



# **Schools & Class Disparities**

## **Who Spends on Education in Egypt?**

# Schools & Class Disparities: Who Spends on Education in Egypt?

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The Egyptian Constitution stipulates that government spending on education shall not be less than 6% of the Gross Domestic Product (GDP); including the tertiary education as well as basic and secondary education. Even though the percentage is still low in comparison with the needs of the education system in Egypt as well as the rate of youth that increase the basic education needs, the state has not complied with the Constitution and its guarantees relating to spending on education<sup>1</sup>. Following the approval of the budget for the FY 2016/2017-, the People's Assembly evaded the necessity of raising rates of spending on education, saving the government the embarrassment, after it merged all the allocations of the Cultural Affairs Sector in Al-Azhar, supported the students' subscriptions and scholarships from the Ministry of Social Solidarity, along with the allocations of the National Authority for Quality Assurance and Accreditation of Education (NAQAAE) and the sector's share of the benefits of debt service to balance the education sector. All these allocations are combined in a single budget, which has not taken place in the previous years' budgets.

However, it appears to be an approach that would be followed by the subsequent government financial commitments to achieve the conceptual obligation of constitutional entitlements, without a real increase in investment in education<sup>2</sup>. Following the stagnation of government investment in education, it has become a commodity on which only the financially capable can be spent, depriving millions of citizens who are not financially capable.

«Freezing education spending» is not a new policy to the Egyptian government. The systematic decrease of education expenditures started with the implementation of free market policies in 1970s, which led to the prosperity of the private sector to become then a main party in offering education services besides the government to the strata that are able to pay. With the continuation of the state deficit to support education financially, the former Minister of Investment «Ashraf Salman», in an international conference, announced that the government tends to «liberate» the education sector, and limits the state role to supervise, regulate and control prices, without offering the educational services<sup>3</sup>. The education liberation took multiple approaches; the last was about the government's start to cooperate with the private sector, in accordance with the Law No. 68 of 2010 and its regulation, to build private schools. This is through offering 200 plots of land as a first stage<sup>4</sup>,

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1 The Egyptian Center for Economic and Social Rights (ECESR), Budget Draft 2016/17/... «Increase in Investment & Questions on Achieving Social Justice», 12 June 2016, <https://goo.gl/oCEthp>

2 Bissan Kassab, Egypt Goes to «the Space» without Education or Science Research... Govt Spending on Research Centers Does not Exceed LE 7.76 B, 7 August 2016, <https://goo.gl/3hYxYW>

3 Ismail Hamad, Ahmed Mustafa & Abeer Al-Darir, «Minister of Investment: Govt Plans to Liberate Education Sector», Al-Watan, 7 September 2015, <https://goo.gl/czKz41>

4 Mahmoud Taha Hussein, Minister of Education: 400 Plots of Land for Phase I of Investment in Education Project, Youm7, 28 August 2016, <https://goo.gl/nyyQOX>

and 1000 schools with the beginning of 2018<sup>5</sup> as usufruct for 40 years, along with facilitating the procedures and legislation related to the private education such as excluding the international schools from the value added tax (VAT)<sup>6</sup>.

These practices represent a continuation of the state tendency to stop offering subsidy to the educational services, and to hand over the responsibility of spending on education to the families, according to their financial conditions. This way, the education is shifted from a right guaranteed by the state and the Egyptian Constitution to all citizens into a commodity that is controlled by the market along with supply and demand mechanisms, and is financed by investors.

Hence, who will bear the burden of education expenditure? This paper is designed to answer this question in particular: which families, with their different economic, social and cultural background, will afford the education services? What is the actual role of the government with regard to these services under its current policies of «liberating the education sector»<sup>7</sup>? Will this role include the spending on the simplest pillars of the educational process, such as the school building, particularly under the high prices of construction, and provision of land plots to building classrooms? How did the role of the state based on public schools covering the republic develop under the policy of liberalizing education? If the government is not based on this role; so, who is spending on education?

### • Education: From Being Free to Commodification

The free education system is closely associated with Abdel-Naser period, in the aftermath of Revolution of 1952 in Egypt, in parallel with the global movements demanding the generalization of education to all the society individuals and making it free-of-charge, without excluding any person based on his economic, social or demographic state. This was occurred at the level of international institutions and relations through international conventions and agreements that stressed that education is a human right. Among the early and most important agreements was the International Covenant on Economic, Social and Cultural Rights (ICESCR) that Egypt signed in 1967 and ratified in 1982<sup>8</sup>.

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5 The national project to construct and operate Al-Musharka Distinguished Language Schools based on the PPP system, Info. Memory, August 2016, Ministry of Education, page 8 <https://goo.gl/wkcH23>

6 Youssef, Mohamed: People's Assembly Exempts International Schools and «Education Services» from VAT, Al-Watan Newspaper, 14 August 2016, <https://www.elwatannews.com/news/details/1326238>

7 Neoliberalism is the market policy of handing over the economy and social services to the private sector, and completely reducing the state role through abandoning the provision of social services. Thus, the state interests become under the private sector.

8 National Society for Human Rights, Riyadh, KSA, Information Center, ICESCR, <https://goo.gl/11VKhh>

Earlier during the term of Gamal Abdel-Nasser until the 1967 War, the government took some decrees to activate the right to education. The free education- basic education in particular- was among the main elements on which Nasser regime depended so as to promote the social justice principle, considering that the investment in education is directly related to the construction of a state that has solid economic base. Nasser regime had enjoyed a widespread popularity that period due to his attention to education. However, the image changed after the 1967 War and until the end of Nasser regime<sup>9</sup>. The education allocations in the state budget declined, in parallel with the high population density and inflation, placing Egypt on the road to dismantle the educational care built by the state<sup>10</sup>.

Owing to the political changes and the start of a new regime of Al-Sadat, the state adopted the policies of liberating markets and economy, accompanied with the austerity policies endeavoring to control the state's budget deficit. Accordingly, the education system was affected, whereas its allocations were declined and redirected to items of more consuming nature. The state started to adopt the policy of paying the cost in return for receiving services, which renders education as a commodity in the market rather than a right guaranteed to all citizens<sup>11</sup>. The economic reform procedures that were initially implemented in 1991, during Mubarak era with the support of the International Monetary Fund (IMF) and known as «Structural Adjustment Program (SAP)”, were a main gate to the neoliberal policies that the government adopted in putting together its economic policies then<sup>12</sup>. Those policies tended to decrease the financial allocations of the public services; health and education topped them. Thus, the teachers' salaries decreased, and the educational infrastructure was weakened in conjunction with the increase in the density of the classes; leading to the deterioration of the quality of formal government education. At the same time, private sector investment in education has been opened to compensate the absence of quality and skills among the public sector's schools, but in return for fees that limited the high-quality education to the groups with financial capacity to pay. As a result, spending on education as a share of annual household income has been on the household expenditure list, according to official sources.

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9 Harby, M.K, Afifi, M.E. (1958). Education in Modern Egypt. International Review of ---Education. Vol. 4, No. 4 (1958), pp. 423-439-. Springer.

10 Waterbury, J (1983). The Egypt of Nasser and Sadat: The Political Economy of Two ---Regimes. Princeton: Princeton University Press

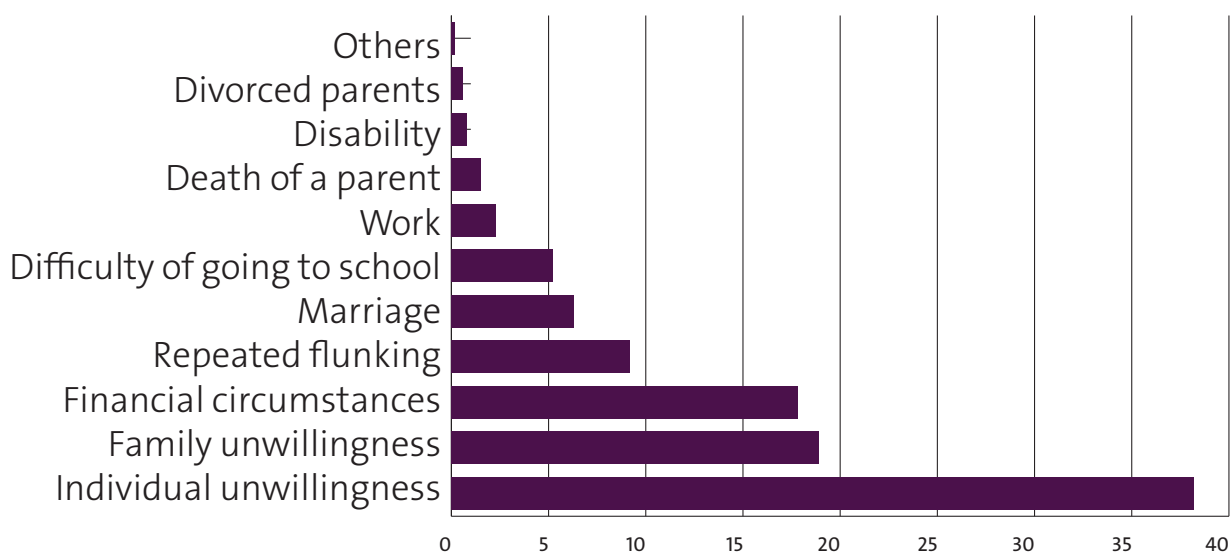
11 ibid

12 El Mahdi, R. (2012). Against marginalization: worker, youth, and class in the 25 January revolution. “Marginality and Exclusion in Egypt”. Page 123- 147.

## • The Top Spending and Most Prestigious:

In light of the economic changes along with the deteriorating public schools, spending on education became one of the family's responsibilities, but the students' dropout of schools is a fate cannot bear this spending. The 2017 demographic survey revealed three main reasons for the students' dropout. The first reason is the individuals' reluctance to receive education. The family's unwillingness to educate their siblings is the second reason. Finally, the financial state of individuals or families is the third reason. This survey was based on samples between 6 and 20 years.

According to the survey, 17.8% of school dropout is on account of the financial and economic circumstances<sup>13</sup>. Owing to the high prices, life essentials and the increase of various fees of education, other needs such as food, housing and health care became main elements on the families' budgets, and prevented spending on education at the time that the state's spending on education declined and the need of families' spending on their children's education<sup>14</sup>.



