the country. First, the state made an attempt to build an independent commodity producing economy within the world capitalist market. In that phase the state had been using the world market to help changing the form of agricultural surplus, and mobilized the economic surplus for building national economy. That phase was ended by the curtailment of Egypt's military power in 1840, and turned down the process of building independent national economy. In the second phase, the state handed over direct Egyptian producers to foreign capital. She did not only encourage the investment of foreign capital, but also depended on foreign financial capital in credit form, in financing projects of economic development. It led to contradiction with foreign financial capital, to be solved by the British occupation in 1882 in order to complete economic dependency and domination of foreign capitalism.<sup>1</sup>

That process realized the integration of the Egyptian economy in the world capitalist economy as an agrarian unit producing cotton, within a system of capitalist division of labour. The Egyptian economy became dependent, exporting

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<sup>1</sup> Dewidar, M.: *al-Iqtisād al-Misri bayna al-Takhalluf wal-Tatwir*, Alexandria 1978, pp.146-171.

most of the economic surplus to the metropolis, directly in the form of profits and interests, and indirectly by the unequal terms of exchange and mechanism of monetary dependence.

### **Situation of Guilds**

Taking these changes in consideration, it would be significant to investigate the situation of the Egyptian guilds in the nineteenth century in relation to the emergence of trade unions by the turn of the century.

The guilds were corporate bodies formed the traditional structure of the Egyptian urban society and suffered disintegration in the course of the nineteenth century, but continued to exist in a way or another in the twentieth century as we shall see below. They fought for survival and reaffirmation of their traditions.

In his illuminating work, *Egyptian Guilds in Modern Times*, Gabriel Baer concluded that the guilds persisted until the last quarter of the nineteenth century, they finally disappeared as a result of the influx of European goods and European settling in Egypt, of urbanization and of reorganization of the Egyptian administration. Thus, the state could do without the link of the guilds, and step by step, their administrative, fiscal and economic functions shrank until they lost most of them. The author remarked that there was no need to suppress the guilds and they all disappeared at the end of the nineteenth century.<sup>2</sup>

Although local modern industry, due to certain reasons, did not achieve a level of development enough to compete with the traditional crafts, the latter were seriously affected by changing habits of consumption and growing influx of foreign goods. They lost considerable part of the local market to the interest of foreign products, but they continued to exist, contrary to Baer's theory, to perform their economic functions even after losing their administrative and fiscal functions. The demand of handicraft products and craft services did not completely vanish by the turn of the nineteenth century, and some crafts survived despite the inconvenience of circumstances, seventy one crafts out of 226 mentioned in Baer's list of guilds were existing until the end of 1930's.<sup>3</sup> They did not continue on the same level of tradition, some were abandoned, others were sustained according to the degree of economic and social change. They lost their corporate institutions, but they reaffirmed their traditional structure and resumed some of their functions to a certain extent. After the emergence of trade unionism in Egypt by the end of

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<sup>2</sup> Baer, G.: *Egyptian Guilds in Modern Egypt*, Jerusalem 1964, pp. 140-141.

<sup>3</sup> Hamed, R. A.: *al-Harakatul-'Ummālīya al-Misrīya fi dau' ul Wathā'iq al-Brītāniya 1924-1937*, Cairo 1975, pp. 143-158.

the nineteenth century and the beginning of the twentieth century, they tried to re-establish their corporations under the misleading title of trade unions.

### **Formation of Working Class and Birth of Trade-Unionism**

Waged labour as the only means of earning livelihood became widespread by the end of the nineteenth century. The setting up of enterprises in industry specialized in processing export goods and production of a limited number of products, besides railways and other services sponsored by the state, increased demand of labour power.

Workers in these enterprises came out of three categories; landless peasants seeking employment in urban areas, some craftsmen who suffered from the competition of European commodities, and European skilled workers of the Mediterranean countries who migrated to Egypt seeking work on better terms and to take the advantage of the Capitulations<sup>4</sup>

These three categories comprised the Egyptian working class in the last decade of the nineteenth century, when the first manifestation of the labour movement was initiated in a series of strikes, and the foundation of trade unions.

Therefore, the formation of the Egyptian working class followed the economic changes of the second half of the nineteenth century, with the subsequent development of landownership and the transformation of agrarian land into commodity, and the separation of the direct producers (peasants) from their mean of production (land).

During the last decade of the nineteenth century and the early twentieth century, the Egyptian workers organized strikes, demanding improvement of their economic conditions. There is no accurate detailed information about the beginning of these strikes, but much information has unexpectedly been found about the strike that was organized in December 1899 and lasted for three months by workers engaged in rolling cigarettes being affected by the mechanization of their industry. The strike was well organized and these workers established the first trade union in Egypt. There can be no doubt that this strike was preceded by other strikes in which the Egyptian working class got training.<sup>5</sup>

In the first decade of the twentieth century, there were many strikes organized by the Europeans in which the Egyptian working class participated. These provided a good opportunity for the Egyptian working class to gain experience of collective struggle against capital. Although their success was limited, it was sufficient to

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<sup>4</sup>Eze-l-Din, A.: *Tarīkh al- Tabaqa al-Āmila al-Misrīya munz nashā'tuhā hatta Thawrat 1919*, Cairo n.d., pp. 49-52.

