POVERTY IN EGYPT

CONCEPTS, REALITIES, AND RESEARCH AGENDA*

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Concern with poverty has been a common theme through the ages, across religions and cultures, in countries with diverse economic and political regimes, and at different levels of development. However, prevalence and intensity vary greatly among nations. The differences are rooted fundamentally in the capacities and limitations of institutions addressing human needs; e.g. family and kinship, economy, polity, philanthropy, education, and health care. To further understanding of this complex problem, it must be placed within a broad context of the values, norms, and organizational frameworks of these institutions. These forces expand or limit opportunities, and determine the distribution of resources and power. They also shape the rights and responsibilities involved in the reciprocal relationships between individual and society that, in turn, define the place of the poor in society. Influenced by a multitude of internal and external factors, the course and pace of change in these institutional frameworks differ from one country to another. However there are many common patterns that characterize nations with similar experiences and/or at similar levels of development. This analysis is most relevant to developing countries, and to those emerging from state capitalism and centrally planned economies. Egypt combines both conditions.

The objectives in this paper are to provide a characterization of "poverty in Egypt" and to identify areas of needed research. It is organized in five parts: (I) Concepts, indicators, and measurement; (II) A comparative context; (III) Poverty in Egypt, (IV) Explanations and correlates of poverty; (V) Approaches to poverty reduction, and (VI) A research agenda.

I. Concepts, Indicators, and Measurement

Imbedded in theology and moral philosophy, most early literature on poverty was prescriptive pointing out needs and urging charitable assistance. The meaning of poverty and the identification of the poor were based on *geshtalt* understanding and primary group relations which were sufficient when the provision of assistance was primarily by religious establishments and communal organizations. The ever increasing involvement by more centralized political and administrative authorities, at provincial and national levels, in poverty centered policies and programs, created a need for systematic operational definitions of poverty and for ways to identify the poor that are applicable to wider populations. The trend was aided by the advent of surveys and other forms of research on the topic. Thus, the definitions, indicators, and measures of poverty have considerable theoretical, pragmatic, legal, and political implications.

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* Draws heavily on (Nagi 2001).

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There is a plethora of verbal and operational definitions of poverty: absolute and relative; from subjective and objective perspectives; in economic and other socio-cultural terms; simple classifications for "nose count" or with attention to severity of deprivation; and depending on one or multiple dimensions. Analyses and critiques of these concepts and measures also abound (e.g. Sen 1981, 1987; Carvalho and White 1994). We will briefly review important approaches.

Basic needs constitute one of the earliest and remains a common approach to defining and measuring absolute poverty. Biologically oriented definitions and indicators centered around food, nutrition, caloric needs and intakes, and anthropomorphic measures, especially the relation between weight and height. Later (Orshansky 1965) developed an Index of Poverty based on *cost estimates of minimum food requirements*. This translation of biological needs into an income variable fulfills the economist's dictum that "it is command over resources (income) to satisfy needs that a poverty definition should be concerned with rather than the actual consumption of some specific goods." (Hagenaars 1986). A standard for nutritional needs was developed in the form of an "Adult Equivalent Unit" (AEU) that balances differences by age, gender, and activities. Some measures also included the *costs of other basic needs* such as clothing, housing, and at times necessities such as fuel. However, it has been pointed out that "there is no generally acceptable standard of adequacy for essentials of living except food" (Orshansky 1965).

Incomes and expenditures, for individuals and for households, are used as indicators of poverty in both *absolute and relative* terms. Expenditures are narrower in scope but are considered more reliable. Cutting points to define absolute poverty remain arbitrary. Relative definitions of poverty link deprivation to the general standard of living in a society and, thus, have the advantage of retaining the social context within which poverty is measured. They distinguish among different income groups and are also sensitive to the distribution of income among the poor; that is, they provide information about gradations of poverty. On the other hand, as Sen (1981) put it, "the concept of poverty itself has an irreducible core of absolute deprivation...which translates starvation, malnutrition and visible hardship into a diagnosis of poverty without having to ascertain first the relative picture".

Outcomes and correlates such as infant mortality, life expectancy, and literacy, in contrast to inputs such as nutrition, have also been used to measure poverty as in Morris' (1979) *Physical Quality of Life Index* (PQLI). In addition to relying on usually more readily available data, this approach offers the advantage of avoiding the complexities of defining basic needs and assessing their costs. Nevertheless, questions are raised about its validity. As Sen (1980) observed; "it would be difficult to claim that suffering from hunger does not affect one's quality of life unless one happens actually to die from it".

In addition to *objective* definitions and measures such as discussed so far, several *subjective* approaches have also been used in the analysis of poverty. Essentially, these are assessments by people themselves of the adequacy of their incomes "to get along" or "to make ends meet". Strategies include asking respondents about the average minimum income necessary for different types of households or about their own households. Another approach is to seek

information as to whether or not the households "experienced difficulties in meeting basic necessities such as food, clothing, housing, etc.", and about the degree of such difficulties (Nagi and King, 1976). Subjective measures entail a number of assumptions and require careful interpretation. Although they may vary from those of an objective nature, nevertheless, they represent important data in themselves.

Standards of Living expressed in quantitative terms are dated back to 1691 by Sen (1987) who raises several issues about these measures of which three are to be noted: (a) the inherent dilemma between "relevance" which stresses inclusiveness of dimensions and "usability" which calls "imposes restrictions on the kinds of information and techniques of evaluation that may be used"; (b) the need to maintain distinctions between components or dimensions of a concept, and its causes, which are often included in the same index; and (c) Caution is urged in regard to aggregation whether in terms of concepts or population which can broaden the application of concepts and data but may obscure important differences along particular dimensions or sub-populations. Sen concludes that "ultimately the focus has to be on what life we lead and what we can or cannot do, can or cannot be...the standard of living is really a matter of functionings and capabilities, and not a matter directly of opulence, commodities, or utilities".

Sen's influence is echoed in recent reports of international organizations. The United Nations Development Programs' Human Development Report (1996) introduced an index of *Capability Poverty* built on indicators from four areas--health and nutrition, reproduction, education, and housing. And, the World Bank's World Development Report (2000/2001) includes indicators of political disadvantage such as empowerment, participation, exclusion, and discrimination. It describes poverty as follows:

> Poor people live without fundamental freedoms of action and choice that the better-off take for granted. They often lack food and shelter, education and health, deprivation that keep them from leading the kind of life that everyone values. They also face extreme vulnerability to ill health, economic dislocation, and natural disasters. And they are often exposed to ill treatment by institutions of the state and society and are powerless to influence key decisions affecting their lives. These are all dimensions of poverty.

