

Political Changes and the Middle Class in Egypt

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Abstract: *This paper analyzes the structure of Egyptian society in different periods, and explains the reasons of the social changes experienced in 2011. It is believed that the Sadat-Mubarak administrations' political and economic policies have led to distortions in the Egyptian social structure, and caused a 'fall' of the middle classes, that has destabilized Egyptian society. This paper will briefly consider the basic trajectory of the changes seen in Egypt and why the middle classes ultimately submitted to the Mubarak regime. This paper not only looks at the internal factors, but the external ones too – i.e. the difficult historical pretext and the huge international pressure on Arab countries like Egypt.*

Key Words: *Egypt; Middle Class; Changes of Political Situation; Arab Turmoil*

In 2011, the Arab world underwent both enormous and dramatic changes. The old regimes in Tunisia, Egypt and Libya were disintegrated. The knock on effects is still spreading across the Arab world. Street movements in many Arab countries still occur from time to time. The future political situation remains confusing. How to

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understand the drastic changes in Egypt, the core Arab country? What has caused another huge political shock in Egypt, not seen since the year 1952? Is the shock endogenous or exogenous? These are the key points to analyze the changing situation in the Arab world in 2011. The author believes that the cause of the drastic changes in the three countries where the old regimes have been disintegrated, with the exception of Libya which was interfered directly by external forces ending in its regime being overthrown, i.e. Tunisia and Egypt, lies within the countries themselves, the core problem being the people's livelihood and democracy. However there has also been serious interference from external forces. This article will explain the political changes in Egypt from the perspective of people's livelihoods and suggest that Egyptian livelihood issue is mainly represented by a decline in the political, economic, and social status of the middle class. In modern times, the Egyptian middle class has been gradually marginalized, which is the main cause of the political change in Egypt. In fact, not only in Egypt, all the non-oil producing Arab countries adopting dependent capitalism are suffering from regime unrest, the main cause of which also being the marginalized middle class. The author will interpret the upheaval in the Arab world since the end of 2010 through analyzing the changing trajectory of the Egyptian middle class.

I. The Living Background of the Egyptian Middle Class

1. Historical circumstances determine the limited space for development in the Arab world

Since the end of the Second World War in 1945, the Arab world has achieved independence of its nation-states, but lost the political solidarity of the Arab world. During this period, the Arab world was not a fully dominated part of a transcontinental empire in the Greek, Roman or Turkish period, nor was it formed as an independent

political entity or even able to dominate other regions like in the Arab - Islamic period. The existence of an independent and unified Arab world has now become part of history. The Arab World has entered the most fragmented period for thousands of years of historical changes of unification and secession. Logically, it is still largely disintegrated due to the decline of the Ottoman Empire, referred to as; the "comminuted fracture" (Tian, 2011: July). This fracture was not the Arab world's most vulnerable period. During this period, the Arab world still held some power but this was greatly restricted by international forces, thus maintaining a kind of equilibrium between the internal and external forces. In this state, the survival and development of the Arabs suffered unprecedented confusion: the scope of the state was inconsistent with that of the nation. Dual attributes of the Arab nation and Islam have plagued its identity. Countries bump in the repeated trials of the internal and external forces. Despite the national regimes' willingness and opportunities for self-development, they proved were no match for the acts of aggression and hegemony of the big countries. What is more, the mainstream ideology and the development model remain vague. The traditional and modern beliefs are repeatedly tangled. The traditional forces and the Western model of development are in violent conflict with each other, while the European and American models and the Soviet Union & Eastern European ones were opportunistically selected and adopted. This nation has experienced difficulty and suffering that are rare among other third world countries, experiencing internal disputes and external conflicts one after another.

Today, the Arab world has come out of its "grand unification" mode, no longer remarkable, and no longer known of. History has decided that it has a standing among nations, however it can only occupy a limited space for development. Between the glorious history of the "universal" memory and the painful reality of vulnerable small countries, the Arabs are thinking about the importance of survival and

their self-attribution. The fragmentation of the Arab world's political, economic and social structure has determined that its path of development is bound to swing, so in response to the challenges, it cannot form a reliable strategic development mode or the "modern mode".