It is notable that some class differences regarding the spending on education suggest that education is a commodity that can be bought only by the rich. For example, the average spending on education rate of the 90% of lowest income amounted to 55.6% in 2015 of the total spending on education by the families, as it was earlier 61% in 2013<sup>15</sup>.

Accordingly, the rate of spending on education by the majority of population

<sup>13</sup> CAPMAS, Egypt Census 2017, the first electronic census in the history of Egypt», page 3.

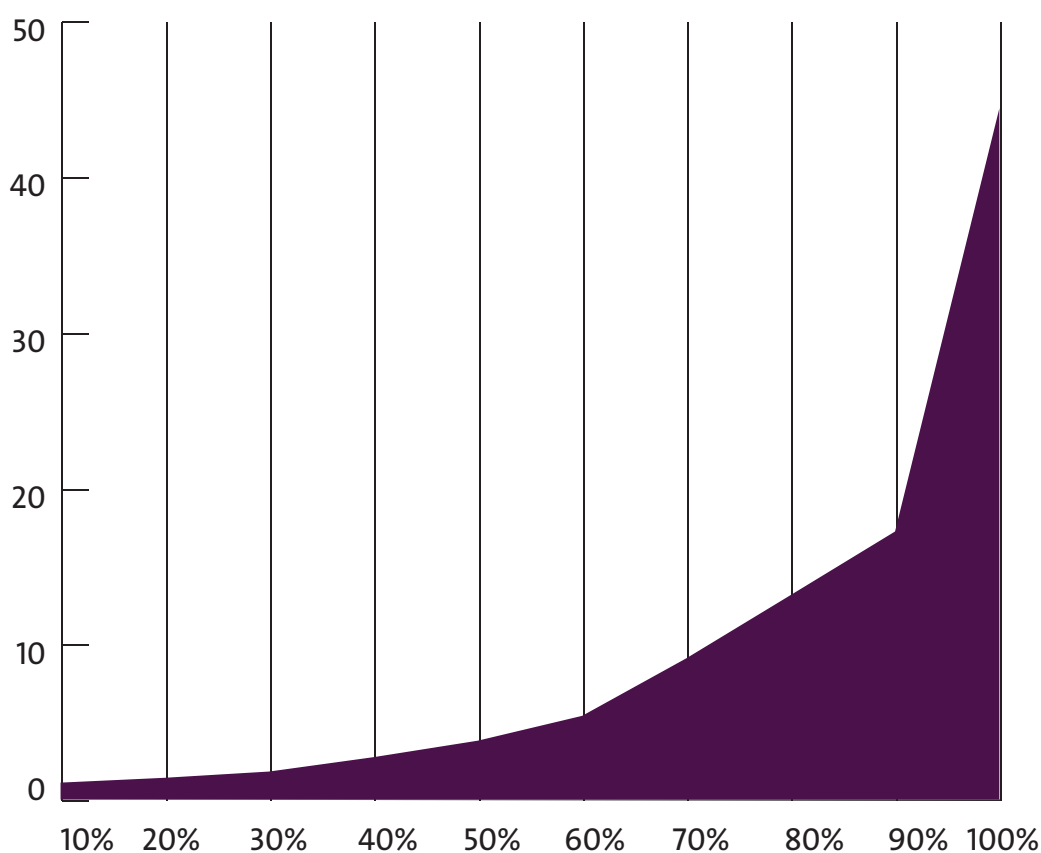
<sup>14</sup> CAPMAS, «Research on Income, Expenditure and Consumption for 2015», Sept. 2016, page 2, Average of annual spending per family (by pounds) according to the main spending groups, and the place of residence (urban, rural).

<sup>15</sup> ECESR, Egyptian Education Stages, 19 February 2017, page 4.

<http://ecesar.org/wp-content/uploads/201402//Education-fact-sheet.pdf>

decreases continually in return for the 10% highest income group that spent almost 44.3% in 2015, after it had been spending 39% in 2013. Hence, the spending on education rate decreased for 90% of the families, 5.6% only in two years, while the 10% highest income group increased by 5.3% during the same period<sup>16</sup>.

The main reason for widening this gap in spending on education between the highest and lowest income groups is the high school fees that differ according to the school type (public, private or international); whereas the highest income groups enroll their children in the highly cost schools, which increase their spending significantly. In the meantime, the other groups cannot afford the high prices of the educational services. Thus, their spending rates decline and the dropout becomes an urgent factor.

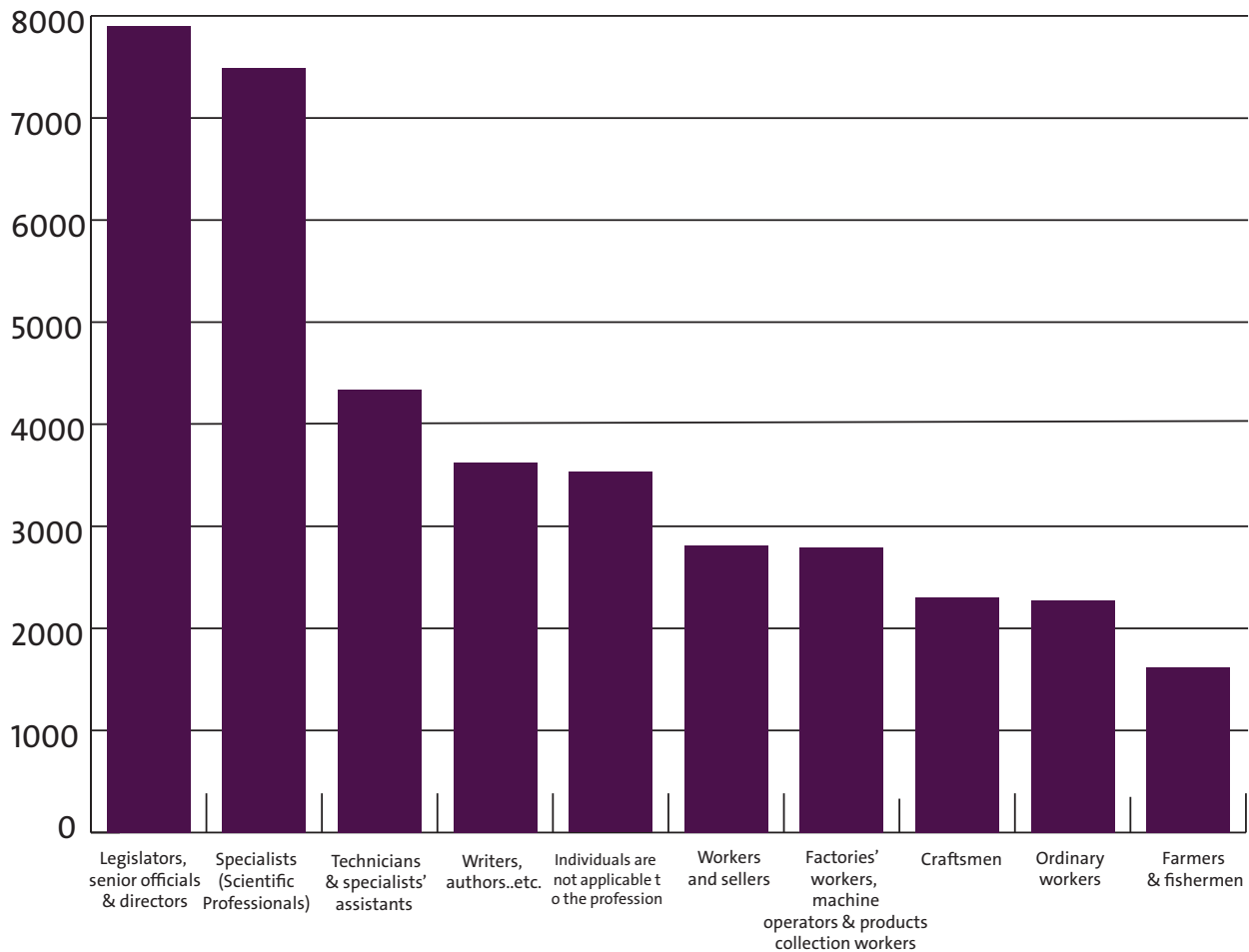


Therefore, receiving education in Egypt requires resources. We will find that 10% of population spends on education what is spent by all the remaining population together (i.e. the 90% lowest income group). The analysis informs us more about the significance of the breadwinner profession role in determining the rates of spending on education. Clearly, the groups that are in high positions and have the cultural capitals<sup>17</sup> spend more than those in low positions. Legislators, senior

16 CAPMAS, «Research on Income, Expenditure and Consumption for 2015», Sept. 2016, page 314, table 34- average of annual spending on education by pounds (for families that have children enrolled in education now) according to the spending items, and the annual spending groups per family, all the republic.

17 Pierre Bourdieu, sociologist, explains «Nominal Capital» principle that is reproduced and monopolized by the

officials and directors took the first rank with an average spending rate of LE 7903.6 annually, followed specialists in scientific professions with an average rate of LE 7488.9, while farmers, farming workers, and fishermen took the last rank with an average spending rate of LE 1620.4 annually; i.e. about 20% of the average spending rate of the first group<sup>18</sup>.



We can understand more from the results of this data, but the most important result is that those who have stable, high paid and prestigious jobs can spend on the education of their children 5 times than those who have low paid jobs or daily wages, which are included in the low prestigious jobs in the society.

classes owning money and property. Bourdieu explains that cultural capital is one of these nominal capital types. This capital is linked to the educational process in capitalist societies and is divided into two parts. They are: the scientific degrees obtained, the type of education, the number of years of schooling, and the customs, traditions and figures inherited from one generation to the other. Languages and education in international schools are among the most important indicators of cultural capital in our society today.

18 CAPMAS, «Research on Income, Expenditure and Consumption for 2015», Sept. 2016, page 340, table 36- average of annual spending on education by pounds (for families that have children enrolled in education now) according to the spending items, and the annual spending groups per family, all the republic .



## • What types of schools do families spend money on?

In Egypt, there are many different types of schools. First, there are the state (public) schools that are free of charge, except for some nominal fees from the parents in return for the educational services; such as art and sports activities, health insurance, and parents' councils. There is another type of state schools that is called «official schools», 953 ones; they are 2%<sup>19</sup> of total public schools.

