

A country case study of design methods for endogenous rural development: The case of Egypt

Shafie Sallam M., Nabil Gamie M., Ragab El-Ghannam A.

in

Stamataki E. (ed.), Clapan C. (ed.).
Endogenous rural development in the Mediterranean region

Chania : CIHEAM
Cahiers Options Méditerranéennes; n. 30

1998
pages 37-44

Article available on line / Article disponible en ligne à l'adresse :

<http://om.ciheam.org/article.php?IDPDF=CI020823>

To cite this article / Pour citer cet article

Shafie Sallam M., Nabil Gamie M., Ragab El-Ghannam A. **A country case study of design methods for endogenous rural development: The case of Egypt.** In : Stamataki E. (ed.), Clapan C. (ed.). *Endogenous rural development in the Mediterranean region*. Chania : CIHEAM, 1998. p. 37-44 (Cahiers Options Méditerranéennes; n. 30)



<http://www.ciheam.org/>
<http://om.ciheam.org/>

A COUNTRY CASE STUDY OF DESIGN METHODS FOR ENDOGENOUS RURAL DEVELOPMENT: THE CASE OF EGYPT

Mohamed SHAFIE SALLAM,
Prof. and Director of the Agricultural
Extension and Rural Development
Research Institute, Agricultural Research
Center, Ministry of Agriculture

Mohamed NABIL GAMIE,
Prof. and Chairman of the Dept. of Rural
Sociology, College of Agriculture,
Alexandria University

Ashraf RAGAB EL-GHANNAM,
Senior researcher, Agricultural Extension
and Rural Development Research Institute,
Agricultural Research Center, Ministry of
Agriculture

ABSTRACT:

With a view to the creation of a welfare society in Egypt, Government policy has embraced development efforts with the intention of promoting endogenous development. Efforts towards endogenous development have been made in two independent spheres, i.e. in the sphere of government-sponsored endeavours through official village organizations, and in the sphere of autochthonous, authentic development activities flourishing in certain villages and districts. Recently, the transition from a centrally-planned to a free market economy, and structural adjustment of the economy in Egypt has been successful, and there is growing consciousness that a parallel socio-cultural adjustment is also needed not only for its own sake but also as a prerequisite for more successful economic adjustment. This institutional transition is believed to be the driving force behind a newly-created and strongly viable sector of endogenous development. There is a real opportunity for the latter to get underway in Egypt.

Keywords:

Development Policies, Development Agencies, Development projects, Economic Development, Egypt

INTRODUCTION

This paper is concerned with the development and design of a research method for endogenous rural development potential in Egypt. In an earlier contribution to CAMAR research seminars, the approach based on endogenous development

potential has been suggested as constituting an especially promising research method, well-suited to identifying development efforts. After some consideration this approach was applied in a number of rural areas in Italy, Portugal, Greece, Spain, and

the Netherlands as a specific technique (Ploeg, 1994; Roep & Bruin, 1994; Bruin, 1994).

In the following paper, we will summarize the studies carried out in these countries and mention the concepts of endogenous rural development potential that were employed. In Italy, food chains have been the central analytical concept and included the studies of meat, wine, and tobacco production in Umbria (Meulen & Ventura, 1994).

In Portugal, research centered on the potential value of local practices embedded in farming and within the general framework of heterogeneity (Oostindie & Dries, 1994). According to Baourakis (1994) in his study of the construction of endogenous development possibilities in Crete, Greece, food chains, local practices, and social carriers are concepts of endogenous rural development.

In Spain, the research was mainly orientated towards the identification of the principle social carriers of endogenous development (Guzman & Remmers, 1994). Finally, in the Netherlands, the main focus was on the social organization of the process of production (Broekhuizen et. al., 1994). Local practices, specific products, social carriers, specific food chains, and social organization of the process of agricultural production constituted the crucial methodological basis for the identification of endogenous rural development potential.

This study reflects on three important subjects related to endogenous rural development: **firstly**, the growing interest in endogenous development, or why endogenous development is useful and indispensable for real development in Egypt; **secondly**, the identification of endogenous rural development potential in Egypt through

the National Calf-Fattening Project (NCFP). This project is a good example of the practical use that can be made of governmental cooperation with farmers in rural villages; **thirdly**, the extent to which the principles of endogenous rural development are implemented in the NCFP.

1. THE GROWING INTEREST IN ENDOGENOUS DEVELOPMENT

Previous economic advances in Egypt have been the result of technology transfer, i.e. mainly exogenous development and institutional economic reforms. Since development in its proper sense means desired objectives, exogenous development is once again welcomed in the sense that use is made of international knowledge and technological advances. However, it seems necessary for sustainable development to have a strong base of endogenous development in order to complement and/or contribute independently to economic prosperity, social welfare, and psychological well-being.

Endogenous development is particularly useful and indispensable if real development is to be achieved, for the following reasons:

- a. It is a reliable safeguard against eventual international political turmoil and exogenous economic uncertainty.
- b. Endogenous development is the best approach to meeting the needs of local people.
- c. Endogenous development is an educational approach, in the sense of learning by doing, and thus could provide local people with dynamic impetus.
- d. Endogenous development could be easily adapted to embrace local technologies, and could be labour

intensive, thus helping to combat rural unemployment and/or underemployment.

- e. Endogenous development is an appropriate approach to the mobilisation and optimal utilisation of local human, material and natural resources.
- f. Successful endogenous development could minimise the burden of rural development costs that is assumed by the central government.