Egypt as a "bellwether" has witnessed and gone through all the historical plights of the Arab world in this period. During the past two centuries, a long-term stagnation ended in Egyptian society, and changes have been accelerated. The great reform of Muhammad Ali, and Nasser, and the tortuous attempts of Ismail, Anwar Sadat, and Mubarak have alternately painted a picture of the contemporary history of Egypt.

2. The post-Cold War environment led to the change of the development model in Egypt

In the late 1960s, Egypt suffered a defeat in the third Middle East war and was eager to regain the lost land through another war. However, it was subject to the checks and balances of strategy of the Soviet Union and the United States. In the early 1970s, while Egypt launched a successful fourth Middle Eastern war and achieved a partial victory, it got rid of its dependence on the Soviet Union in a timely manner, and turned towards the United States. The selection of this new "ally" is of fundamental significance to Egypt, for it has caused significant changes in Egyptian society: Arab nationalism, socialism and nonalignment policy held aloft by Nasser have been abandoned. Liberalism, the market mechanism and attachment to the West have been established as a new model of development. The drastic changes in the Soviet Union and Eastern Europe and the war in Iraq further reinforced this new model, the drastic changes being a declaration of the failure of the Soviet model, and the Iraq war being America's warnings to all regimes that dare to challenge the United States. In addition, there are two factors that helped with Egypt's choice of the new model: the oil price surge and the United States'

debt relief for Egypt. After the 1970s, Egypt obtained many dollars, oil and other rent-income as the new pillars of its national income, in contrast to its traditional industrial and agricultural income, through the export of its oil and the remittances from its labor abroad. After the Iraq war, the United States and other Western countries relieved half of Egypt's foreign debt and pulled the country out from the quagmire of economic bankruptcy. The Egyptian government was thus forced to promise "liberal reforms" in gratitude.

It was the continuously increasing accumulation of internal problems and external pressure that forced Egypt to make two adjustments to its model of development in the last half century. Aswan Dam loan and anti-colonial complexes drove Egypt to join the Soviet camp and initiated the implementation of the planned socialist economy. Israel's rise in the Middle East and the Soviet Union's defeat in the Cold War forced Egypt to keep close ties to the United States and distance itself from the Soviet Union, in order to make the transition from a planned and nationalistic to a market and liberal economy. At the same time, the oil economy destroyed Egypt's traditional industrial structure, and the huge sums of US aid thoroughly dragged Egypt into the ranks of dependent capitalism.

3. The new model of development led to distortions of the economic structure in Egypt

The state-owned economy established by Nasser was affected by Sadat's "open door" policy. Because of the defeat in years of wars, especially in the 1967 war, the Egyptian economy nearly collapsed during the end of Nasser's rule. Due to the favorable international environment after the war 1973, Sadat was determined to end the alliance with the Soviet Union and to start an open door policy relying on the US. As a result, he allowed full access to international capital, returned confiscated land from Nasser's rule and fully supported the rise of the capitalist class. He even married one of his own daughters to the son of a prime contractor, and the other to the son of an old

landlord. Since then, huge cash flows started to emerge in Egypt, including aid and investment from the West, oil export revenues and overseas remittances brought in by the soaring world oil prices following the 1973 war, as well as the Suez Canal transit tax and tourism revenues thanks to the new peaceful environment. However, this economic growth did not bestow upon Egypt the development of the 'real' economy; instead it accelerated the decline it. The Sadat regime's over-reliance on the United States and multinational companies caused its failure to develop national industry. Furthermore, Nasser's long-held principle of spreading the wealth around was brought to an end, neither domestic nor international capital was channeled into long-term investments, so service, financial and other short-term projects became the mainstream of investment, resulting in the loss of the industrial work forces, the rushed expansion of the service sector and excessive domestic consumption. Therefore, the valuable funds did not translate into power for industrial and agricultural construction, which not only caused Egypt to miss an excellent opportunity for the development of its industry, but also got it trapped into consumerism and "hot money". Not only did the homemade product lose its comparative advantage in some areas, but its share in the domestic market got smaller and smaller.