II. A Comparative Context

Given the numerous ways poverty can be defined and measured, the varying availability and quality of census and survey data, and the "politics of statistics" which impose constraints on data access and collection in many countries, it is not surprising that meaningful comparative data about poverty are woefully inadequate. Presented here are the results of an attempt to piece together figures (Table 1 and 2) from different sources to construct a picture of poverty in countries of the Mediterranean basin. This should provide a broader perspective because of the inclusion of Arab and European countries and others that do not belong in either category. Several observations can be made:

1. While the Arab countries, including those not bordering the Mediterranean, vary greatly in per capita income, none of their economies can be considered industrialized or information based. These economies are largely dependent on revenues from natural resources such agricultural land; oil and other energy resources; waterways such as the Suez Canal; and tourism attracted by history, antiquities, and weather.

2. Inequality in the Arab countries -- measured by a ratio of the shares of income for the richest 20% to the poorest 20% -- exhibit a range similar to that of the European countries. Caution need to be exercised in interpreting these data because of the cutting points used in defining categories. For example data on income distributions in Egypt (Table 3) shows heavy concentration of higher incomes in a very small proportion of the households. This is characteristic of developing countries in general because of underdeveloped middle classes.

3. While the rates of ultra-poverty (below $1/day) do not vary much among the Arab countries, the rates of poverty (below $2/day) are quite different with Egypt having the highest rate by far (52.7%).

4. Compared to the European countries, the rates of correlates of poverty --adult illiteracy and infant mortality – are considerably higher confirming the tendency for human problems to cluster. Egypt has the second highest rates of female and male illiteracy and is tied for the highest rates of infant mortality. These rates are quite high aside from the comparisons. Important to note in this respect are differences in public expenditures on education and especially health care.

III. More on Poverty in Egypt

The material presented here was generated through a national survey of a large probability sample of households and individuals conducted in 1995/96 (Nagi 2001) as well as information from other sources. Included are data on indicators of poverty, definitions of poverty lines, and patterns of distribution.

Indicators of Poverty

The survey sought information about many indicators of which we select a few -- income distributions, patterns of expenditure, affordability of basic needs, and security/vulnerability.

As to *Income Distributions,* two questions solicited information about total household income: one seeking monthly income and the other asking about additional annual income. Respondents were given income categories in order to identify the ones within which they fit; households were assigned the mid-value of the categories. Table 3 shows the total annual estimates which ranged from LE 72 to LE 133,000. Clearly, the distribution is heavily skewed toward the lower ends of the continuum.

Because of the larger sizes among households in the lower categories, the per capita incomes show even a heavier concentration toward the lower end of the distribution. About two thirds of the sample had annual incomes below LE 600, that is, less than LE 50 per month. It is

important to note that households at the higher end of the continuum are underrepresented in the survey due to higher rates of refusal of interviews in the more affluent areas.

Another way to express income distributions is through the share of income received by the different income strata. A large difference existed between the lowest and highest 20% whose shares of incomes were 5.8% and 46.0%, respectively. These figures yield a ratio of 7.9 which is considerably higher than that reported in Table 1 also for the year 1995. Furthermore, a comparison with 1991 distributions (World Bank, 1996) show an increasing polarization -- the share of the poorest 20% was 8.7% while that of the highest 20% was 41.1%, a ratio of 4.7. Considerable differences existed between urban and rural households in income inequality with Gini Coefficients of 34.6 and 29.1, respectively.

Data on *Expenditures* were gathered through a number of questions about specific items in the costs of living. The costs reported per day, week, or month were all converted to annual rates. As expected, expenditures are highly associated with incomes ($r = .74$). There is considerable inequality in the shares of the different strata of the households with the lowest 20 % and the highest 20% accounting for 7.0% and 41.3% of the expenditures, respectively. As will be explained later, expenditures were used in defining a poverty line in relative terms.

A series of questions about A*ffordability of Basic Needs* were included in the survey beginning with a screening question about whether the household income was sufficient or insufficient to cover the costs of household needs. Of the total sample, incomes were sufficient for 56.7% and insufficient for 43.3%. Additional questions sought information about the severity of difficulties during the preceding year with the costs of food, clothing, housing, health care, and education. A four-point scale was used in recording responses: (0) Could not afford, (1) Severe difficulties, (2) Some difficulties, and (3) No difficulties. As expected, difficulties in affording the costs of needs increased in both prevalence and intensity by moving down the income levels (Table 4).

Affordability of housing was obscured by the facts that 93.7% of rural residents owned their homes and that rent control has been in effect in urban areas for several decades. Furthermore, affordability does not reveal much about quality. In this respect, it is important to note a rural bias toward poorer housing conditions because of the lack of access to safe water and sanitation. Conditions at the time of the current survey had not appreciably changed from those reported in 1991 by the World Bank:

> Housing has been among the most neglected sectors in Egypt and the present situation is characterized by serious problems of shortage and overcrowding. The shortage of low cost housing due to the stagnation of the stock of rental housing units and the high cost of newly built units. For over three fourths of the population, the price of a standard new dwelling in an urban area exceeds one hundred times their annual income. As a result of rent control, a black market for new rental units has developed, in which tenants pay large up-front sums in the form of “key money”. At the same time, there is an excessively high vacancy rate of housing units in the face of the severe housing shortage. To cope with the housing shortage, many poor income

households have built substandard units, “squatting” on public land in areas lacking water, sewage, garbage collection and basic social services.

Four indicators of *Economic* S*ecurity/Vulnerability* were used. *First* are balance sheets for the households expressed as a ratio of expenditures to incomes. During the year prior to the survey, 36.2% reported deficit spending, 57.8% reported savings, and the remaining 6% broke even. Deficits for 10.7% of the sample equaled or exceeded 50% of incomes, and surpluses equaled or exceeded 50% of incomes for 6.1%.

Second is the ability to cope with the costs of special events and unscheduled emergencies such as natural disasters, health problems, deaths, and/or weddings. Nearly one of four households (23.2%) encountered such situations during the year prior to interviews, especially in connection with health problems. Incomes for 55.2% of them were not sufficient to meet these expenses. As expected, the relationship between per capita income and coping with emergencies favors households in the higher brackets. Several coping strategies were reported. Taking loans was the most common (68.3%) followed by financial assistance from relatives, friends, neighbors, and others (24.7%). Nearly one fifth of the households (18.0%) sold assets, and 4.5% mentioned *gameyas,* or “rotating credit associations” in Geertz’s terms (1962).

A *third* indicator is the assessment, mentioned earlier, of the adequacy of incomes in covering the costs of basic needs which revealed that they were sufficient for 56.7% of the households and insufficient for the remaining 43.3%.