<sup>5</sup> Hamed, R. A.: *al-Harakatul-'Ummālīya fi Misr 1899-1952*, Cairo 1968, pp. 50-53.

encourage them to establish trade unions, then known as 'workers societies'. But these societies were not permitted to survive for long, being attacked by the authorities.

The 1907 economic crisis marked a turning point in the history of the Egyptian working class. It brought about a sharp decline in the peoples living condition, wages were reduced and workers dismissed. Being victims of the domination of world capitalism over the Egyptian economy, the Egyptian workers found that they cannot keep alliance with their foreign comrades who were privileged by higher wages and better working conditions. Therefore, the Egyptian workers split from their foreign comrades and decided to have independent movement. Hence, they discovered that their enemy (foreign capital) was their country's enemy (foreign domination), they integrated their class struggle with the national struggle against imperialism.

This resulted in the Egyptian working class re-establishing trade unions and continuing struggle for their economic demands. The bourgeois leadership of the nationalist movement supported the workers struggle against capital, and helped the organization of crafts in a trade union.

### **Trade Union of Craftsmen**

The support given by the Nationalist Party to the trade unions aimed at recruiting various Egyptian social classes to the nationalist struggle against British occupation. To confirm this aim, in 1908 the party helped the establishment of *Niqabat 'Ummāl al-Sanāyī al-Yadawīya* (trade union of craftsmen) with branches in Alexandria, Mansura and Tanta, and club in al-Sabtiya workers district in Cairo.<sup>6</sup>

Since the weakness of the guilds by the turn of the nineteenth century, craftsmen needed an institution to defend their interests and to act as a platform for social solidarity and mutual help. The leadership of the Egyptian Nationalist Party was very much aware of that, and made efforts to merge the crafts together under the umbrella of trade unionism.

The party's contribution to organize the trade union of craftsmen took the shape of formulating the regulations of the institution. According to these regulations, the object of the trade union was to improve social and economic conditions of the craftsmen, to secure prosperity and stability for the crafts and strengthen ties between them. The trade union would provide members with medical care, social and legal services. It might establish saving system to help the members financially

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<sup>6</sup> Ibid, pp. 57-62.

and provide credit when needed, and establish also co-operatives to supply members with productive materials and food stuff. It was stated that the trade union might also refrain from politics and religious matters.

The regulations of the Egyptian trade unions in the inter-war period were inspired by that of the trade union of the craftsmen and modeled on the same lines. Besides the articles on foundation, administration and dissolution, they defined their main aims as to defend legitimate interests of the workers against employers and represent them before the authorities, and to improve the social conditions of the members.

Concerning the conditions of membership, the trade union of craftsmen would accept artisans and craftsmen without any distinction. From the early beginnings of the trade union, we find among the members; carpenters, painters, saddlers, cooks, blacksmiths, building workers, hosiers, barbers, upholsterers and railways workers of crafts origin. Unlike some other trade unions which had mixed membership, the trade union of craftsmen admitted only Egyptians.<sup>7</sup>

### **Crafts Trade Unions**

Membership of the trade union of craftsmen increased from 979 in 1909, to 3139 in 1912.<sup>8</sup> The trade union was disbanded during the First World War to be re-established in 1919 with membership of 1213 in 1919, increased to 4000 in 1930.<sup>9</sup> Our sources do not give any information about that trade union after 1930, but there are available information about certain trade unions of crafts which started to emerge from 1926 onwards. Thus we hear by the end of the 1920's about 20 trade unions of craftsmen in Cairo, such as bakers, petition writers, scribes, blacksmiths, weavers, cooks, carpenters, metal engravers, shoe-blacks, shoe-makers, carriage drivers, tailors, coachmen, car drivers, barbers, hosiers, laundrymen, painters, porters, saddlers, and wighers. The percentage of the trade unionist craftsmen to the total membership of the Egyptian trade unions was 38% in 1927 and 45% in 1930. The percentage of crafts trade unions to the total number of the Egyptian trade unions was 31% in 1927, and 48% in 1930. We can also trace the existence of crafts trade unions in Egypt up to the end of the 1940's.

### **Reaffirmation of Work Traditions**

The foundation of crafts trade unions in the late 1920's sounded like a rebirth of guilds in the form of trade unions with special character and functions. Masters,

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<sup>7</sup> Iryan, M.: Markaz Misr al-Iqtisādī, Cairo n.d., pp. 86-87.

<sup>8</sup> Ibid, p. 88.

<sup>9</sup> Hamed, R. A.: al-Harakatul-'Ummālīya al-Misrīya, pp. 175-177.

journeymen and apprentices were among the members of these trade unions, and the leaders of unions were new type of Shaykhs with limited authority in comparison with those of the nineteenth century. The crafts trade unions could sustain some old functions of the guilds such as fixing prices and wages, besides the traditional social functions of solidarity and mutual help. They continued to take part in the regular public festivals, such as the procession of mahmal, the yearly ceremony held in Cairo in connection with the pilgrimage to Mecca, until the end of the 1930's. They participated at the *ru'ya* (observation) procession on the eve of *Ramadān*, and the religious ceremonies of *mulīd* of saints, until the end of the 1940's. Their relations with the sufi orders were kept on individual but not corporal basis.