They are subsidized by the state. However, they are distinguished from the public ones for its attention to languages and school activities. In return for their services, it receives sums reach thousands of Egyptian pounds. There are Al-Nile schools<sup>20</sup> that adopt foreign curricula. It was established through depending on the educational projects financing fund under the Cabinet supervision<sup>21</sup>. Another type is the Japanese schools that are subsidized according to the agreement signed between the Egyptian and Japanese governments, and they receive fees that the low-income families are supposed to afford as set forth in the agreement between the two governments<sup>22</sup>. Lastly, there is the joint national school with the private sector project to build for the first time schools that are based on the Public Private Partnership. The main and most important common factor among these schools, except for the public schools, is the enrollment fees of thousands pounds; which exclude the low-income families from enrollment, although they are public schools<sup>23</sup>.

Official schools' staff is keen on carrying out activities and giving intensive attention to foreign languages, implementing some relevant ministerial decisions<sup>24</sup>. This, accordingly, deepens the gap between the abilities and skills of students graduating from public schools, most of them belong to economically and socially marginalized families, and those students graduating from schools where activities are implemented and foreign languages are taught, which are divided into different degrees.

These differences reproduce the gap between the financially capable households

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19 This data was obtained by collecting the numbers of experimental schools in the governorates and their departments from the Egyptian Schools Directory, the General Administration for Information and Computer, the Electronic Services Portal of the Ministry of Education website, [http://search.moe.gov.eg/search\\_schlan.aspx](http://search.moe.gov.eg/search_schlan.aspx)

20 Ministerial Resolutions No. 199, 203, 204, 205 & 206 of 2010 concerning the establishment of Egyptian Nile schools

21 Presidential Decree- No. 290 - of 2004 on the establishment of the Education Development Fund.

22 Akhbar AlYom, «Education Minister: «Tokyo »Free Japanese schools are required to support the low-income people,» Akhbar AlYom, 8 October 2018 <https://bit.ly/2EmAr4A>

23 Mai Shams Elddine, «Will partnership with the private sector solve the education crisis in Egypt?», Egypt, September 25, 2016, <https://bit.ly/2FrTlr1>

24 Ministerial Resolution No. 94 of 1985 regulating the experimental language schools.

and those with less structured and organized incomes, depending on the ability of these families to enroll their children in schools that provide appropriate educational content to the labor market requirements of language and intellectual skills that students gain in schools. Owing to the expansion of neoliberal policies, free education is transformed into a meaningless wording that is circulated in the constitutions and international forums, while education, on the ground, is subject to the principle of supply and demand over and above its quality and ability to prepare students for the labor market is connected with the breadwinner's financial capacity, who is obliged- for the larger population- to be satisfied with modest educational service, or in a much smaller number of cases, to enroll his or her children in private or international education.

Neoliberal policies were the key to the private sector's wide access to education, its expansion in the construction of private schools and universities and lastly its commodification of the educational process. Moreover, they are the main reason behind the erosion of the state's support for the education sector and its financial allocations. With the high population density and the lack of adequate schools to accommodate students, education has become one of the most important investments for the private sector. This is mainly due to the continuous demand of the educational service by the beneficiary, who is ready to buy them. As education becomes a commodity, a market has been created to serve those who want high quality education provided by private education.

The private education sector provides two kinds of education. The first is the national education, which offers the official curricula taught in public schools in Arabic or English. The average expenditure is about LE 2000, LE 7,000 or more<sup>25</sup>. As for the second type, it is international education. It is defined in accordance with the legislative regulations (Ministerial Decision No. 422 of 2014) as a system that implements curricula of a special nature, its schools are classified as non-governmental and it teaches foreign curricula according to cooperation agreements with donors, after the equivalence of these curricula with the Egyptian ones. The most prominent types of international education in Egypt are the English certificates (G.C.S.E.) and (I.G.C.S.E) as well as the American diploma. There are 149 schools in Egypt, whose certificates are equivalent to the American High School Diploma certificate, according to the Ministry of Education<sup>26</sup>. The international school fees are determined according to the level of school services and facilities. Schools are classified first or second according to many factors. Schools that have

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25 Ministerial Decision No. 299 of 28 September 2016 - Concerning the increase of the annual expenses of private schools (Arabic - languages).

26 Egypt's Government Portal, Equivalent Certificates Coordination, <https://tansik.egypt.gov.eg/application/Certificates/Mo3adla/Dalel/41.htm>

large campus and playgrounds pursuant to international standards and swimming pools, and include staff of foreign nationalities are considered first class. The average expenditure per student is about LE 55000. There are about 10 schools of this type in Egypt, and their expenditures are in foreign currency. For example, the cost of enrolling a pre-primary student (kindergarten) for the academic year 2017/2018/ at the British International School in Cairo amounted to about £9302<sup>27</sup>, more than LE 224.000<sup>28</sup>. The costs of study in these schools increase than the averages mentioned above owing to the higher study costs in accordance with to the different stages of study in each school<sup>29</sup>. Unquestionably, the matter depends on foreign exchange rates, especially after the liberalization of the Egyptian pound's exchange rate. The second classification of international schools neither commit to the appointment of foreign teachers nor require the provision of high or recreational services, and the average expenses per student are about LE 3040- thousand.

The state deals with private schools on a legal basis as companies with legal entity to which the Egyptian laws enforce, and the Ministerial Decree No. 420 of 2014 regulates special education matters. In addition, the private education sector pays tax; mainly the income tax. The first version of the Value Added Tax Act stipulated that international schools shall pay the VAT, but the Parliament repealed it. This was a controversial issue between educators interested in education and parents. The former explains that it is possible to impose the VAT on international schools because it is known that the primary purpose of them is to make profits and these schools have exceeded the price increase, but owing to the problem of the school fees instability, parents objected to this step because they will be responsible for paying that tax through increasing the fees. Therefore, the main problem lies in the nature of the financial relationship and the control between international schools and the government and their liberalization in taking steps that affect and regulate the process of determining the fees<sup>30</sup>. However, this discussion highlighted the commodification of education problem. The private schools, on one hand, investment projects that must be subject to value added tax, which applies to both goods and services. On the other hand, education is a right to every citizen; hence, how could we accept the imposition of that tax on education? How would we accept to impose this tax on public education? Of course not.

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27 The British International School in Cairo (BISC) <https://www.bisc.edu.eg/school-fees.html>

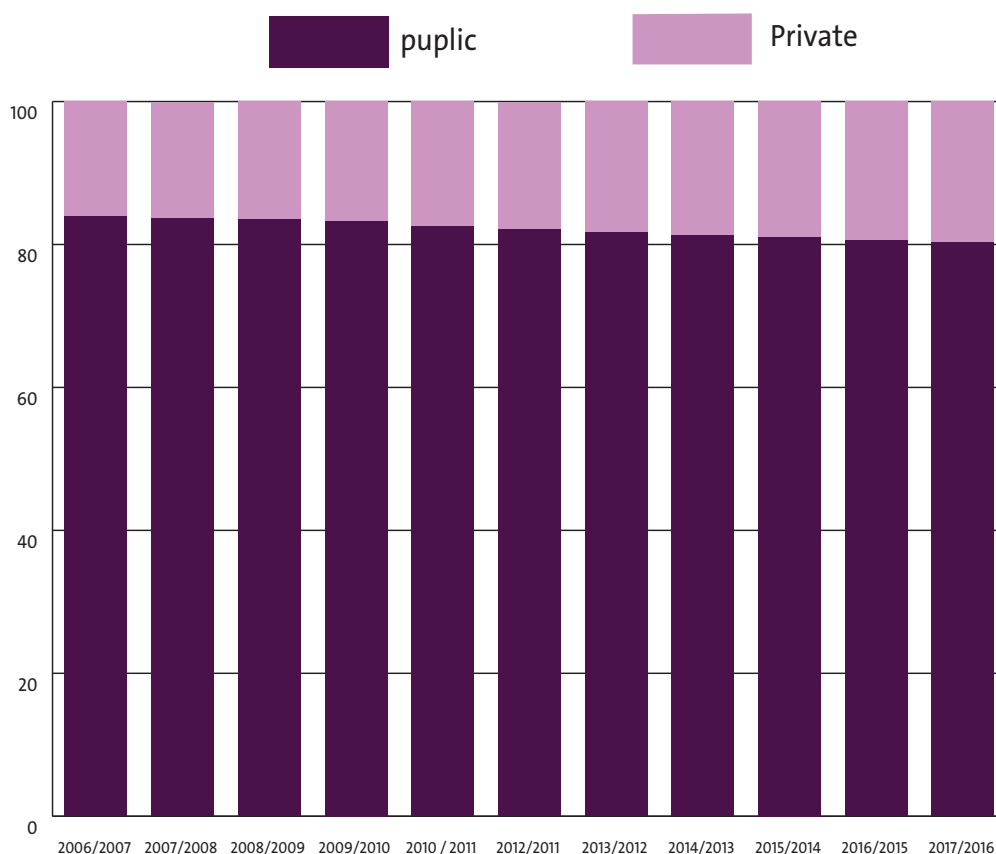
28 The amount was changed from the sterling to the Egyptian currency at the beginning of the academic year - September 2017 - due to the change in exchange rates.

29 The British International School in Cairo (BISC) portal, previous reference.

30 Amina Mahmoud, «Imposing Tax on International Schools? Experts Support ... Parents Crying», Editorial, 13 March, 2016. <http://linksocean.net/3cLFU>

## • Government vs. Private Education:

In spite of all the above, the public schools still include the majority of students until this day. During the academic year 2017/2016/, the data released by the Ministry of Education showed that more than 80% of pre-university students are enrolled in public schools. Also, it showed that the rate of enrollment in private schools has increased steadily over the years. In the 2006/2007/ academic year, the percentage of students enrolled in public schools was 84%, while it was 16% in private schools with a slight gradual increase to 20% in 2017/2016/, compared with 80% for public schools as mentioned above, within ten years<sup>31</sup>.