Mubarak's privatization reforms as well as the plunge of oil prices led to the full collapse of the Egyptian state-owned economy. After the initial five-year "economic prosperity" brought on by high oil prices, the Mubarak regime was hit by the oil slump of 1986, and long-time economic problems set in due to bloated bureaucracy and state-owned enterprises, causing a depression to surface. During the Gulf War of 1991, nearly a million workers fled back to the country, serving the final blow to the Egyptian economic crisis and pushing the country to the brink of bankruptcy. The United States and its allies were in urgent need for Arab countries' support because of the Gulf War, so they promised to waive half of the 50-billion-dollar foreign debt owed

by Egypt. Egypt had to accept this plan, hand over its political capital in exchange for Western economic aid, and to reform its economic system in accordance with Western willingness, which involved bringing its state-owned economy to full privatization, opening up its financial and monetary markets, compressing its administrative expenses, abolishing the allocation of its college students, cutting back its social security, and reducing its investment in education and health care.

After 20 years of economic reforms, Egypt completely embarked upon a path of dependent capitalism and a market based economy. Egypt's industrial, commercial, financial, and other various industries have now passed through the privatization process. Steel and other major industries have been monopolized by private entities or international capital. Private capital now controls the national economy. The financial oligarchies have gradually taken over the economic lifeline of Egypt. The state-owned economy no longer plays an important role. What's more, the decline of the real economy and the dominance of a rent-type floating economy, have driven the society into a consumer economy rather than a production-based economy. The privatization reform has ended the planned economy. However, not only did it not bring about fair competition, it also gave rise to the monopolization of the steel and telecommunications industries. The economic structure is even more distorted than before the privatizations. The Egyptian economy has been trapped into a long-term plight of the "three highs and one low" (high deficits, high inflation, high foreign debt and low employment), and its economic development and social progression are caught in a "dead end".

4. The distortion of economic structure caused the deterioration of the social structure

From Muhammad Ali's reforms to Nasser's revolution, the Egyptian society experienced two structural changes: the first is a transition from a bipolar structure composed of the Turkish feudal

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military aristocracy (the indigenous people of Egypt in the period of the Ali family), to a social structure constructed by a top level of landowners and foreign capitalists, a middle level of rich peasants and national capitalists and a bottom level of poor peasants, farm laborers and workers. This change stems from the pressure of Western colonialism, which is characterized by the shift in how the social classes are identified i.e. their military background and capital wealth. This way, the class structure was prone to flourish instead of being insurmountable. The class relations were turned into internal contradictions from the originally more serious ethnic conflicts. The class struggles were toned down from riots and revolution of very high intensity to the low-intensity demonstrations and parliamentary struggles. Therefore, the change in the social structure from identity-based class to property-based class conforms to the historical developments. The second change took place in the Nasser era when a social structure constructed by a top level of landowners and foreign capitalists, a middle level of rich peasants and national capitalists and a bottom level of poor peasants, farm laborers and workers transformed into a trapezoidal social structure with an upper level of cadres of state-owned enterprises and rich peasants, and a lower level of poor peasants, farm laborers and workers. The change originated in the Nasser reforms, which were characterized by a shift in how the social class is defined from military and property consideration to political and capital factors. In this manner, the class mobility became more stable and orderly, and class relations were changed from the contradiction between two sides into the contradiction among the people. In addition, the bipolar gap was greatly reduced and social integration was significantly increased. In the 1960s, the upper layer of the society (i.e. the middle class) made up between 20% and 25% of the total population, while the lower level accounted for 75 to 80%. Thereupon, the shift in social structure from the property-based class to the political class, greatly reduced the social contradictions, and

resolved the class conflicts.