The *fourth* and final indicator for economic security is change in income comparing the survey year with the preceding one. Incomes increased for 15.7% of the sample, decreased for 9.1%, and remained the same for 75.3%. While the proportions reporting increases steadily favor households with higher per capita incomes, decreases were more evenly distributed among per capita income categories. The most frequently mentioned reasons for the rise in incomes were increases in earnings through business or farming enterprises (54%), followed by promotions and bonuses connected with employment (46.3%). For only 3.7% of the households were the increases attributed to taking on additional job(s) by members already employed or the employment of previously unemployed members. The reasons for decreases in incomes follow a similar pattern. The most often mentioned is reduction in earnings from business or farming enterprises (47.0%), followed by loss of jobs (18.1%), and retirement (7.0%). Important to note also are reports by 6.3% of the households who attributed the decrease in incomes to the liquidation of productive assets.

An “Index of Economic Security/Vulnerability” was constructed by using these four items. The quintile distributions of the Index scores in relation to per capita income (Table 5) indicates greater economic security among households in the higher per capita income categories, and vice versa.

Poverty Lines

Two poverty lines were constructed and used in the analysis. One can be referred to as *relative/objective* and is defined as "at or below two thirds of the average per capita total expenditures". There is always an element of arbitrariness in where lines are drawn. In order to facilitate comparisons, we replicate in this measure an approach widely used in Egypt and elsewhere. "Ultra poverty" was defined as "at or below one third of the average of per capita total expenditures". These criteria identified 37.3% and 7.6% of the households as poor and ultra poor, respectively.

The second approach yielded *absolute/subjective* poverty lines which were based on "affordability of basic needs", namely food and clothing. Obviously, this approach does not address the issues of kinds of food and their nutritional value, or the quantity or quality of clothing. However, it offers the assessment of the people themselves of their abilities to afford these needs as they define them. The criterion selected in this analysis includes households that faced difficulties, at all levels of intensity, in affording food *and* clothing. Ultra poverty includes households that "could not afford or had severe difficulties with costs of food *and* could not afford clothing". These lines identified 35.5% of the households as poor and 7.4% as ultra poor.

Translated into numbers, of the 12,422,543 households in Egypt in 1995, 4,683,299 and 4,534,228 met the criteria of objective and subjective poverty, respectively. While the rates of poverty according to these two definitions -- 37.3% and 35.5% respectively -- are quite similar, there is considerable diversion between them in terms of the households identified as poor or non-poor. As shown in Table 6, the two measures overlap in 60.9% of the cases, with 17.45% agreement on poor and 43.5% agreement on non-poor households. They diverged in 39.1% of the cases, with 19.9% of the households being objectively poor only and 19.2% subjectively poor only. Although statistically significant, the low correlation value (r =.17) and the magnitude of diversions clearly indicate that these are two different measures of poverty. The behavior of the two concepts throughout the analysis show much greater validity for the subjective/absolute definition and indicators.

Data about affordability of three important needs were considered but not included in the construction of these indices. One is *housing* which was excluded for the reasons specified earlier. The others are *health care* and *education* which were not included because responses to these items were strongly influenced by the presence of health problems or children in schools. Furthermore, because of an enormous overlap, difficulties in affording food and clothing are strong proxies for severe difficulties with health care and/or educational costs. Including these latter limitations would add only 1.0% to the poverty rates.

Patterns of Distributions

Under this heading, we present differentials in the distributions of poverty in relation to selected ecological variables, characteristics of households, and those of household heads.

Ecological variables: Two such variables are considered here (Table 7) -- rural/urban and regional differences. As to *rural/urban* differentials, it is to be noted that over the last several

decades a number of trends have been changing population movements and the residential map of Egypt. Important among these are: expanding rural electrification, distributing industrial enterprises, an increasing shortage of housing in urban centers, multiplying means of transportation between villages and cities (this is a statement of quantity, not quality), and the investment of funds earned through working abroad in the construction of residential buildings in villages of origin. While these trends did not stop migration to the urban centers, especially the larger ones such as Cairo and Alexandria, they have created a different population mix in the rural areas. No longer can "rural" be considered synonymous with "farming". In fact, among those who reported rural residence the majority (58.2%) were "non-farming". In this analysis, we compare three categories of households: rural farming (22.2%), rural non-farming (28.6%), and urban (49.2%). Objectively defined poverty is more prevalent among urban dwellers (40.4%) than among those in rural areas (34.2%), with the lowest rates being among the non-farming rural dwellers (26.8%). The rates of subjective poverty were very similar for the three categories of residents.

Regional differentials show objective poverty as most prevalent in Urban Upper Egypt followed by Urban Lower Egypt and Rural Upper Egypt, in that order. It was lowest in Rural Lower Egypt, followed by the Urban Governorates. The prevalence of subjective poverty follows a somewhat different pattern. These rates were highest in rural Upper Egypt followed by the urban governorates, and lowest in urban Lower Egypt. Important to note are the higher rates of poverty in Upper Egypt compared to other regions. This can be a contributing factor to tension and unrest, especially in these times of rising expectations engendered, in turn, by the fast expanding access to the mass media, particularly television.

Characteristics of Households include household size, levels of education of members, and their engagement in gainful activities (Table 8). The rates of objectively defined poverty steadily and dramatically increase as the *size of households* becomes larger. This is in part due to the fact that per capita expenditures are lower for larger size households ($r = .48$), and that objective poverty is based on per capita expenditures. Subjective poverty relates to household size in a curvilinear manner suggesting underlying influences of other factors.

Engagement in gainful activities is an index to provide a measure of employment and work among members of a household who are 18 years of age and over. This includes working for self, employment for salaries and wages, and unpaid family work. The index is simply the ratio of the number of household members so engaged to the total number of members in the specified ages. It does not express any aspects of the kinds of jobs held or the levels of compensation received. The rates of subjective poverty consistently decline as the ratio of workers to non-workers increase. However, relations to objective poverty are inconsistent. Caution is advised in interpreting these data since women's work is seriously under reported in surveys (El Tawila, 1992).

Educational attainments of households were measured by averaging the schooling levels completed by members 18 years of age and older. While average scores do not reveal the educational distribution within the household, they do provide better representation of the households than do the educational levels of household heads. The two indicators are

substantially correlated (r = 0.71). As expected, scores on this index are negatively associated with the rates of both objective and subjective poverty.

Characteristics of Household Heads: Table 8 presents also the relationships of poverty rates to the gender, age, and education of household heads. As to *gender*, the sample included a fairly large proportion of female headed households (15.7%, N=964); male headed households accounted for the remaining 84.3% (N=5192) There are large gender differentials and divergences in the prevalence of objectively and subjectively defined poverty. The percentages in poverty according to objective criteria for female/male headed households are 30.8% and 38.4% respectively. The distributions of subjective poverty exhibit the reverse pattern for the two types of households with prevalence rates of 43.2% and 34.3% in that order. At least partial explanation can be sought in differences in the definitions of the two lines of poverty. The reasoning goes as follows: more of the female headed households have serious difficulties affording the costs of food and clothing, so more of them meet the criteria of subjective poverty; however they are also more likely to engage in deficit spending which pushes them out of the definitions of objective poverty which are based on levels of expenditure. Differences in household budgeting are consistent with this line of explanation; proportionately, more female headed households tended to engage in deficit spending compared to those headed by males. There is greater willingness on the part of families and other informal sources to assist female more than male headed households through loans and other forms of support.