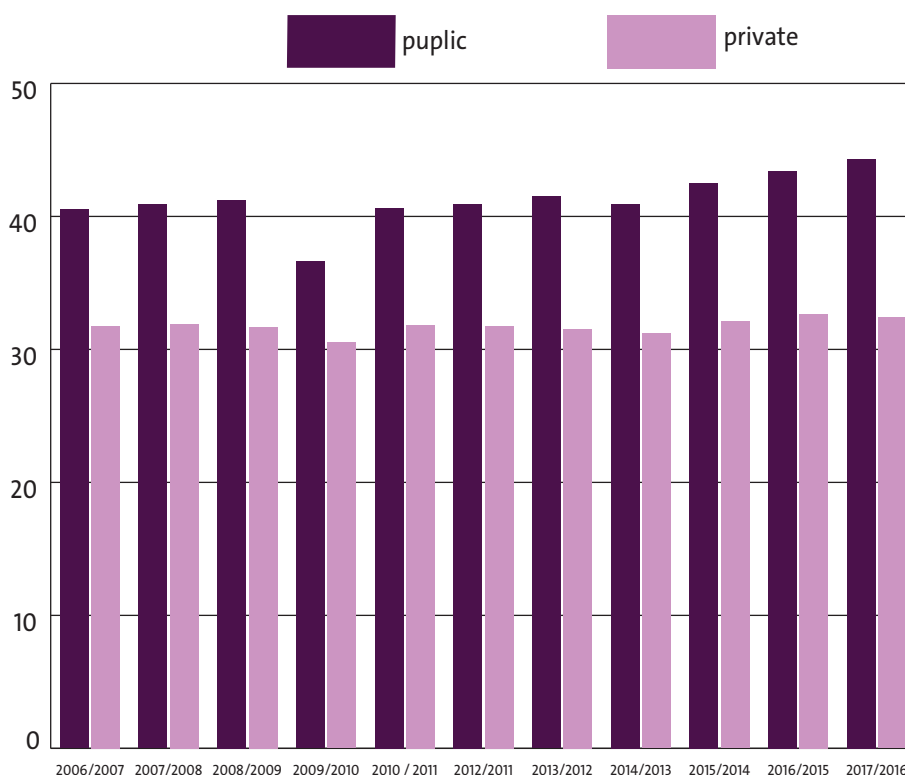


We also note the decline in public education at other levels. At the top of these levels is the quality of education; the most important of which is the overcrowded with students classrooms. In the past ten years, the overcrowded classrooms in public schools increased from an average of 40.3 students in 2007/2006/ to 44.3 in the 2017/2016/ academic year, while private schools have maintained a density of 31.7 to 32.3 students in the previous 10 years<sup>32</sup>.

31 Ministry of Education, Information Center of the Ministry of Education, Statistical Yearbook starting from 2007/2006/ until 2017/2016/

<http://emis.gov.eg/Site%20Content/book/012013/pdf/ch1.pdf>  
<http://emis.gov.eg/Site%20Content/book/016017/ebook2017/ch1/ch1.html>

32 Previous reference



The high density of students affects the number and availability of classrooms. A former Minister of Education stated that the number of students in the classroom ranges between 100 and 120<sup>33</sup>, which makes the educational process continuation in the right way - or even acceptable way - impossible. The development of the school classrooms establishment over the past ten years between both public and private schools clearly indicates the expansion extent of private versus public schools. During the academic year 20062007/, the percentage of public schools' classes reached about 80%, compared to 20% for private ones. Gradually, the rates have dropped to 74% in public schools, while increased to 24% in private schools during the academic year 20162017/. Perhaps, the problem of the decline in public schools classes opposed private ones is linked to the financing of construction; whereas the private education is not a public budget item that the government may tend to reduce in favor of other sectors that the political will sees as a priority. It rather subjects only to the size and profitability of investment capital in education.

Owing to the increase in population density and the size of the legal age group to join the educational process, the state has to provide sufficient numbers of classrooms to offer free-of-charge educational services to all students as stipulated in Article 19 of the 2014 Egyptian Constitution. The construction of classrooms begins with the provision of a plot of land on which the school building is constructed, and

33 ECSEER, «Questions about the future of education under the remarks of Minister Hilali», 21 February 2016 <https://goo.gl/rYx2RU>

then the infrastructure of the building is constructed by the contractors. Finally, the schools are equipped with educational tools, such as blackboards and chairs.

Organizing the construction of public schools and their equipment is the responsibility of the Ministry of Education's Educational Buildings Authority, pursuant to the Ministerial Decisions No. 1643 of 2015 and 338 of 1988, and it has branches in all governorates of Egypt. The eighth paragraph of Article 3 of Ministerial Decree No. 448 stipulates that it is the responsibility and powers of the Authority to «buy, sell and replace buildings and lands necessary for the purpose of achieving its purposes in accordance with the applicable legal rules.»

With regard to financial allocations for the construction of classrooms, schools and universities, it is possible to identify and measure the evolution of government spending through identifying the education budget and its coverage. The education budget consists of six sections. They are: wages and compensation for employees, purchase of goods and services, benefits, subsidies, grants and social benefits, other expenses, and finally the purchase of non-financial assets (investments).

In terms of classroom and school construction, we can identify this through Chapter 6 of the education budget. In the fiscal year 2017/2018, more than LE 107 billion was allocated to the education sector (pre-university and university), and the investments chapter acquired more than LE 13 billion of these allocations, or 12.7% of the total education budget, including wages and services. It is the highest percentage over a period of more than ten years, but it is not a fixed or regular one, as the chart shows us the fluctuation in rates of this chapter's allocations. In 2006/2007, the investments share accounted for 9.5% of the education budget, and increased on the following year to 11.7%, then declined again to between 9% and 10% in the next four years. It significantly rose in 2012/2013, reaching 12% for the first time, and then it fell sharply to 9.5%, and gradually started to rise to 12.7% in 2017/2018.<sup>34</sup>

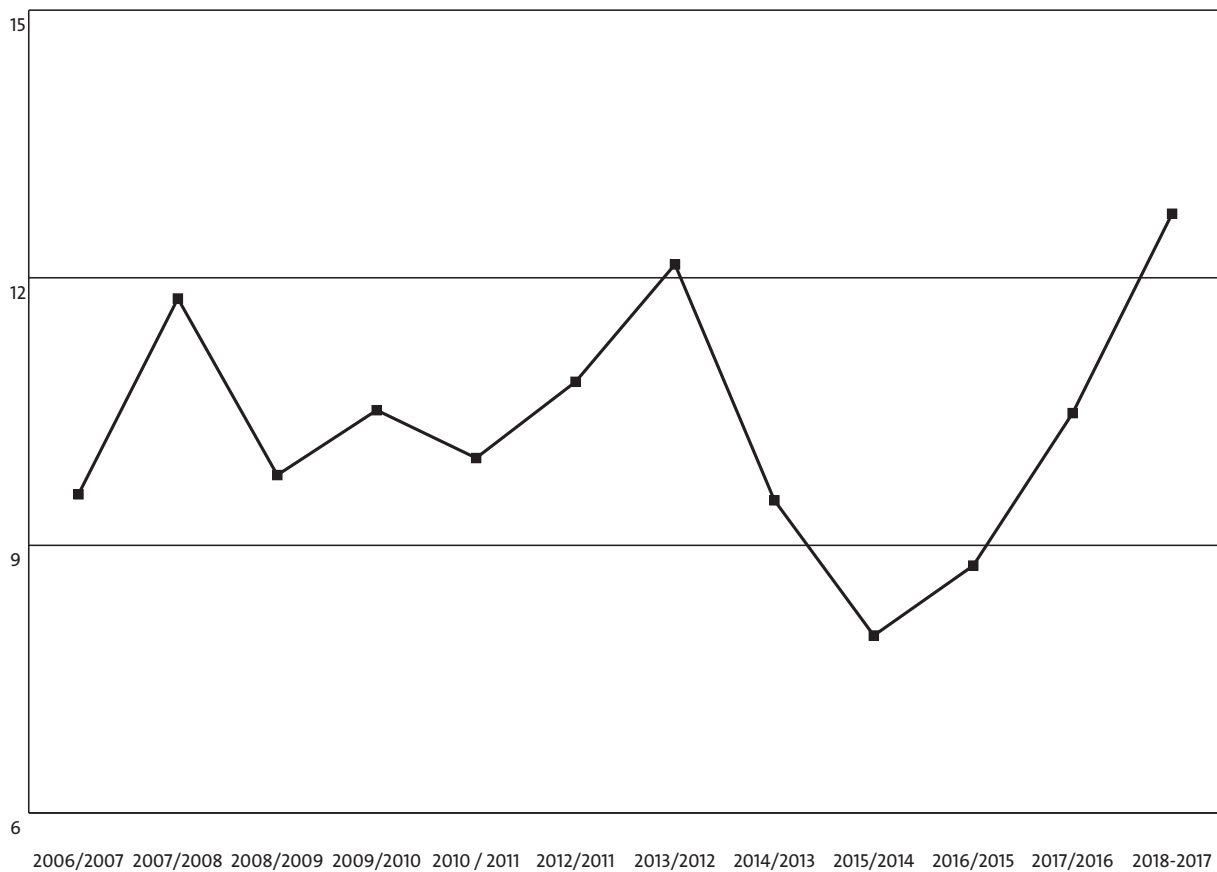
The problem lies always in the provision of sufficient land for the construction of schools. In its educational strategy for the period 2014-2030<sup>35</sup>, the Ministry of Education explained that one of the main obstacles facing the provision of land is the population distribution and high population density on only 7% of the total area of Egyptian land. This was a major reason for the state to follow the system of

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34 Ministry of Finance, Total Education Budget, Chapter VI: Investments and Nonfinancial Assets, Expenditure on Career Division 2007/2006/ till 2018/2017/

35 Strategy 2030 is a strategy of seventeen goals pursued by the state to advance on a set of indicators. The fourth is to provide quality education.