During the Sadat-Mubarak era, the Egyptian society underwent the third social change. The society morphed into three classes: the growing top rung of capitalists, the declining middle class and the continuously deteriorated lower levels. The change stemmed from Sadat's opening up policy, Mubarak's privatization reforms, the rise of the oil economy and lastly the transition of the international pattern from the bipolar system of the Soviet Union and the United States to the uni-polar system of the United States. The upper level (i.e. the so-called middle-class among Arab scholars) collapsed, and three new classes developed in the society. The new upper class is formed by foreign capitalists, the new national capitalists and those revitalized old capitalists. The new lower level is made up of the original lower level, workers of state enterprises in the original middle level, the urban unemployed and the farmers who lost their land. Both the upper and lower levels completed the reconstruction of their own classes at the beginning of the 21st century. However, the middle class is still being constructed, yet the outline has been basically clear, including a variety of technical personnel, the lower level of the administration, private owners and most of the shopkeepers. The percentage of the upper class in the total population in 1991 was 3%, the middle class made up 45%, and the lower class 52% (Amin, 1997: 74). In 2006, the upper class accounted for 18.4%, the middle class 12.4%, and the lower class 69.1%.^①

If the first two changes can be called social progress, then the third change is in violation of the benign rule of social development, and is the symbol of social retrogression. The upper and lower social classes significantly expanded, while the middle class significantly shrank, thus turning the social structure from trapezoidal into

^① The data are calculated by the author based on the Table 9 of "2006 Population and Housing Census in Egypt" released by the Egyptian National Bureau of Statistics.

a "dumbbell" shape. During the Nasser period, the bipolar gap of the Egyptian society was shortened and class structure tended to be trapezoidal, showing a healthy development trend. While in the Sadat-Mubarak era, the gap in society significantly expanded and the class structure tended to be a pyramid shape, demonstrating a malignant development trend. In the late Mubarak period, the upper and lower classes expanded significantly, and the middle class significantly decreased, while the class structure tended to be dumbbell-shaped, representing a worsening trend in social development.

Moreover, in terms of the third change, the direction of class mobility was complex and contradictory. Because of oil, liberalization, privatization and other factors, there has been a large movement of status amongst members of the society. This movement was not only accelerated within the same classes, but also across-classes too: the lower members jump to the top, the upper members go down to the bottom. This movement tends to be complex, and is a mainly large-scale flow to the lower classes. These abrupt changes appear to have disrupted people's psychological expectations, shaken the confidence of people in the community and undermined social stability. Before 1970, the poverty rate in Egypt was about 30%, while after the Sadat-Mubarak reform in 1981, it reached 40%, and rose to 48% in 2007 (Hussein, 2007: December 7). According to "Egypt's poverty analysis" in 2007 by The Egyptian Ministry of Economic Affairs and the World Bank, there are 1 million households in the poorest 1000 villages, which represent a total of 5 million of the rural population that were living in poverty, accounting for 46% of the population of these villages (2010 *Egypt Human Development Report*, 30).

Egyptian social class barriers have been increasingly reinforced in recent years. With the full implementation of privatization in 1991, Egypt's major industries have now been privatized. Most original

middle-class members have been laid-off, restructured, marginalized, and finally added to the already large underclass. As for the income structure, income from fixed assets is increasing, while the proportion of wage income is declining. Property's share in social contributions has increased significantly, indicating that the class barriers continue to reinforce, that it's more and more difficult to cross the classes, and that the basic shape of the upper and lower classes has been formed.

II. The Current Status of the Egyptian Middle Class

1. The marginalized middle class

Due to changes in the political and economic patterns, the rise of oil and other rent sectors, as well as the international environmental changes, the middle class has suffered a fatal blow during the periods of Sadat and Mubarak. A large number of members of the middle class have slid down the social ladder, while only a few have come the other way, resulting in a reduced middle class. A very small number of administrative bureaucratic types and cadres of state-owned enterprises have traded power for money in the privatization and have become the new capitalist elite. However, the life of the general staff of the administration and business sectors as well as state-owned enterprises has deteriorated in line with inflation, and most of them have slid down to the lower social classes. The privatizing of state-owned enterprises since 1991 has led to the loss of work and early retirement of 500,000 workers in state-owned enterprises. The 1996 land lease policy expelled a large number of farmers from the land on which they depended to survive. All of these have led to a full disintegration of the middle class, resulting in the overall decline of the social status of the middle class (Al Qasas, M.M., 2003: August). The famous Egyptian scholar Ramzy Zaqy published his monograph "Farewell to the Middle Class" in 1997, causing strong resonance in the entire Arab world. The inaugural issue of the State of Egypt