Several observations can be made about the relationships between the *age of household head* and poverty. First, is that the rates of objective poverty steadily increase with age up to the oldest category (60 years and over) where in drops significantly. Subjective poverty is at the lowest rates also for the older age category. This may be due to accumulation of needed assets over the years, lowered expectations as age increases, and/or to lower rates of dependency in these households. The largest divergence between objective (23.5%) and subjective (36.2%) poverty is for households with heads in the youngest age category (less than 25 years). In large part, these variations are due to the higher initial costs of establishing households which raises the rates of subjective poverty, and inclinations on the part of the young to engage in deficit spending. As in the case of female heads of households, the young are more likely to receive support from families and relatives than do those in older ages.

Finally, the *education of heads of households* is a powerful factor in the prevalence of poverty defined in either objective or subjective terms. Table 8 shows large and consistent declines in poverty rates as we move up through educational levels.

IV. Explanations and Correlates of Poverty

While no one discipline, let alone one theory, can provide adequate explanations of a phenomenon as complex and multidimensional as poverty, three perspectives are common in the literature: individual, cultural, and structural.

Individual explanations

These tend to take one or more of three forms: (a) inadequacy or pauper syndrome biologically transmitted through the genes: (b) intelligence determines income and intelligence is largely inherited; and (c) mental illness or unstable temperament as inherited incapacities lead to social deprivation (Holman's 1978). While the first type of explanation may have some popular appeal, Holman maintains that it lacks scientific merit. The other two lines of explanation have been more fully researched and remain topics of debate. Actually the relationship between mental illness, not always inherited, and poverty is evident in the high proportions of the homeless in many countries who suffer mental problems. Attention was also given to "problem families" (Bowlby 1951, 1953; Holman 1978) and "emotional immaturity" (Irvine 1954). The thesis is that problem families are incapable of nurturing and providing training to their children leading to immaturity on the part of the children and other character traits inimical to successful adult lives. The negative cycle continues since these children in turn become incapable of providing normal family conditions for their own children.

Cultural Explanations

This perspective offers three interrelated themes: the image of limited good, culture of poverty, and cultural deprivation. The *image of limited good* was advanced as an explanation of the seeming reluctance of peasant communities to adopt modernization in their economic endeavors. In attempting to explain the persistence of poverty in peasant communities, Foster (1967) described this image to include a view of village economic life as a zero-sum game and that economic success is perceived as coming at the expense of others in the community. In later analysis (Harris 1986), Foster's data were shown to be open to other interpretations (Harris 1986).

Oscar Lewis (1966) is a well-known proponent of the *culture of poverty* tradition who cites "some seventy interrelated social, economic and psychological traits … the principal ones include: fearfulness, suspiciousness, apathy, fatalism, cynicism about social institutions and distrust of the police and government officials". Apathy and fatalism are particularly important in that they inhibit the motivation to work or change. Lewis also echoes Irvine when attributing to the poor "a lack of impulse control, a strong present-time orientation and relatively little ability to defer gratification and to plan for the future". The lack of work motivation limits earnings, and concern with immediate gratification precludes savings. These maladaptive values and attitudes are seen to create separate cultures within larger dominant cultures (Lewis 1966, Miller 1968), and are socially transmitted from one generation to another (Reissman 1962; Valentine 1968; Sabin 1970).

Cultural Deprivation is related to the culture of poverty, except on one fundamental point. Instead of a culture separate from a larger achievement-oriented culture, advocates of cultural deprivation hold that individuals are members of the dominant culture, but are insufficiently socialized into its values and norms (Clegg and Megson 1968; Danzinger 1971). This perspective also entails a self-replicating cycle. However, rather than the cycle perpetuating a culture that accepts poverty, it perpetuates a segment of the population unable to be successful members of their own culture.

The culture of poverty tradition has had a number of critics. For example, Wikan (1980) concludes that: "On the basis of my understanding of life among poor people in Cairo … they do not have a culture of poverty which obstructs the improvement of their conditions". Results from the current survey (Nagi 2000) support this position. Intergenerational mobility was sizable along both the educational and occupational hierarchies, and from the lowest strata. In addition, the most frequently mentioned purpose of assistance sought and/or received by households in poverty was for the education of children. And, unlike for other purposes, assistance for education was most often in the form of loans.

Structural Explanations

An important advantage in structural explanations is that they can incorporate those at the individual and cultural levels. They take diverse forms ranging from the Malthusian demographic "primary cause" to multi-causal perspectives. At the outset, we address the proposition that *population growth is a primary cause of poverty.* While data clearly demonstrate higher fertility rates among the poor, the causal direction is far from established. In fact, the longitudinal evidence at hand is strongly persuasive of the thesis that modernization is a driving force that leads to both an enhanced pace of societal development and a decline in the rates of population growth. Consider a comparison between Egypt and South Korea during the period 1960-1995 where the two countries started with almost identical populations of 27.0 and 26.8 millions, respectively. The average population growth in Egypt declined from an annual 2.7%, for the period of 1980-90, to 2.1% in1990-95. In Korea it fell from 2.6% percent a year in 1960-70 to 1.1% percent in 1980-90, and to 0.9% in 1990-95. (World Bank 1993,1997). To be noted is that the beginnings of substantial acceleration in Korea's economic development are placed around 1963 (Kim 1994).

An institutional perspective provides a meaningful framework for the search for structural explanations of poverty. Institutions are the most basic components of both cultural and social aspects of society. They are complexes of values, norms, and organizations that cohere around basic functions and needs of society such as addressed by family and kinship, polity, economy, religion, education, health, and others. Crosscutting these relatively specialized complexes are ethical values and norms that influence behavior within all institutional contexts. The guiding hypothesis in this search is that *institutional capacities are the primary structural factors in shaping the prevalence, intensity, and dynamics of poverty.* The capacities of institutions refer to the capabilities of the mix of values, norms, and organizations for fulfilling the functions of society and the human needs to which they are addressed.

All institutions of society are concerned, directly or indirectly, with the economic security and well being of citizens. Most involved in issues of poverty and dependency are: family and kinship, education, health care, philanthropy, economy, and polity. Their involvement covers the life span: rearing and socialization, preparing productive citizens, providing opportunities for gainful activities and mechanisms for self-sufficiency in later ages, and extending support in times of need for reasons beyond control. In the World Bank's *World Development Report 2000/2001,* devoted to "Attacking Poverty", three causes are cited for poverty: lack of income and assets, voiceless and powerlessness, and vulnerability. As indicated in earlier discussions,

we consider these as dimensions of poverty for which explanations can be sought in the capacities of institutions to perform the societal functions for which they are created. Available data about Egypt reveal serious limitations in these capacities.