Being institutions of both employers and wage earners, the crafts trade unions had nothing to do with the traditional struggle between labour and capital or other labour disputes. That explains their negative attitude towards the major strikes of the 1920's and 1930's, which were organized by industry and transport workers. Therefore, the crafts trade union could avoid dissolution by the authorities and escaped police attacks except the times of being involved in the actions of nationalist movement in support of the Wafd party, It was the reason behind the survival of these trade unions through three crucial decades while many trade unions of industry and transport workers were disbanded by the authorities.

### **Crafts and Labour Movement**

Nevertheless, the economic crisis of the early thirties forced the crafts trade unions to join the Egyptian working class in founding the General Confederation of Trade Unions. Among twenty six trade unions affiliated to the confederation there were fourteen crafts trade unions to make about 54% of membership. When the political dispute occurred in February 1935, between the leadership of the confederation and Wafd party with its subsequent inconvenient results, ten out of the fourteen crafts trade unions affiliated with the confederation had taken the side of Wafd. They split from the confederation and joined the Supreme Council of Labour, a new confederation established by Wafd, to bring about the decline of the General Confederation. This development shows us how important was the weight of crafts trade unions in the labour organization.

Despite the differences and conflicts between the leaders of the Egyptian trade unionism, the craftsmen and the working class participated in the demonstrations of November 1935 calling for the restoration of the 1923 Constitution. Together with the students, they forced the political parties to form a national front against the autocratic monarchy and British imperialism. Due to this movement the

Constitution was restored and the Anglo-Egyptian relations entered a new phase by the conclusion of the 1936 agreement.

The crafts trade unions were partly responsible for the relative weakness of class consciousness among the Egyptian workers which helped the national bourgeoisie to control the labour movement. In spite of the growth of the Egyptian working class through the inter-war period, trade unions were not strong enough to form a powerful labour front against capital to defend and safeguard the interests of the workers. The percentage of craftsmen to the labour force in industry was 28% in 1942, and the steady influx of peasants into the ranks of waged labour weakened the solidarity and struggling capability of the workers. Some other factors were behind the weakness of trade unionism; considerable number of workers in the main industrial centers such as Mahalla el-Kubra, Kafr el-Zayat, and Kafr el-Dawwar, were living in the rural suburbs, handling agricultural seasonal jobs beside engagement in industry. Some craftsmen were partly engaged in industry while keeping relations and working for their respective crafts, which had deeply affected the solidarity of the Egyptian working class.

The radical leadership of the General Confederation of the Egyptian Kingdom Trade Unions established in 1938, were conscious to these negative factors. They disregarded crafts trade unions, and did not allow them to be affiliated to the confederation in order to keep the solidarity of the workers. This does not mean that the crafts trade unions were disbanded, they survived until the proclamation of the Trade Unions Recognition Act in September 1942, to meet the demand for social services and mutual help. According to the Recognition Act, employers were excluded from the membership of trade unions. The crafts trade unions were not registered by the authorities because they had workshops owners (masters) among members. Only four crafts were registered after getting rid of their masters, these were bakers, building crafts, barbers and carpenters, and other crafts trade unions were disbanded.<sup>10</sup>

### **Crafts and Work Organization**

In spite of losing their corporate institutions by force of law, the statistics of industrial establishments in Egypt reaffirm the survival of the crafts up to the 1950's. The percentage of workshops employing less than five workers to the total number of industrial establishments was 44% in 1942 employing 28% of the total number of industry workers.<sup>11</sup> The percentage of workshops employing less than

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<sup>10</sup> See: Hamed and Ezel-Din.

<sup>11</sup> Ihsā' al-Munsha'at al-Sīnā'iya fi Misr, Cairo June 1942.

ten workers was 80% at the beginning of the 1950's, engaging 33% of the industry workers in the country.<sup>12</sup>

These workshops were usually depending on family labour and kinship relations. The old tradition of the guilds which permitted son to inherit his Father's craft continued to be the rule of new blood supply to the crafts besides waged journeymen. The traditions of apprenticeship were also preserved, and the relations between masters and apprentices were rather paternal. Nevertheless, the means of production were slightly developed by introduction of some modern tools and the use of electric power by certain crafts such as turners and carpenters. The traditional ranks of crafts has been introduced to modern industry, the term *usta* (master) for foreman, *sanāy'i* for journeyman, and *ashrāk* or *sabī* for apprentice.

### Conclusion

The case of Egyptian crafts and their corporate institutions drew attention to the dualist nature of the economy in the course of modernization. While the economic structure was changing in modern lines, traditional sector of the economy was fighting for survival with various degrees of success. This structural dualism affected the development of work traditions and labour organization in modern Egypt, a case which has reflections in other Middle Eastern societies.

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<sup>12</sup> Central Bank of Egypt: al-Majalla al-Iqtisādīya, vol. 9, No 3, 4, pp.167-181