published by the Al-Ahram Center for Political & Strategic Studies is a special issue on the Egyptian middle class. Galal Amin, during the same period, published "Whatever Happened to the Egyptians?" in which the underlying causes of the decline of the middle class were comprehensively exposed. All of the above have fully proved that the decline of the Egyptian middle class has caused a huge shock to the society.

Egypt's middle class not only substantially decreased in size, but was also marginalized in its social function. Nasser relied on the middle class to obtain power. The middle class had become the cornerstone of the regime after the establishment of the Republic -the success of land reform and nationalization relied on this class.. The class also grew rapidly in these movements. However, in the Sadat - Mubarak era, the implementation of the national strategies relied mainly on the nascent capitalist class. The reconstruction of the three destroyed cities in the Canal Zone as well as the establishment of dozens of new industrial cities and a new financial and trading system were all dependent on the capitalist class rather than the middle class. During the expanded construction brought about by the post-war recovery and oil revenues, many building contractors, foreign trade merchants and financial speculators emerged to constitute a new upper class in Egypt. Since then, the industrial capitalists have joined their ranks. The middle class was gradually marginalized on a streamlined scale, compressing their spending and reducing their welfare. Their quality of life has dropped significantly, and they have encountered more and more difficulties, including:

1.1. Employment difficulties. Even if the middle classes were able to find a job, it is no longer an iron rice bowl. In order to avoid responsibility for a variety of insurance and security issues, the administration, business and state-owned enterprises and other original iron rice bowl industries have mainly recruited temporary workers in recent years. In the production sector, the proportion of

temporary workers accounted for 70% of the total, of which 49% were of a family management model (Mu'tī, 2002). In order to maintain normal expenses at home, the public officers of lower grades are most likely to have had a part-time job as well as their formal work, such as a taxi driver, a salesman, and odd jobs in service organizations. Many are forced to participate in the informal sector to earn a living. These industries, including the rental industry, small traders, most of the shops, and family workshops, are not registered with the regulatory agency of industry, commerce or taxation and lack basic social security. According to statistics, of these sectors there are more than 6.87 million employees (some say 4.3 million) (Khāliq, S.A.), one third of the 18.18 million total labor forces (Al Jabalī, A.F., 2004: 137).

1.2 Housing difficulties. It has been hard for the middle classes to afford the rapidly rising housing prices, leading to the new generation being unable to access the property market as easily as the previous generation, meaning they have been stranded in their parents' home, or have had to buy a house in the suburbs and even in remote areas, or rent to survive. The poor housing conditions have forced Egyptians to add random annexes onto their roofs or build houses in deserts and open spaces around cities without government permission, forming a dazzling and confusing complex of illegal buildings. The space between these buildings is mostly limited to one or two meters. The buildings generally lack basic support and security facilities. There are over 1000 such squatter settlements in the urban and rural areas of Egypt, accounting for one third of total urban housing, with a population of over 1 million living in this area. The collapse of houses due to disrepair or quality problems is frequent. Across Cairo city with a population of 10 million people, new houses have hardly been seen in over 10 years.

1.3. Marriage difficulties. Employment and housing difficulties have led to an Egyptian marriage difficulty. Egyptians have the traditions and customs of early marriage and early childbearing, as

well as large families. In Egypt, the legal age for marriage is 18 years old. However, due to the increasing pressure of living, the actual age of marriage has risen to about 30 years old. This has caused many social problems, such as the sex trade, the spread of sexual crimes and common factual marriage without proceedings.