Polity and governance address the functions of distribution of power and authority which are not only important in themselves; they also have strong and pervasive influence on all other institutions because of the policies they enact. With few exceptions, policy models and processes, especially in developing societies including Egypt, are characterized by varying degrees of insensitivity to the voices of the poor. They are oriented primarily to the interests of the elite. Even where there are constitutional emphases on "balancing of interests", the poor are the least able to organize and to command the resources necessary for articulating their interests and placing them on the public agenda.

The results of inattention to poverty and the poor are evident in the inadequacies of public programs of social protection. These include programs of social insurance, public assistance, and other social services. Often published descriptions of these programs look far better than the operational realities. The situation was succinctly expressed in a World Bank (1991) document concerning Egypt: "The various existing social programs and transfer mechanisms...do not constitute an adequate safety net to protect the most vulnerable members of the Egyptian society from the likely negative impacts of economic adjustment policies, or even a very satisfactory base on which to build an adequate system".

A major impediment to societal development is that a combination of low pay, weak accountability, and lack of knowledge and/or commitment to the ethics of public service, has opened the gates for pervasive corruption. Corruption at any scale is not a victimless crime; it damages "the quality of life of the ordinary citizen--particularly that of the most vulnerable members of society" (The Economist 1997).

The civil service is bloated, badly outdated, and poorly equipped contributing to serious inefficiency and abuse in the administration of pulic affairs and the provision of human services. Table 9 clearly demonstarte these problems as reflected in the opinions of citizens in contact with public agencies in an Egyptian governorate.

The role of the economy offers fundamental explanations of poverty and its dynamics. The market is the primary mechanism for this institution in performing its distributive functions. The capacities of markets in Egypt are impaired because of factors such as: an inefficient public sector that drains the economy, an absence or weakness in regulatory measures to promote transparancy and guard against unfair practices; grossly underdeveloped human resources and technological capabilities, and the lack of significant competitive niches in the rapidly globalizing markets. The result is stagnation in economic development and in opportunities for gainful activities – an important avenue for clinbing out of poverty. Data from the 1995 survey show that, when students, homemakers not interested in employment, and the retired are excluded, the proportion of unemployed adults (18 years and older) stood at 24%. Equally indicative of the labor market's limitations are the high rates of unemployment among the better educated adults with 36.1% among graduates of high

schools, 25.3% of post-secondary institutes, and 20.7% of universities. The rates among respondents below 25 years of age were a staggering 48.6% and 26.1% for those in ages 25-29. Of all the unemployed, 61.8% were under thirty years of age, with a female/male ratio of three to one. The data also raise questions about the quality of jobs held by those emplyed. However, the prevalence of poverty, measured in either subjective or objective terms, was high in all employment categories.

In attempting to cope with poverty and the risk of it, significant proportions of the households sell assets. Generally the poor sell non-revenue generating possessions such as gold jewelry and household appliances, and the non-poor more often sell revenue generating assets such as land and buildings. There seems to be a process of liquidation of assets by households in the middle socio-economic levels in order to maintain their living standards and to assist their children in keeping similar standards.

In contrast to generous subsidies to large investors, excessive in the opinion of respected economists, little policy attention is given to the availability of credit to small and informal enterprises which are quite important in developing economies.

As revealed by the rates of infant mortality presented earlier, inappropriate public policy choices has left the intsitution of health care seriously lagging in capacities not only quantitavily but also in quality. Data also indicate a strong association of poverty with poor health, limitations in functions, and disabilities in both work and self-care. And, compared to the non-poor, the poor were twice as likely not to receive health care when needed.

Through itergenerational comparisons, it was possible to estimate the reduction in poverty rates due to the influence of educational and occupational mobility. Upward mobility in education reduced objective and subjective rates by 9.4% and 5.0%, respectively. The corresponding figures for occupational mobility are 13.3% and 4.5%. However, inappropriate policy choices again resulted into serious limitations in the institution of education as indicated by the high rates of illitracy and the heavy burden of private lessons which attest to the failure of schools to adequately perform their functions.

The relationships of assistance to poverty are most pronounced in the case of subjective poverty (Table 10), so this summary of assistance from family and philanthropy is based on this definition. The sources of assistance were grouped into four categories: relatives, non-relatives (friends, neighbors, and community), religious organizations (mosques and churches), and non-governmental organizations (NGOs). Non-relatives were the most frequently reported source of assistance by both poor (23.3%) and non-poor (2.6%), followed by relatives with 15.4% and 2.0%, respectively. NGOs were mentioned by 7.5% of the poor and 0.5% of the non-poor, and religious organizations by 4.3% and 0.2% in that order. Important to note is that fully 70.4% of the poor received no assistance from any of these sources, 15.9% received assistance from one source, 9.3% from two, and the remaining 4.4% from more than two sources. The most frequently mentioned purpose of assistance among the poor (61.3%) was for educational costs, followed by basic needs (15.1%), health care (8.1%), and emergencies (5.8%). Assistance to the non-poor for these four purposes was reported by

2.9%, 0.5%, 0.3%, and 1.9%, in that order. Assistance for basic needs was most frequent from relatives (11.4%), followed by non-relatives (7.5%), NGOs (4.5%), and religious organizations (4.2%). For education, assistance was far more likely to be from relatives (53.6%), followed by non-relatives (8.3%) and NGOs (1.1%); none for this purpose from religious organizations. The most frequent sources of assistance for health care were non-relatives (6.8%), followed by NGOs (1.4%), and religious organizations (0.2%) mostly through mosques where actual services were provided. There were no reports of assistance for health care costs from relatives. Finally, assistance to the poor in times of emergencies was most likely to have been received from non-relatives (4.9%), followed closely by relatives (4.5%), and NGOs (0.8%).

Four observations are important to note in the patterns of assistance from these sources. *First* is to emphasize the high proportion of poor households that received no assistance from any of them raising the important issue of the need for public policies and programs to strengthen the social safety net. *Second* is an unexpectedly low percentage of the poor receiving support from relatives and NGOs. While there has been considerable change in family relations in Egypt, the most plausible explanation is that the relatives of the poor are often in poverty themselves. And NGOs are still too limited, in numbers and capacities, to have significant effects on the massive and complex problems of poverty. *Third* is that, by far, most of the assistance was for education, and that it was in the form of loans rather than gifts; a fact that negates the idea of culture of poverty by demonstrating the struggle of the poor to achieve better conditions for their children. The *fourth* observation is about the relationships of support from mosques and churches. There was considerable overlap between the two -- 68.9% of the households assisted by mosques were also assisted by churches, and 97.3% assisted by churches were also assisted by mosques. The lower percentage of the first group is most likely due to differences in prevalence with mosques being far more ubiquitous than churches in Egypt. The important conclusion, however, is that there does not seem to be selectivity on the part of religious organizations nor on the part of the poor from either religious background.