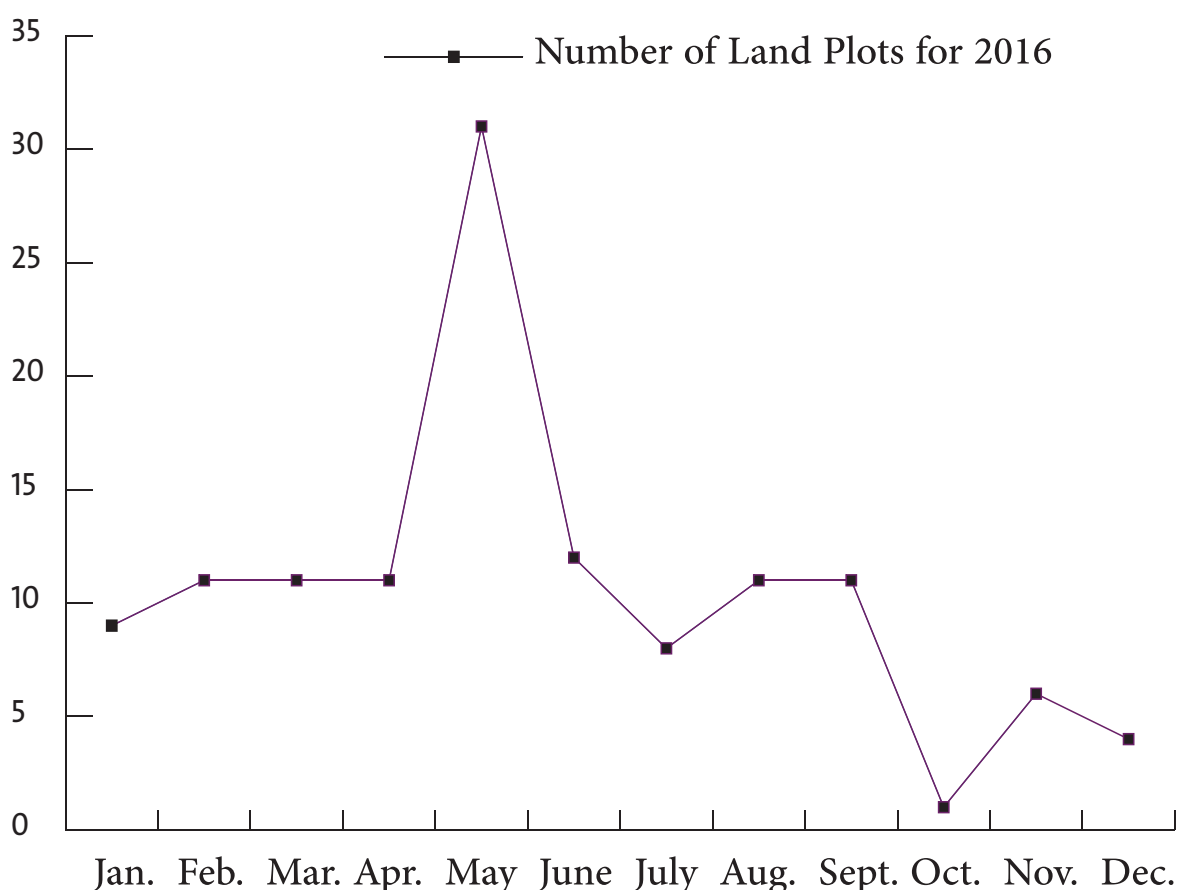
double-shift schools<sup>36</sup>, especially in areas near the Nile, for high population density and prices of land within the possession of private property of citizens. For these reasons, most of the new land allocated for the construction of public schools comes either in the form of donations from citizens or the allocation of land in new urban cities.



36 The double-shift system refers to schools with limited educational facilities, but accommodates larger numbers of students by reducing the duration of the school day and reusing buildings more than once a day by different groups of students, which is limited to explaining only the various school activities.

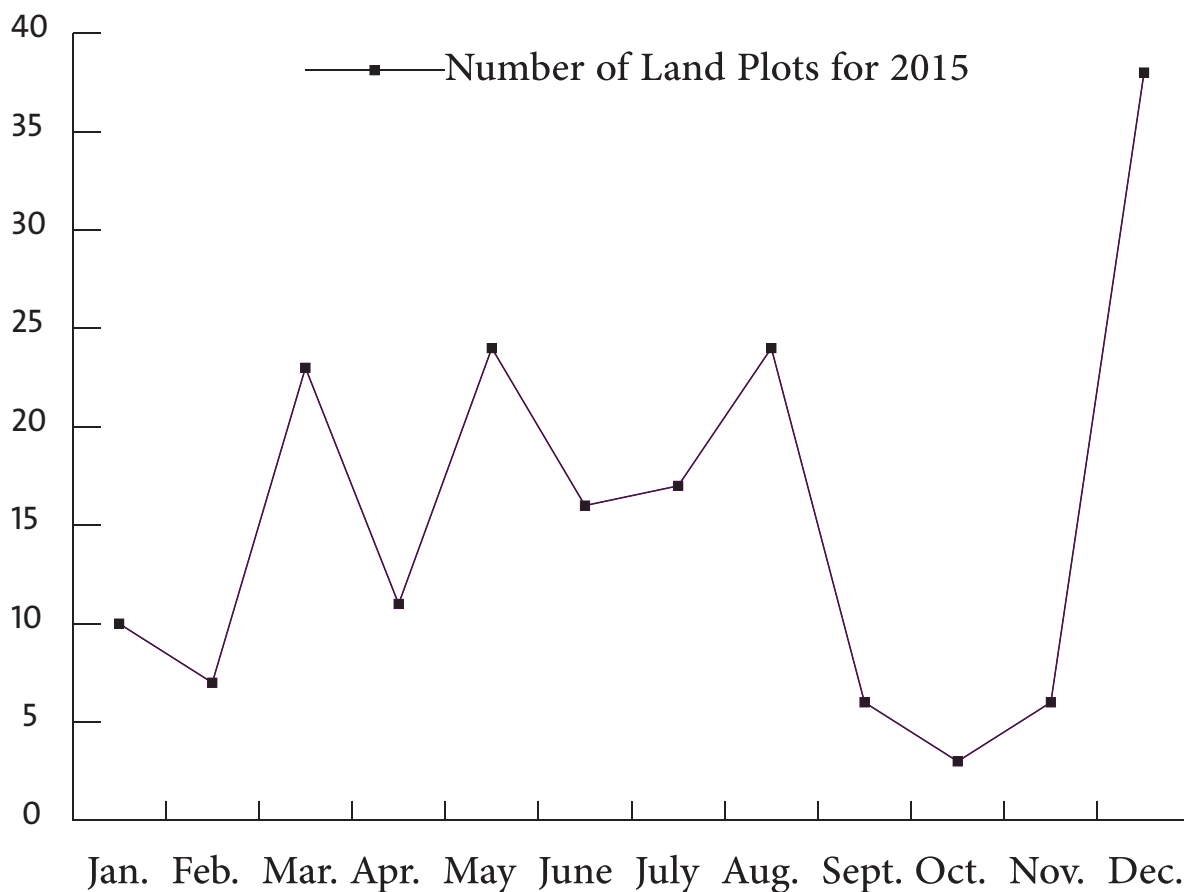
## • Allocating Land for Public Schools Construction

The President of the Republic, Prime Minister and Governors shall, as one of the functions of the Executive, allocate lands under the authority of the state to the Ministry of Education and the Educational Buildings Authority for the construction of schools, through issuing decrees to be published in the official gazett and Al-Waqa'i Al-Misriyya. The number of land allocated to the Ministry of Education reached 307 plots during the year 2015 until the end of November 2016<sup>37</sup>

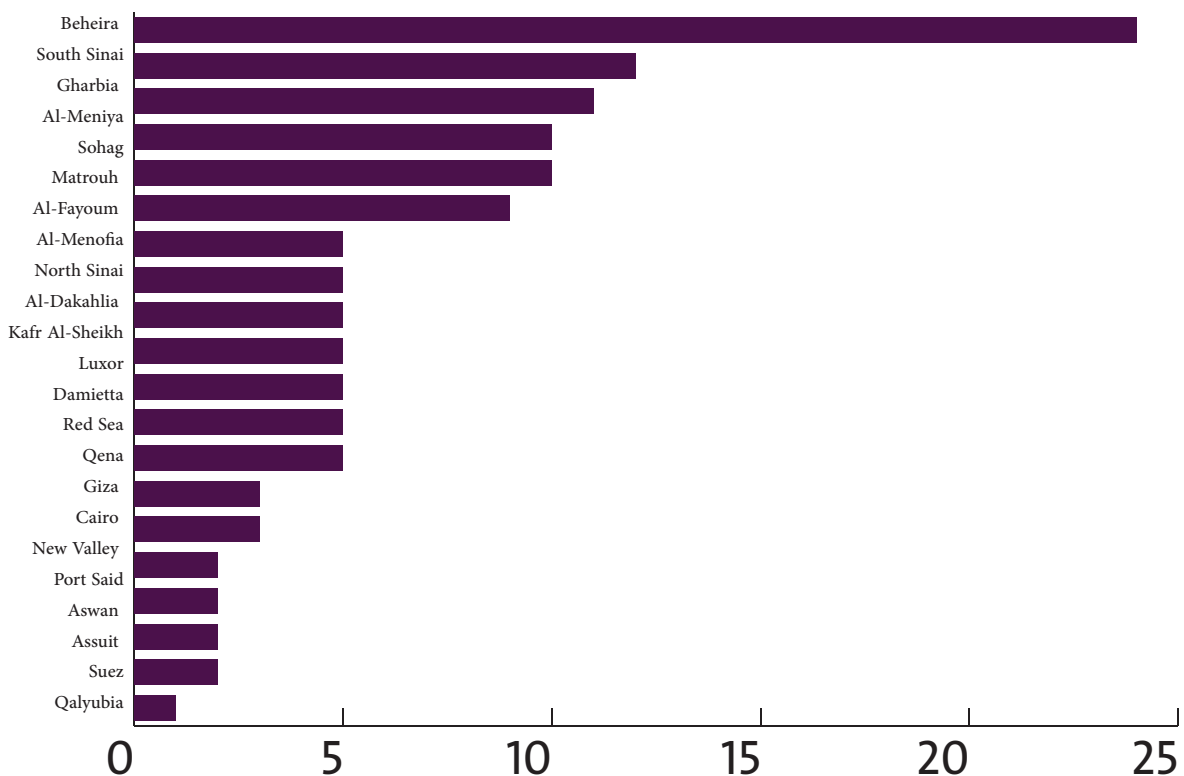


<sup>37</sup> The number of land plots was counted ECESR from 2015 until the end of September 2016 through a database established to monitor the plots allocated for the construction of public sector schools. These plots do not include what is allocated to AlAzhar-related education. The number of allocated plots may be more than that, but this can be observed in the range of information available in this time period, both in the Official Gazette and in Al-Waqa'a Al-Masriya. .