1.4. Academic difficulties. Egypt currently has three educational systems: the government-run schools, private schools and foreign schools, extending from kindergarten to university. The government-run schools are basically free but the quality is poor. It's hard for students to earn their own living after graduation. Therefore, most of the Egyptian middle classes would spend enormous amounts of money to send their children to private schools or even better, the foreign schools. Even the families of the lower and middle classes that cannot afford the cost of both will make efforts to allow their children to receive family coaching. It's believed that the residents have spent more in family coaching than the government's total investment in education.

1.5. Healthcare difficulties. After the Sadat regime, the state's spending on health care continued to decline. In public hospitals, the quality of medicine and health care has decreased significantly even though they are more or less free. At the same time, private hospitals have emerged, where the charges are high but the services are good. The middle classes are never able to afford to go to these expensive private hospitals.

2. The middle class is trying to rid themselves of their plight

Faced with falling living conditions, it is difficult for the middle class to be committed to social development and the general prosperity of the country. However they are forced to pay attention to their trivia in daily life. They have tried to maintain their class status through various means:

First, a large group of the middle class joined the Gold Rush in the oil countries. In the mid-1970s, the global oil economy rose. The

Government of Egypt opened the door to allow salaried staff paid leave under the pressure of employment, which resulted in the craze for going abroad. The millions of middle-classes who went to Arab oil-producing countries to make a living, thus became the first Arab oil workers. This Black Gold Rush has continued until now. Even considering changing international situations and relations between states, the number of the Egyptian oil workers has remained as much as several million. Oil labor has helped many of the middle classes maintain their livelihoods and improve their social status.

Second, some of the middle classes in the seats of power used their political resources to seek to trade power for money. In monopolized economic sectors, including financial loans, the approval documents of foreign trade, contract projects, land development, and even the public utilities sector. There are seen to be significant rent-seeking behaviors among executives, so that power-for-money deals are not only common place, but have become the unspoken rules of society.

Third, those who hold no power in government tried to take on a second even third job in order to support their family. Before work and after work, they race against time working as a taxi driver, a street vendor, or doing odd jobs in private flats. Their families also joined in the labor force. Before the Nasser regime, women and children of middle-class families rarely went to work. However, after Sadat's open door policy, with the millions of men abroad or working in cities, their left-behind family members naturally assumed the burden of life and even work. They opened shops, organized stalls, and worked as a tour guides. The hard life has pushed the vast majority of women from middle-class families to go out of their homes into the community to seek their livelihoods.

Finally, after the traditional employment doors were closed, the children of the middle classes as well as laid-off workers used various means to open up new channels of employment. Now, hundreds of

thousands of self-employed family workshops have sprung up in the urban and rural areas of Egypt, most of them once belonged to the middle-class families.

It is the general decline of the middle class that has led to a huge informal production sector outside of the formal system, the labor force of which is as many as five to six million strong, making it Egypt's most important sector of employment.

3. The decline of the middle class has resulted in the collapse of mainstream values.

Along with the decline of the social status of the middle classes, the error of policy orientation as well as a significant change in the surrounding environment has meant that the Egyptian society's mainstream values have undergone profound changes. Many of the traditional virtues have been abandoned. Many people are no longer hard-working, thrifty, caring for others, and instead have turned to pursue unscrupulous flourishes, to imitate the luxurious of life, to consume, to show off, to seek money and power. A variety of undesirable phenomena have started to flood into the Egyptian society. At the same time, care for the young and the elderly, social responsibility and national pride have been left behind in the pursuit of personal interest. Collectivism, nationalism, and statism have been substituted for individualism. Many Egyptians huddle in a personal family life, showing political indifference, loss of interest and concern for the society. They are no longer willing to go to the streets and actively seek solutions for Arab and Islamic issues, and refuse to participate in elections and a variety of public affairs. Many people not only sit back and look at the society, but have also lost the initiative and creativity in their personal life and work. Ancient dogma has become a silver bullet for many Egyptians. They have lost confidence in their own ability and fear changes. They have completely lost themselves, lost enthusiasm and creativity. Therefore, in today's Egypt, people either greedily grab assets or indulge in the personal world;

either commit drug trafficking and addiction, or gather together and become the "mob". This has become common place in Egyptian society, reflecting the middle class's frustration and despair towards the society and the government.