V. Approaches to Povrty reduction

Reducing poverty and ameliorating its correlates call for addressing the causes mentioned above. Striving for these goals entails specfic policies and programs as well as a framework within which these can be understood and purused in a coherent manner. Important among the specifics are:

a. emphasis on equity in distributive and redistributive policies, and improving systems of social protection (insurance and assistance);
b. developing human services especially education, health, and social protection in both capacity and quality, and facilitating access for the poor; most frequently it is not costs but prorities that are at issue in these regards;
c. promoting transparancy and accountability to combat corruption and abuse in the administration of public affairs;
d. closing the gender gap so that the female half of the populationn can fully share equal rights and resposibilities;

e. expanding and deepening the evolution of civil society, especially NGOs engaged in combatting poverty, enabling them to articulate and advocate the interests of the poor;
f. enhancing economic growth through developing human resources and technological foundations, attracting investments, and participating in the global economy; it has been said that "the choice now is between being in the global economy or being in poverty";
g. enhancing transparency and other regulatory mechanisms necessary for fairnes and efficiency in economic transactions; and
h. creating an environment supportive of small enterprises including access to micro credits which are particularly important for the poor segments of the population.

These and other policies need to be integrated within a general framework for *societal developmen* with the clear objective of balanced and sustainable progress. At the abstract level, the innumerable elements entailed are usually grouped into four categories or components – economic, political, socio-cultural, and moral/ethical. Much discussion has surrounded the questions of relative importance of these components, their interrelationships, and whether or not they need to be sequentially addressed. At the risk of oversimplification, a concrete analogy is a four-sided liquid container, the amount it can hold is determined by the shortest side. Thus, while progress along each of the four aspects is a justifiable end in itself, their mutual synergies make a compelling case for integrated approaches to development. For examples of the interplay among these dimensions consider: (a) the need for economic resources to modernize and extend the reach of systems of education, healthcare, and social protection; (b) the central role of educated and skilled human resources in advancing and maintaining economic progress; (c) the importance of public policies and programs to protect the integrity of markets against excesses and other failures, to set standards and monitor the provision of services, and to promote a balance between individual and collective interests; (d) the value of pluralist democratic governance, respectful of human rights and freedoms, to unleashing human capabilities; and (e) the necessity of shared moral and ethical commitments for fair, orderly, and constructive human interaction within all of the spheres of societal development.

The primary forces underpinning acceleration in development are those of modernization of minds and institutions. These, in turn, have been powered by the phenomenal growth in scientific knowledge and technological innovation over the last half century. It has been pointed out that the significance of this process can only be appreciated in the context of the entire course of human history. A respected historian (Black 1964) places the change involved in this transformation in human affairs at the same order of magnitude as those from pre-human to human life and from primitive to civilized societies. Three points are particularly important to this discussion. *First* is that "the challenge in the societies that modernized earlier was primarily internal, and the transformation occurred over several centuries. In the latter modernizing societies the challenge has been increasingly external, hence more rapid and even abrupt." *Second* is that nothing short of unprecedented efforts are needed for adapting current institutions, organizations, and citizens in traditional and transitional societies to this transformation. And, *third* is that at "the most fundamental level" success in such an effort is dependent on the ability of leaders "to keep the delicate balance

required for survival between the maintenance of the traditional pattern of values that serves as the basis of cohesion and adaptation to new knowledge that requires a revision of the traditional value system".

The literature is replete with varying opinions on the change necessary to promote societal progress. In this respect, attention needs to be firmly focused on two primary pillars of development – education and justice. As has already been mentioned, an inescapable conclusion is that the course of human history and the progress of nations are tied to participating in the scientific and technological transformations and to the change they bring about. That education has profound significance to the various dimensions of development, at both the individual and societal levels, needs no elaboration. The knowledge, skills, ethics, and aesthetics of citizens are vital to enhancing the capacities of institutions and organizations. Furthermore, it has been demonstrated that education is the most common avenue for individuals and households to climb out of poverty. Four issues, concerning education, are highly consequential: access, quality, attainment, and relation to labor markets. There is a pressing need to advance along all of these dimensions, for in this lies the future.

As to justice, it is to be understood and practiced in a broad and encompassing manner. It includes a constitutional structure and modes of governance that guarantee fundamental human rights and freedoms, assure people's security in thought and property, provide effective avenues for political participation, and promote a sense of belonging and commitment. It includes the checks and balances necessary to channel authority and the use of discretion away from self-serving arbitrariness and toward the public good. It means impartiality in other aspects of the law – civil and criminal – and universal application that instills self-discipline and respect for the law and legal institutions. It calls for equity in the system of rewards so that people's earnings and gains are proportional to the quality and amount of effort they put into their work, and sanctions proportional to violations. It entails redistributive measures to meet the needs of the unfortunate and dependent while preserving the motivation of the capable and talented. Equally important to these legal expressions, justice also means people's fairness and civility to each other in their daily interaction.

Finally, a word on responsibilities at the different jurisdictional levels is in order. Useful to this discussion is the concept of "community of solution" which refers to boundaries within which a problem and its causes can be identified and addressed. These can be local or national, or they can be international, that is, regional or global. Poverty is not only multidimensional but is also multijurisdictional. In Egypt, the elements for identifying and addressing most of the dimensions of poverty are local and national, and some are regional and global in nature. For serious attempts toward poverty reduction, it is essential to distinguish among the issues and the levels at which they can be addressed. This would greatly assist in focusing responsibilities and accountability, and curtail the all too common "blame game".

VI. Needed Research

Obviously, it would be futile to attempt a comprehensive tally of research issues about such a large, complex, and pervasive social problem. In addition, the problem is clearly multidisciplinary. Thus, the agenda identified here must be selective. Research issues, even within the same discipline or within the confines of one theoretical perspective, can be cast at differing levels of abstraction. While the aim is to maintain evenness, mixing levels is unavoidable. Finally, valuable additions to the store of knowledge about poverty can be gained through the various methodological strategies ranging from conceptually guided in-depth studies of typical cases to secondary analysis of large data files already available from such sources as the UNDP, World Bank, UNESCO, UNICEF, WHO, FAO, Government agencies, and others. From my perspective, largely following the organization of this paper, here are selected topics of importance:

A. Affected Subpopulations:

- The homeless, street children, the unemployed, female-headed households in poverty, people in small informal enterprises such as peddlers, and residents of random housing, cemeteries, and similar areas.
- Individuals and households experiencing downward mobility as those affected by the liquidation of the middle class.
- Studies of these categories of the population should be planned to yield information about the causes of poverty, the difficulties these individuals and households face and the ways they attempt to cope, and the effectiveness of their coping strategies.