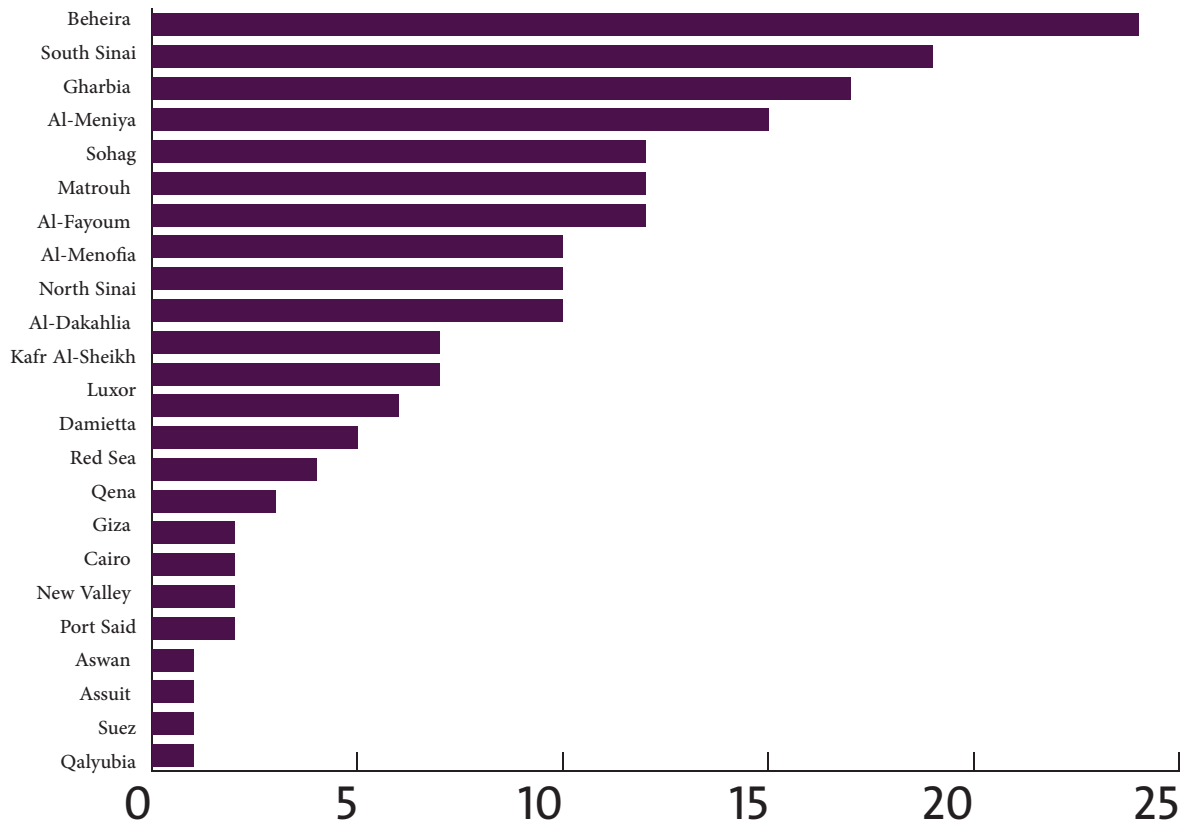




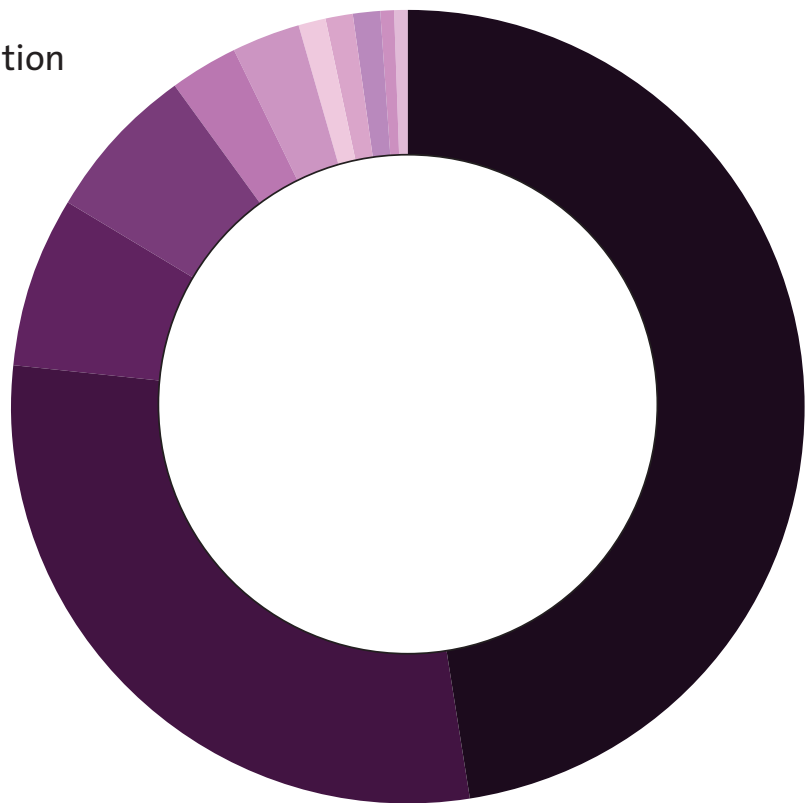
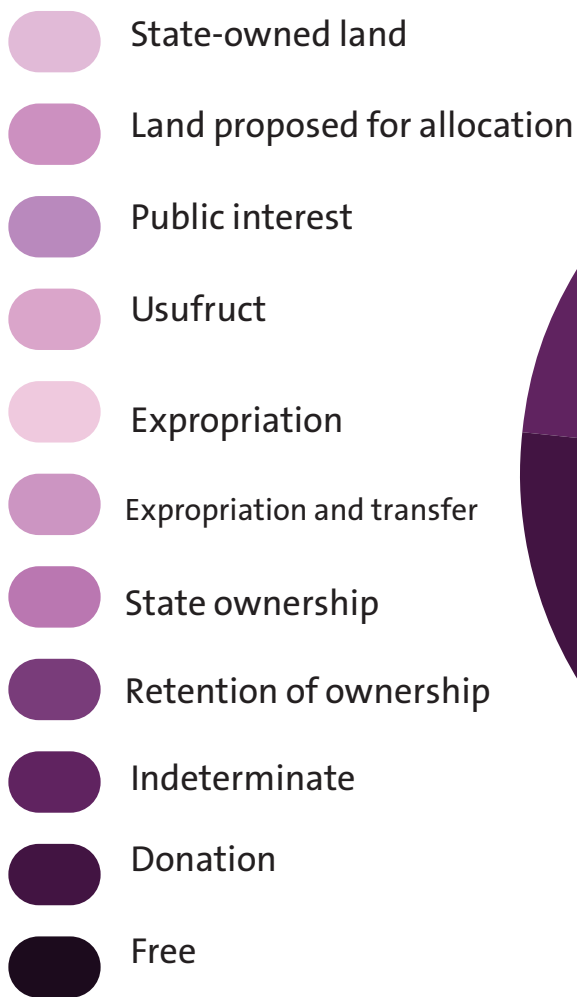
These ministerial decisions illustrate the areas of land allocated for the construction of schools, some of which range from a few carats and others to several acres. These ministerial decisions on land allocation also mention other information, such as:



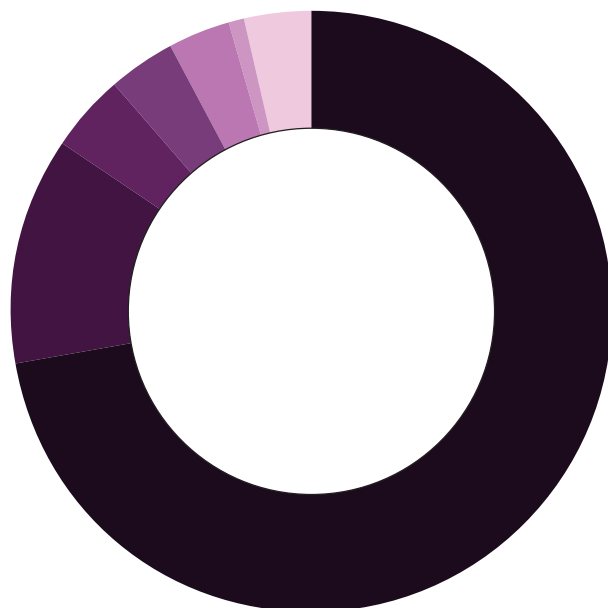
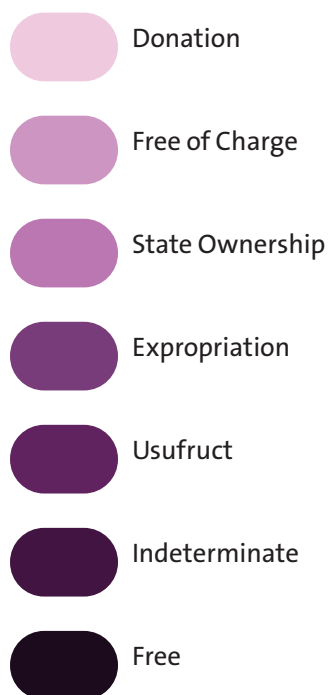
Governorates where land allocated: In 2015, a total of 185 plots of land were allocated to 24 governorates, topped by Beheira with 24 plots, while no plots had been allocated to Alexandria, Ismailia or Beni Suef. In 2016, the total number of land allocated until the end of November reached 122 plots; whereas the New Valley ranked first among the other governorates with 24 plots of land.