III. The Middle Class and the 2011 Egyptian Uprising

1. The despair of the middle class triggered social unrest and change

The middle class's increasingly distressful situation forced them to embark upon its campaign against the government. In January 1977, the Sadat government decided to raise food prices under Western pressure, which saw an increase in more than 1/3 of the prices of pies and other major foods, well above the affordability of the middle classes. So for three consecutive days they launched a national riot, during which many buildings, the symbol of government power, were burned. The insurrection shook the legitimacy of the Sadat regime, forcing the government to rescind the order to stop the price rises. Towards the end of Sadat's rule, Egypt came to the end of the social stability created by Nasser and entered a period of increasing volatility. In October 1981, extremists shot and killed Sadat, denying the president's domestic reforms and opening up attitude, and his foreign policy of joining the US and Israel. Islamic extremists developed from this incident and began to get more and more support from the people of the middle and lower classes.

During the first half of the 1980s, the Mubarak regime maintained the social stability, infrequent in Egypt, thanks to the high oil price. Since the 1990s, the marginalized middle class began to fully resist the regime. The resistance movements in the first half of the 1990s were mainly initiated by the urban middle class. The laid-off workers of state-owned enterprises and the middle and lower civil servants also initiated strikes and demonstrations. Since 1996, the rural peasants

openly resisted the government's land reform policy, going so far as to establish military autonomy in many places, and conduct armed confrontation with government forces. After the September 11 attacks, the Egyptian government was severely criticized by the Western powers. The middle class thus had a perfect environment for their struggle. In 2004, the US announced the "Greater Middle East Initiative" plan, which enabled the middle class to begin to openly criticize Mubarak's policy. Civil society organizations have been appearing in Egypt, of which the "Enough" Campaign was at the forefront. These organizations have coordinated massive strikes and demonstrations. Workers' collective protesting activities have also significantly increased, from 202 in 2005 to 222 in 2006. In 2007, the number soared to 617. These campaigns often started with requests for better incomes and ended in violence against the government. Political conflicts instead of economic contradiction have become the main manifestations of social contradiction. Social risk in Egypt rose to political risk.

The world economic crisis starting in late 2008 was another heavy blow to the Egyptian economy, forcing middle-class life to become more and more difficult. In the 2010 parliamentary elections, the government put a large number of the key opposition leaders under arrest; what is more,, Gamal, the son of Hosni Mubarak who has been in power for 30 years, was being extensively hyped up, which is likely to mean that after more than half a century of democratic republic, Egypt will once again be ruled by a family. The middle classes and even those such as the main body of the army felt utter despair towards the Mubarak regime. In January 2011, Tunisia's long-ruling Ben Ali regime was instantly overthrown, which greatly inspired the Egyptian middle classes facing the same situation. They immediately took to the streets, and put an end to the Mubarak era which had lasted for more than 30 years in the middle class's unique way.

2. The middle class in the 2011 and the changes in Egypt

The 2011 changes seen in Egypt were a revolution led by the middle classes from the ground where:

The ring leaders of the street movement were tens of thousands of Facebook users, who came from middle class families and who generally had a computer and other modern communication technologies, and have a lot of free time to surf the Internet. They did not come from the lower social classes, since people from Egypt's lower classes are not normally capable of owning a personal computer, the Internet and the like.

The street campaign slogan was "dignity and freedom", which is a slogan of both political and economic features, and is a typical middle class slogan. The middle class pursue not only economic interests, but also political purposes. The struggles of the social under-classes are in general focused on economic interests, and rarely resort to political pursuit.

Throughout the street protests, the form remained organized, peaceful and nonviolent. Organized peace movements are a usual political behavioral trait of the Egyptian middle class, who generally do not take fierce subversive actions. The movements of the lower classes differ from this, in that they are often accompanied by severe conflicts and violence.