B. Public Policies and Programs:

- Among the political forces in the country where does activism and advocacy for poverty reduction come from? How effective? And what are the obstacles?
- What policies are on the books that are oriented specifically to poverty reduction and the alleviation of its consequences? These can be related to subsidies or to the "safety net" such as social insurance, public assistance, workers' compensation, among others.
- What programs have been developed to implement these policies? How the policies are operationalized into regulations for these programs? And, what levels of resource are allocated to these programs vis-à-vis the magnitude of their responsibilities?
- What are the structures, criteria, and norms for gate-keeping decisions in these programs? With what results? And, what recourses are there for denied applicants?
- How do organizations administering these programs relate to clients and applicants for benefits and services?

C. The Economy and Poverty:

- What are the macro-economic forces affecting poverty in Egypt? Which are national and which are international? What is Egypt's standing compared to other nations?
- How are the markets structured in Egypt with specific reference to the possibilities of entry by the poor in the labor markets or their participation in other ways? For those

who attempted to find place in the markets what strategies did they use? What assistance did they get? From whom? And what were the results?

- How are the informal markets organized? How do the poor people participate? What are the difficulties they experience?
- What are the links between poverty and child labor and the differences between rural and urban dwellers in these respects?
- How is credit structured in the Egyptian economy? And what access is there for the poor to micro credit?
- For those who climbed out of economic poverty, how was that accomplished?
- What are the patterns of household budgeting and expenditures? Within the severely limited resources, what are the priorities among basic needs? Are different members of the household accorded different priorities based on gender, age, disability, or other considerations?

D. Formal and Informal Philanthropy:

- What are the patterns of informal philanthropy in Egypt now? Who are the participants? How are the needs identified? How are the resources distributed? And, what are the rural-urban differences in these respects?
- What are the patterns of formal philanthropy in Egypt today? What roles do religious organizations perform in these respects?
- What is the layout of NGOs addressed to poverty? How do they acquire resources? Identify individuals and households who need their assistance? What are the structures and criteria for gate-keeping decisions? How are their relations with clients perceived by clients and by officials of the organizations? What procedures are employed to ensure transparency? And, how do they relate to relevant government agencies?

E. Health, Health care, and Poverty:

- Two important correlates of poverty are infant mortality and life expectancy, how does Egypt compare with other nations on these measures? What are the relationships of public expenditures on health and these two indicators?
- What are the epidemiological relationships between poverty, on one hand, and different types of pathology, impairment, and disability, on the other?
- What are the patterns of utilization of health care services by poor individuals and households? How are these financed? What are the patterns of utilization of alternative ways of health care, especially the use of non-professional personnel? What are the unmet needs for health care among the poor? And, why?
- How do the poor and the non-poor differ in their interaction with health professionals? And, what are the perceptions of health care professionals and those of the poor concerning the health care received by the poor?

F. Education and Poverty:

- What impediments are inhibiting access to education among children in poverty? How can gender differences be explained?

- Are there differences between poor and non-poor in school attendance for enrolled children? Are there gender differences in these respects? If so, how can these differences be explained? And, what are the consequences?
- What differences are there between poor and non-poor in school performance? And, if so, how can such differences be explained?
- What are the differences between poor and non-poor in educational attainment, that is, the levels completed? And, how can the differences be explained?
- How do the poor and the non-poor with similar educational attainments differ in finding employment? And, how these differences can be explained?

G. Family and Poverty:

- Several issues related to the family have already been mentioned such as female-headed households, priorities in family budget and expenditures, and child labor.
- Family relations and family stability among the poor.
- More information is needed about financial and other assistance from family and relatives.
- Moe information is also needed about differences between poor and non-poor in the role of the family in regard to health care and education of family members.
- Attention has been given to the relationships between poverty and fertility, however, more information on this issue would be useful especially in regard to the diffusion and adoption of family planning practices.

G. Other Research Issues:

- The poor have been characterized in many ways that need to be assessed – fatalism, alienation, powerlessness, and others.
- Differences between the poor and the non-poor in patterns of migration, the reasons for geographic movements, and their results.
- Studying successful innovations such as the Gramine banks, and others oriented to poverty reduction in Egypt in order to facilitate their dissemination and adoption, as well as failing innovations and the reasons for their demise.
- Studying the role of international assistance programs regarding poverty, their strategies, and their effectiveness
- Replication of earlier surveys and studies for the purpose of verification, and longitudinal designs in order to learn about trends and dynamics.

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Table 1: Poverty and Inequality in Mediterranean Countries

Country	Poverty Levels			Richest 20% to Poorest 20%
	Below $1/Day %	Below $2/Day %	Below $14.40/Day[a] %	
Algeria	< 2	15.1	---	6.7
Egypt	3.1	52.7	---	4,7
Lebanon	---	---	---	---
Libya	---	---	---	---
Morocco	< 2	7.5	---	7.0
Syria	---	---	---	---
Tunisia	< 2	11.6	---	7.8
Israel	---	---	---	6.6
Turkey	2.4	18.0	---	8.2
France	---	---	12.0	7.5
Greece	---	---	---	5.4
Italy	---	---	36.5	6.0
Spain	---	---	21.1	4.4

Sources: UNDP (1999) and World Bank (2001)

a. Figures are PPP (1985 $) and are only for members of the EU

Table 2: Correlates/Dimensions of Poverty

Country	Adult Illiteracy 1998 Male %	Adult Illiteracy 1998 Female %	Public Expenditure On Education % of GNP 1997	Infant Mortality Per 1000 Births 1998	Public Expenditure On Health % of GDP[a]
Algeria	24	46	5.1	35	3.3
Egypt	35	58	4.8	49	1.8
Lebanon	9	21	2.5	27	3.0
Libya	---	---	---	---	---
Morocco	40	66	5.0	49	1.3
Syria	13	42	3.1	28	---
Tunisia	21	42	7.7	28	3.0
Israel	2	6	7.6	16	7.0
Turkey	7	25	2.2	38	2.9
France	---	---	6.0	5	7.1
Greece	2	5	3.1	6	5.3
Italy	1	2	7.6	5	5.3
Spain	2	4	5.0	5	5.6

Sources: UNDP (1999) and World Bank (2001)
a. Figures are for the period 1990-1998

Table 3: Household Annual Income

Income Categories (in LE)	Number	%	Cumulative %
<1200	461	7.7	7.7
1200-2399	1229	20.6	28.3
2400-3599	2002	33.5	61.8
3600-5999	1255	21	82.8
6000-8399	704	11.8	94.5
8400-11999	161	2.7	97.2
12000-15999	86	1.4	98.7
16000-19999	29	0.5	99.1
20000-59999	33	0.6	99.7
60000+	18	0.3	100
Total	5978	100	