The decisions also clarify the types of land ownership allocated to the Ministry of Education, Technical Education and Educational Buildings Authority. According to ministerial decisions, there are seven types: free allocation; donation; retention of the land ownership for the Governorate and its continuation as state property; expropriation and transfer to public benefit; expropriation only; transfer of ownership to a usufruct or public utility; or the existence of the state land with private ownership. Some decisions do not mention the type of the allocated land's ownership. In 2015, the percentage of land allocated for free was about 47.6%, followed by the donation of 29.2% of the total number of land plots for that year. As for 2016 (until the end of November), the share of the free-of-charge allocated land was the highest in comparison with the rest of the types, but rose to 73.8%, followed by 11.5% for lands whose ownership was not determined in the decisions

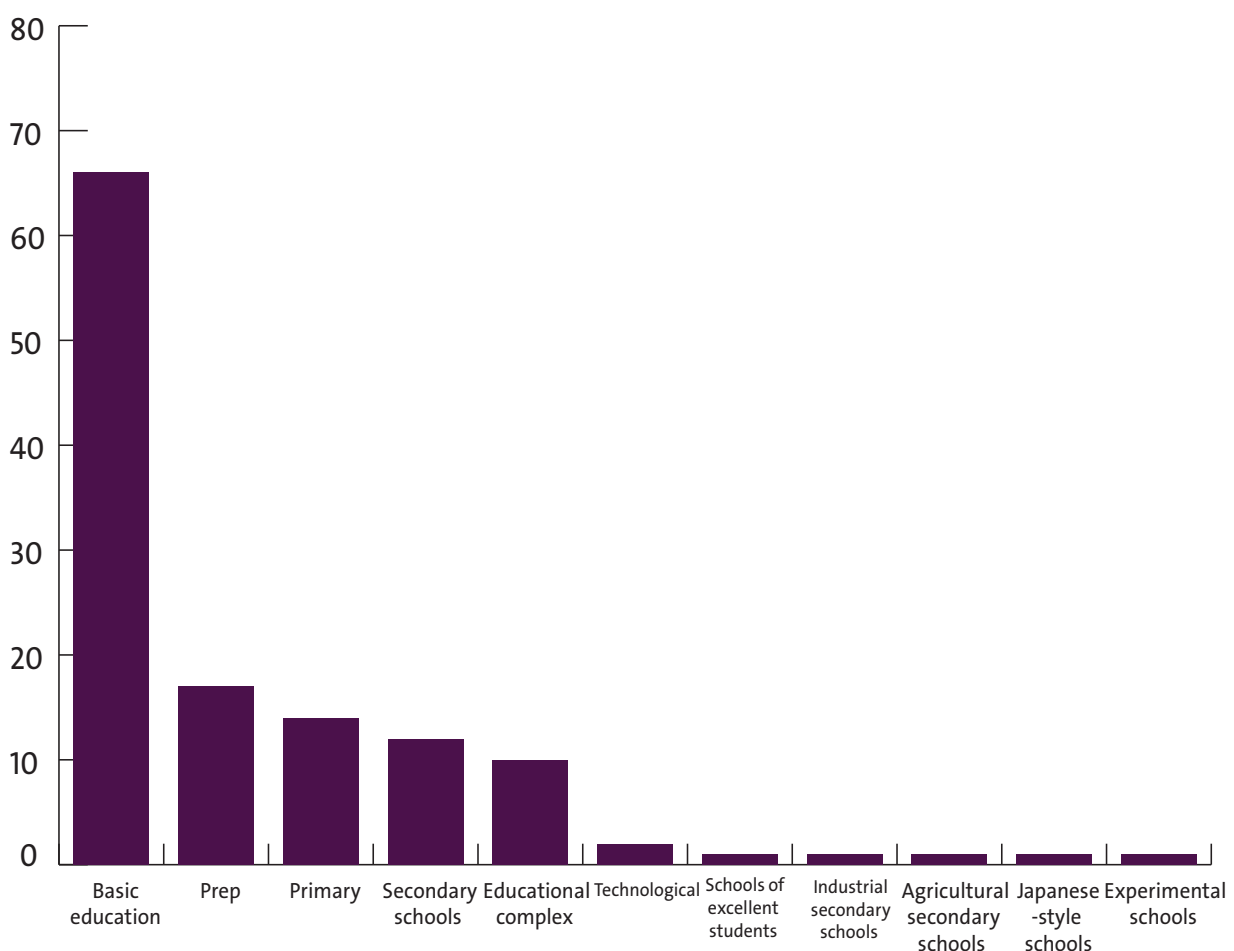


Finally, the decrees regulating the land allocation often spell out the types of schools; i.e. the educational stage, or whether the land on which the school building will be constructed is for public or technical public education, and sometimes the land is for expansion and additional classrooms for existing schools.



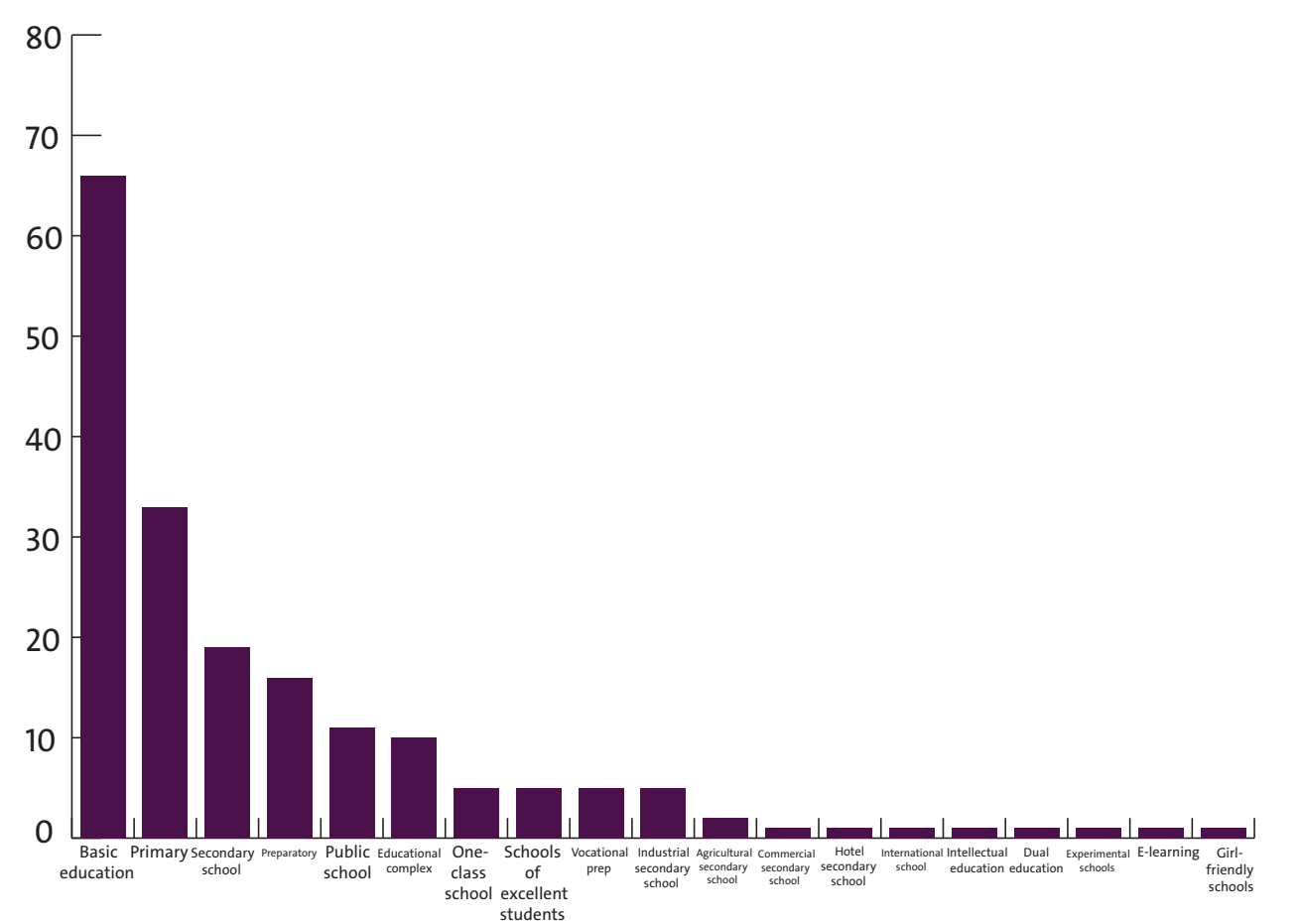
The terms in the decrees refer to the different types of schools. For example, what is meant by basic education is both primary and preparatory classes, as provided for in the Education Act No. 139 of 1981. Friendly schools and one-classroom schools are for community education that focuses on dropouts. The school complex is a place that covers all stages of education, from primary to high school. Intellectual education means schools for students of special intellectual nature and special needs, such as the blind, visually impaired, deaf and dumb. In 2015, 66 plots of land were allocated for basic education, followed by 33 plots for primary schools, 5 plots of land per one class and one piece for girls-friendly schools and intellectual education. In 2016 until the end of November, 63 plots of land were allocated to basic education, followed by 16 plots for preparatory education.

A joint decree was issued by the ministries of education, agriculture and local development to form a committee in all the governorates of Egypt to determine the suitable plots of land for the construction of educational facilities along with their allocation and transfer of ownership from the Ministry of Agriculture to the Ministry of Education<sup>38</sup>.



38 Badawi, Yasmien, by documents 3 Ministers lead land allocation procedures for the establishment of educational projects, Sada Al-Balad, 30 May 2016. <http://www.elbalad.news/2244747>

As for the allocation of land in private education, it is different because ownership of the land is considered private property of the investor or the one who is responsible for building the school. Thus, there are two ways to own plots of land to build private schools. The first, which has been recognized for a long time, the school owner offers a plot of land to the Educational Buildings Authority to obtain the necessary permits and licenses for the construction of the school, and the license is extracted after the authority's inspection to detect whether the piece of land is valid and in conformity with the building standards. The second way has found its way with the New Urban Communities Authority, as the latter offers the land suitable for private schools and the investor must meet the terms of tender and construction, and abide by building the school according to the period specified by the Authority. Another way is that the investor demands from the authority to allocate a plot of land so as to build a private school on it.



## • Steps to Build Schools & their High Cost:

There is no information available on the Educational Buildings Authority's purchase of plots of land directly, away from what the Executive allocates to it in accordance with the decrees published in the official gazette and Al-Waqā'i Al-Misriyya. This is due to the absence of information on the budget of the Authority. However, the official pages of some governorates may sometimes provide information on the activities of the Educational Buildings Authority within its geographical scope, like what Dakahlia governorate did by presenting a report<sup>39</sup> on the activities of the Educational Buildings Authority for the academic year from July 1, 2015 to July 1, 2016. The report covered a number of available land plots for schools, schools need maintenance, schools under construction, schools ready for inauguration, and finally completed and initially delivered schools<sup>40</sup>. It also shows the region and center where the school is built, the contractor, the numbers of classrooms, and the cost.

