

Contents

List of Figures and Tables	xi
Preface	xiii
Acknowledgments	xv
Abbreviations	xix
Introduction	1
The Importance of Economic Health	3
Some Conclusions	5
1 The Political Economy of Reform: A Survey with Special Reference to Egypt	19
Interest Groups, Crises, and Economic Reforms	20
Military and Economic Crises	25
Political Institutions and Policy Reform	28
“Tragedy of the Commons” and the Impact on the Environment	38
The Costs and Benefits of Policy Reforms	40
The “Insider–Outsider” Conundrum	51
Political Economy and Dictatorships	56
The Role of the Foreign Patron	58
The Political Economy of External Assistance	67
Donors’ Views	76
Foreign Aid to Egypt: Benefit or Bane?	78

2	Challenges and Performance, 1952–2016	83
	Economic Growth	84
	Population, Labor Force, and Unemployment	89
	Structure of Employment	91
	Public Finance	92
	Poverty	104
	Income Distribution	109
	The External Sector	112
	External Debt	122
	Annex: A Note on GDP Estimates	130
3	The Population and Related Issues	133
4	Political Economy in the Nasser Period, 1952–70	143
	Agrarian Reforms	144
	The Cultivable Area: Water and the Aswan High Dam	149
	Changes in the Role of the State in the Economy	162
	Industrial Development	188
	Elements of a Summing Up	196
5	Political Economy in the Sadat Period, 1970–81	205
	Economic Background to the Infitah	205
	The Infitah	208
	Pressures on the Economy and the Riots of 1977	226
	Relations with the IMF and the World Bank	229
	Toward a Strategy to Address Underlying Grievances	261
6	Political Economy in the Mubarak Period, 1981–2011	271
	Overall Performance	271
	Mubarak’s Philosophy of Political Economy of Reform	274
	External Debt Issues	279
	Economic Reform and Structural Adjustment Program (ERSAP)	282
	Crony Capitalism	297
	Developments, 2000–2011	300

7	After Mubarak, 2011–2016	309
	A Brief Review of the Political Timeline	309
	Mohammed Morsi: June 30, 2012–July 3, 2013	310
	Abd al-Fattah al-Sisi	311
	Political Instability and Economic Growth	311
	Economic Performance, 2011–2016	314
	Sustainable Development Strategy: Vision 2030	317
	From Vision to Realization	320
8	The Task Ahead	323
	What Is the General Challenge for Egypt’s Policymakers?	324
	What Strategies Would Help to Meet Egypt’s Development Challenges?	327
	GDP Growth and Its Drivers	334
	Economic Governance	345
	Annex	369
	Notes	371
	References	385
	Index	413