Minimum = LE 72, Maximum = LE 133,000
Source: Nagi (2001)

Table 4: Basic Needs and Per Capita Income

Difficulties in Affording Basic Needs	Per Capita Income (Quintiles)					
	Lowest 20%	2nd 20%	3rd 20%	4th 20%	Highest 20%	Total
Food						
Could Not Afford it	0.2%	0.3%	0.3%	0.1%	0.1%	0.2%
Severe Difficulty	15.1%	6.4%	6.6%	4.1%	1.2%	6.8%
Some Difficulty	32.5%	27.6%	22.9%	20.4%	9.9%	22.8%
No Difficulty	52.2%	65.6%	70.2%	75.4%	88.9%	70.2%
Clothing						
Could Not Afford it	1.7%	1.2%	0.8%	0.6%	0.6%	1.0%
Severe Difficulty	17.1%	9.4%	9.2%	5.3%	1.6%	8.6%
Some Difficulty	34.3%	29.4%	24.2%	22.3%	10.7%	24.2%
No Difficulty	46.9%	60.0%	65.8%	71.9%	87.1%	66.2%
Health Care						
Could Not Afford it	1.3%	0.6%	0.8%	0.8%	0.4%	0.8%
Severe Difficulty	16.2%	9.1%	8.4%	5.7%	3.1%	8.6%
Some Difficulty	32.6%	27.3%	24.0%	19.3%	10.1%	22.8%
No Difficulty	49.9%	63.0%	66.8%	74.2%	86.4%	67.8%
Education						
Could Not Afford it	1.4%	1.3%	1.4%	0.7%	0.5%	1.1%
Severe Difficulty	13.0%	8.2%	7.2%	4.3%	1.4%	6.9%
Some Difficulty	28.5%	23.1%	16.3%	14.7%	5.8%	17.8%
No Difficulty	57.1%	67.4%	75.0%	80.4%	92.3%	74.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Nagi (2001)

Table 5: Economic Security and Per Capita Income

Scores on Index of Economic Security (Quintiles)	Per Capita income (Quintiles)					
	Lowest 20%	2ND 20%	3RD 20%	4TH 20%	Highest 20%	Total

Lowest 20%	37.10%	21.50%	18.10%	15.20%	8.10%	20.00%
2ND 20%	23.10%	24.00%	21.70%	19.80%	11.40%	20.00%
3RD 20%	21.90%	22.60%	18.90%	20.40%	16.10%	20.00%
4TH 20%	11.70%	16.70%	22.80%	21.30%	27.70%	20.00%
Highest 20%	6.30%	15.20%	18.60%	23.20%	36.70%	20.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Nagi (2001)

Table 6: Relationships Between Objective and Subjective Poverty

Objective Poverty	Subjective Poverty					
	Poor		Non-Poor		Total	
	N	%	N	%	N	%
Poor	1028	48.2%	1206	31.2%	2234	37.3%
Row %	46.0%		54.0%		100.0%	
Non-Poor	1103	51.8%	2659	68.8%	3762	62.7%
Row %	29.3%		70.7%		100.0%	
Total	2131	100.0%	3865	100.0%	5996	100.0%
Row %	35.5%		64.5%		100.0%	

Source: Nagi (2001

Table 7. Ecological Variables and Poverty Rates

Variables	Poverty Rates (% of Households Subjective	
Residence		
Rural Farming	35.0	41.8
Rural-Non Farming	36.4	28.6
Urban	35.5	40.4
Region		
Urban Governates	37.5	35.5
Urban Lower	30.9	44.2
Rural Lower	33.9	30.5
Urban Upper	36.2	47.7
Rural Upper	37.7	38.1

Source: Nagi (2001)

Table 8. Characteristics of Households and Poverty Rates

Characteristics	Poverty Rates (% of Households Subjective	Objective
HH Size		
1-2	26.7	13.3
3-4	35.0	19.8
5-6	36.2	39.6
7-8	41.1	56.1
9-10	38.1	60.0
11+	34.1	64.0

HH Gainful Activities		
Lowest 20 %	39.3	36.2
2nd 20 %	38.2	44.0
3rd 20 %	38.2	45.6
4th 20 %	31.4	30.8
Highest 20 %	31.4	29.5
HH Education		
Lowest 20 %	42.6	41.1
2nd 20 %	41.7	51.2
3rd 20 %	37.7	39.7
4th 20 %	33.3	34.6
Highest 20 %	23.0	19.6
Gender of HH Head		
Female	43.2	30.8
Male	34.3	38.4
Age of HH Head		
<25	36.2	23.5
25-34	34.2	34.2
35-44	37.8	39.1
45-59	37.1	41.4
60+	32.2	32.1
Education of HH Head		
None	40.3	43.1
Primary	37.2	40.5
Preparatory	32.3	31.7
Secondary	29.8	28.7
Tertiary	18.3	15.5

Source: Nagi (2001)

Table 9: Percentage of Respondents Reporting Difficulties in, and Opinions About, Dealing with Government Agencies

Items of Experience	Social	Health	Education	Police and	Local	Total

and Opinions	Affairs and Social Insurance N=63	and Health Insurance N=372	N=104	Registration N=134	Admin. N=421	Eight Agencies N=1587
Inhumane Treatment	25.4	32.7	21.4	28.1	27.9	27.2
Difficulties in Getting Services or Things Done	71.4	61.3	44.2	57.5	70.7	60.1
Complexities of Routines	71.4	64.2	61.7	75.6	79.6	67.4
Extortion (Corruption)	19.7	25.1	22.9	34.7	32.2	26.4
Do Not Want to Deal with Agency Again	54.1	65.9	50.0	64.8	64.2	59.5

Source: El-Sayed and Badr (1997, p.30).

Table 10. Sources and Purposes of Assistance

Sources of Purposes	Poverty Rates (% of Households)			
	Objective Poverty		Subjective Poverty	
	Non-Poor	Poor	Non-Poor	Poor
Sources of Assistance				
Relatives	5.2	9.4	2.0	15.4
Non-Relatives	8.5	12.5	2.6	23.3
Religious Organizations	1.2	2.5	0.2	4.3
NGOs	2.2	4.3	0.5	7.5
Number of Sources of				
None	89.9	83.6	97.0	70.4
One	5.2	8.4	1.1	15.9
Two	3.6	5.6	1.6	9.3
Three	0.5	0.7	0.0	1.6
Four	0.8	1.7	0.2	2.8
Total	100.0	100.0	100.0	100.0
Purpose of Assistance				
For Basic Needs	3.7	8.8	0.5	15.1
For Health Care	2.3	4.3	0.3	8.1
For Educational Costs	20.2	30.3	2.9	61.3
For Emergencies	2.9	4.0	1.9	5.8

Source Nagi (2001)