Judging from the participants, the street movements first appeared in Muhandisiin in Giza province and the Ismailia Province, both typically concentrated areas of the middle classes. After the large-scale conflict between the protest groups and the military and police on January 25th, industrial workers from textile and steel mills in Mahalla and Halwaan marched together towards Liberation Square in the downtown area, completely destroying Mubarak's confidence. These workers were the main body of the state workers from the Nasser period, the backbone of the middle class in the field of labor, but their social status in the Mubarak era was hardly different from the lower class.

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From the development process of the movement, the main members of the movement quit after forcing the Mubarak government to disintegrate. The main struggle now comes mainly from the upper classes that are not willing to leave the stage and the lower classes whose interests and demands prove to be futile. The main goal of the middle class has been achieved, so they have now begun to form political parties, in order to ensure more victories in the political arena in the future.

The transitional government's policy is evident that the position and viewpoint of the middle class are of great importance. The transitional government has announced to put an end to the "privatization" reforms, but still adhere to the political stance of the Mubarak period, and still adhere to the capitalist market economy and the national policy of external dependence on the West. The more obvious evidence is that the government has adopted a variety of ways to prevent "continued revolutionaries" from taking to the streets, repeatedly publicizing the huge losses caused by the turbulence in the Egyptian economy. All of these show that, after getting rid of the foreign financial oligarchy and the big capitalists that are above them, the middle classes have been satisfied without further need to explore the core of Egypt's political, economic and social problems, and that they do not intend to completely solve these structural problems.

3. Prospects for the middle classes after the 2011 coup in Egypt

The 2011 political change in Egypt will have a significant impact on the Egyptian middle classes.

Politically, this is the recovery movement of the middle class. The result of the change is that the upper capitalist class has been overthrown, some of them escaped with money and some were detained, while the middle class is to take over the power of the upper class from the Sadat-Mubarak era. The real power structure reorganization is yet to take place, but the middle class has already shown a powerful force. From the medium and long term, their

political ideology and political organization will occupy the main body of the future political structure, and the main political parties are to represent their wishes and voices.

From the economic perspective, with the fall of the multinationals and comprador class forces, there will be a major development opportunity for the Egyptian national industries, especially the industrial and agricultural industries. At the same time, privatization reform will be significantly slowed down or even terminated. The intensity of state intervention in the economy will be significantly increased, and the government will increase support and input to service industries including education and healthcare. The liberalism momentum will be curbed, and nationalism will rise. Administration, business and state-owned power will expand and state-owned industries will be supported and developed. As a result, the middle classes will stop shrinking and will significantly recover in their role and size.

In terms of social structure, as the power of the upper classes is curbed, the life of the lower classes will begin to arouse concerns. The social status of the upper class will decline and the lower class will partially achieve upward mobility. With the two classes downsizing, the strength and size of the middle class will expand and the trend of the polarization will stop in the social structure, gradually transforming into the desirable olive shape.

Culturally speaking, ideology and mainstream values will be remodeled to a certain degree. The middle-class populist ideology on behalf of the national independence and development will be on the rise. The parasitic and showing-off ideation of the upper class, together with the lower class's struggle for food and clothing will both, to a certain degree, be restrained. Cultural alienation will be digested, and subjective consciousness will be enhanced.

In summary, with the political changes in 2011, Egyptian society will experience a major social transformation, which represents the

fourth social transformation as well as the third rise of the middle class in Egypt since Muhammad Ali started the modernization process. From a broader point of view, the 2011 Arab change embodies the transformation in Egypt, which has the potential to achieve a real integration of the Arab nationalist consciousness. This would prompt Arab countries gradually alienated from the United States and other Western camps, to move closer to China and other emerging powers. In terms of historical developments, it is possible that the Arab political change might cause an upheaval in the Arab world by way of "comminuted fracture", and change the tide of the Arab world facilitating the Arab wounds to heal. Of course, this will be a very long historical process.

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