The number of schools that were initially delivered to the governorate was 26 schools for different educational stages that have 342 classrooms, at a total cost of LE 139.3 million. This means that the average cost per classroom is about LE 400 thousand<sup>41</sup>. The Armed Forces Engineering Authority was the main contractor for the project, along with other contractors, including the General Intelligence and civil associations, such as Dakahlia Association, in addition to individual persons<sup>42</sup>. As for the six schools nominated for the main opening, the report shows the date of its establishment, the level of its equipment, its cost and the condition of its facilities, including drainage, water and electricity, along with the cost of installing them. The most important part of the report is the LE 720 thousand cost difference between two schools equal in the number of classrooms, they are: Shahrawa Preparatory School (6 classrooms) in Aga district, whose construction works valued at LE 2.735 million, and Mustafa Abdel-Karim Preparatory School (6 classrooms) in Dekernes town, whereas its construction cost was LE 3.455 million<sup>43</sup>. The report ended with a statement about the number of land plots available in the region, which were 37 plots that were allocated by donation.

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39 Official account of Al-Dakahelia Channel on YouTube, the annual activity of the Educational Buildings Authority in the period from 1 July 2015 to 1 July 2016, visited on 2 July 2016.

[https://www.youtube.com/watch?v=j15ar\\_Y0hrA](https://www.youtube.com/watch?v=j15ar_Y0hrA)

40 Al-Dakahelia Channel, the annual activity of the Educational Buildings Authority in the period from 1 July 2015 to 1 July 2016, visited on 2 July 2016.

[https://www.youtube.com/watch?v=j15ar\\_Y0hrA](https://www.youtube.com/watch?v=j15ar_Y0hrA)

41 Previous reference

42 Previous reference

43 Previous reference

## • The Ministry of Education's Role & its Stance on Social Justice:

The previous presentation of the activities of the Ministry of Education, Technical Education and the Educational Buildings Authority regarding the allocation and ownership of land plots, the steps of building and equipping schools and their cost leads us directly to the question: Is the problem of basic public education, which is the accumulation of classrooms, the lack of educational buildings, or the high cost of construction and the budget deficit?

The former Minister of Education, Al-Hilali Al-Sherbini Al-Hilali, said that the cost of one classroom is not less than LE 300 thousand in accordance with stipulated standards<sup>44</sup>, but according to the previous presentation, the average cost of one classroom in the schools of Dakahlia governorate, for example, is about LE 400 thousand. If we compare two schools in the same geographic range and with equal classes, such as Al-Sharaqwa School and Mustafa Kareem Preparatory School, we find that the cost of one classroom amounted to LE 455.8 thousand in the first school and LE 575.8 thousand in the second one, which leads us to wonder about the extent to which the growth of educational buildings is linked to these high prices, whereas the cost of one classroom construction- a mere building that did not have educational services yet- may reach to more than half a million pounds. Does not the process of building schools need to reconsider the cost of construction with this increase in student density, and to what extent has the expansion of educational buildings become under the influence of the value added tax application on the construction industry, after the rise in prices of iron, cement and wood?

The Educational Buildings Authority demands specific standards for the construction of school buildings. It definitely sets these standards to ensure the quality and safety of students and school staff. However, this cost necessitates the endeavor to prepare serious community discussions where experts and stakeholders will be engaged to reach solutions that suit each community and its needs. Perhaps, one solution includes developing and inventing new engineering and building foundations away from the typical and costly ones in construction along with the development of easier procedures in the transactions relevant to approving the construction of schools and their licenses, which are established upon regulations and decrees of the Ministry of Education and the Educational Buildings Authority. Such a matter generally affects the construction of schools in both public and private sectors<sup>45</sup>.

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44 ECSEER, «Questions about the future of education under the remarks of Minister Hilali», previous reference.

45 Salah, Fatma, «License to establish and operate private schools between the complexity of the legal framework and the constraints of practical procedures», by ECSEER, October 2015.

[http://www.ecesr.org.eg/MediaFiles/Uploaded\\_Files/d241867.pdf](http://www.ecesr.org.eg/MediaFiles/Uploaded_Files/d241867.pdf)

## • Private Sector Participation: Between Competitiveness & Social Justice:

The problem of schools construction and their high cost is a fundamental reason for promoting the need for the private sector participation in school construction through transferring and charging the cost of building schools to the private sector and determining the role of the public sector in the provision of land plots. Considering the priorities of the government, the state's intention is to deepen neoliberal policies appear, as those policies aim at providing basic services to middle-income groups that can afford these services. The basic argument for engaging the private sector in the educational process is that the middle classes compete with the low-income students in schools. Therefore, it is necessary to open up the private sector to create a competitive environment in education that will ultimately reduce student density in the classrooms<sup>46</sup>.

The main problem of these projects is that they are available to a certain segment that can afford the cost of private schools, excluding the less fortunate families that are economically marginalized along with the poor, who in 2007 accounted for 27.8% of official statistics<sup>47</sup>. This means that more than a quarter of the population can not afford LE 482 per person in a month, which does not provide a minimum income and does not guarantee a decent life<sup>48</sup>. These results were monitored and documented before floating the Egyptian pound, the rise in prices and the subsequent increase in inflation in November 2016, which means that the poverty rate may exceed these figures, and even more they may be doubled owing to the high prices of services and commodities and the stagnation of salaries.

On the ground, and away from the official figures, many citizens gathered in Al-Minya Governorate outside the offices of the Ministry of Social Solidarity to obtain «certificates of poverty» that exclude them from paying school fees as well as from the expenses of books<sup>49</sup>. At the beginning of the academic year, a parent in Al-Sharqia Governorate climbed the school fence to reserve a seat for his son in a school known for its high density<sup>50</sup>. Various other facts illustrate the desperate

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46 Previous reference, page 1.

47 Kassab, Bissan, «From where did the Egyptians' incomes come in 2015 and how they spent it», Mada Masr. <https://goo.gl/vrWY38>

48 Previous reference.

49 Gatherings outside «Solidarity Ministry» to Obtain «Poverty Certificate» to be exempted from school fees, Al-Badil, 28 September 2016. <https://goo.gl/McBrkV>

50 Al-Moghazi, Sameh... A student's parent climbs a school fence at dawn to book «desk», 20 September 2016 <https://goo.gl/P2WzNj>



attempts of many families suffering from poverty and marginalization, as well as their attempts to combat their own conditions and provide better alternatives for their families, including education.

Education has become an investment sector that attracts the private and non-private sector, such as the economic activity bodies of the Egyptian armed forces. In 2015, the third army in Suez opened an international school<sup>51</sup> on a plot of land belonging to it. At the beginning of this year, the National Service Project of the Ministry of Defense announced in an official newspaper that two management and operation schools, one international and another one is a language school, would be publicly auctioned in the closed envelopes system for 25 years in Al-Mostaqbl City of Hikestep<sup>52</sup>. This, of course, raises a question on the tax obligations of the bodies and entities of the Ministry of Defense. Article 47 of Law No. 91 of 2005 exempts the National Service Project from its obligation to income tax. This necessarily leads to the distinction between the educational projects of the Ministry of Defense and its private sector counterparts, noting that both are not subject to VAT.

After the engagement of institutions and many investors and capitalists in the education sector, the formation of partnerships between the public and private sectors, and the preference of money holders through policies and decrees, talking about education as a right for all citizens, and the empowerment of the poor and the marginalized to exercise their rights through educational institutions has become a rant in the international forums on social and economic rights. Policies adopted in the state education sector, however, show a wide gap between reality and executive government offices, which is nothing more than a string in the continuing marginalization of the underprivileged poor and low-income groups. Therefore, it is important to highlight the process of building schools that come second in spending on the education sector in the chapter of investments.

To illustrate the matter, the private sector is a partner in raising economic efficiency and contributing to solving some of the problems faced by any country. It has an important role in providing job opportunities and high quality services as well as creating competition in the labor market. However, when the government adopts these policies, it places itself in the position of the investor, targeting the upper and middle classes through the policies of its executive and legislative institutions.

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51 Afifi, Heba, «Mada Misr» in a field visit to the International Armed Forces School, Mada Egypt, 7 September 2016. <https://goo.gl/LIYXID>

Kamal, Mohammed, the third army launches the first international school, the official website of Badr International Schools <http://www.bis-eg.com/events.aspx?id=15>

52 Ministry of Defense - National Service Projects Authority, Al-Ahram Newspaper, third page, 16 September 2016.

This necessarily marginalizes the neediest citizens, whom the government should prioritize to protect from the investment nature of private sector projects, and to provide high-quality free services, as provided for in constitutions, international agreements and conventions. This must also show a bias towards social justice in defining controls and standards, in the form of legal and tax legislation, for the private sector providing educational services, to protect the social structure from any possible side effects of investment intervention in education.

When education becomes a trade, its main product is a level of knowledge and a privileged social status that can only be obtained by the rich. Thus, the state must stop such practices and not be a partner in widening gaps between social classes and transforming education as a means of providing equal opportunities for all individuals to a commodity governed by supply and demand, only to those who can afford it.

## • Conclusion

The contraction of public education because of the small budget and poor quality of service in comparison with private education is a fundamental dilemma that instigates the reproduction and expansion of class inequality. We need to look at the long term of the educational process, which is creating workforce and job opportunities in the labor market. The facts discussed and analyzed by the report point to the decline and diminution of the competitive potential of the graduates of public education to those of private education. In addition to that, the cultural and professional dimensions of parents play part in that, as they widen the scope of capital creation and inheritance from which benefits those who have the financial potential. The main reason for the contraction of public education is the shrinking the state's role in ensuring education, from providing adequate financial expenditure, ensuring the construction of classrooms and the allocation of land in order that the infrastructure of education services reach all citizens, to providing the necessary resources for teacher training, curriculum development and ensuring minimum quality for the low-income. Despite the constitutional obligations that must be recognized as necessary and positive, the failure to achieve them in real and concrete terms is a hindrance to improving the government education service as well as achieving justice in education, which would be the field of achieving social justice among all the people and power to achieve equality of opportunity among citizens. This will happen when education comes as a priority on the political agenda of governments, and recognition of this through financial and economic plans, because it is important in achieving social justice.

Through monitoring the changes in the education sector over different social and economic periods, and analyzing the role of the state and the private sector in bringing about these changes, we try to highlight education as an area on which states' policies depend on to achieve economic progress and social justice. Every society consists of different classes; thus, there is no harm when the rich spend thousands of money on education, but the harm occurs when the poor are deprived of the minimum opportunities in quality education because of the poverty of their parents and families. Their poor education is again a cause of the poverty and the poverty of their children. Therefore, the education system can be a mechanism for redistributing opportunities between the parties and strata of society, or it can be a mechanism to consolidate inequalities, and to widen gaps among citizens. If our education system is moving in the latter direction, it is only a tool to reproduce poverty and marginalization.