2. IDENTIFICATION OF ENDOGENOUS RURAL DEVELOPMENT POTENTIAL IN EGYPT THROUGH THE NATIONAL CALF-FATTENING PROJECT (NCFP)

Animal production plays an important role in the Egyptian national economy. The average gross income derived from animal production, in real terms, for the period 1982-1983, represented 4.71% of the average value of the National Product. This average gross income was estimated to be 1,049 million pounds. For the same period, it represents 29% of the Gross National Agricultural Product. Meat production accounted for 54.6% of the national income derived from animal production, compared to 24.4% for dairy products, 6% for eggs, 14% for organic manure, and 0.5% for other animal products. The annual average of milk production in 1984 was estimated at 1.72 million tons, divided into 1.1 million tons (65%) of buffalo milk, 586,000 tons (34.1%) of cow's milk, and 15,500 tons (0.9%) of other milk.

Meat production in Egypt depends on cows, buffaloes, camels, sheep, goats, and pigs. Cows and buffaloes are considered the most important source for meat production in Egypt, whereas the importance of camels, sheep, goats, and pigs for meat production is largely limited. The average of red meat

production in 1984 was estimated at 285,000 tons. Approximately 228,000 tons (80%) was of meat produced from buffaloes and cows, about 43,000 tons (15%) of meat produced from sheep and goats, 13,000 tons (4.5%) of meat produced from camels, and 2,000 tons (0.7%) of meat produced from pigs.

In Egypt, the meat problem in general and the red meat problem in particular is reflected in the following:

- (1) The very low per capita consumption compared with that in other meat-consuming countries such as those of Europe and the USA.
- (2) The wide gap between meat production and consumption, leading to increasing amounts of meat imports and a rise in meat prices.
- (3) The negative relationship between working animals in Egyptian rural areas and the amount of dairy and meat products. There is a shortage in the meat supply, i.e. the gap between the supply of meat and the demand for it is increasing.

2.1 The National Calf-Fattening Project

The above introduction raises the following question:

What project is needed to design appropriate policies for the increase of the meat supply, in order to meet the future demand for meat in Egypt?

The Ministry of Agriculture co-operates with farmers in rural areas to increase red meat production through the National Calf-Fattening Project (NCFP). The project started in 1983/84 in twelve governorates. After eight years the project was successful in decreasing the amount of meat imports.

The amount of production of young calves in the rural villages of Egypt is estimated at 500,000 head each year. About 400,000 head of them are slaughtered at an average weight of 50-70 kilograms. Therefore the NCFP set a main goal of 45-50 kilograms weight for each young calf before slaughtering. The new amount of meat thus produced will contribute significantly towards meeting the increase in demand. It is estimated at 100,000-130,000 tons of meat, valued at 150 million pounds.

Beside this main goal, the NCFP also aimed at: (1) The creation of new opportunities for agricultural workers, engineers, and veterinarians. These opportunities are estimated to comprise 150 thousand job openings. (2) Increasing the quantities of non-traditional green fodder introduced to young calves, such as "elephant fodder." (3) Increasing the output of hide production. (4) Increasing the amount of organic fertiliser used. An amount of 1.5 million cubic meters is estimated. (5) Increasing the speed of revolving capital, estimated at one billion pounds in rural Egypt. (6) Strengthening the bargaining power of Egyptian meat importers. (7) Decreasing the meat prices in local markets from 12-15 pounds to 6-9 pounds per kilogram.

2.2. Basis Statistics of the NCFP

The basic statistics relating to the NCFP from eight seasons from 1983/84 to 1990/91 are presented in Table 1. The largest number of calves (275,000 head) was recorded in the seventh season in 1989/90. Also, in the same season, 100% of these calves were contracted to farmers. The number of calves that were actually slaughtered in local markets reached 180,903 head (about 91%). The sixth

(1988/89) and eighth (1990/91) seasons produced the next highest numbers in the NCFP. Table 1 shows that both seasons produced 200,000 head. The contracts held with farmers amounted to 197,916 and 213,744 (79.1% and 85.5%), respectively. The calves returned to be slaughtered and sold in local markets amounted to 129,427 and 150,261 head (79.5% and 54.6%), respectively.

The distribution of calves fed under the NCFP in twelve governorates in the first season 1983/84 is shown in Table 2. The highest concentration of calves fed was recorded in Al-Gharbia (10,000 head), followed by Assyut (6,000 head), then Al-Dakahia, Al-Minufia, Al-Sharkia, Al-Minia, and Sohag (5,000 head). The highest concentration of contracts held with farmers was in Al-Gharbia (6,710 head) followed by Assyut (6,562 head). The highest percentage attained under the project was in the governorate of Alexandria (125%), followed by Al-Dakahia (115%), then by Sohag, Assyut, Al-Fayoum, and Al-Minia (108.3%, 100%, 100%, 100%, respectively). The total percentage of calves fed and returned to be slaughtered and sold in local markets reached 94.3% which confirms that the National Calf-Fattening Project was successful in this season, i.e. in 1983/84.

To what extent are the principles of endogenous rural development implemented in the National Calf-Fattening Project (NCFP)?

(1) Dependency on local resources

Egyptian farmers are particularly reluctant to create new local development initiatives. An attitude of dependency on Government development efforts is strongly embedded in the socio-psychological outlook of the Egyptian farmer. In recognition of this, the Ministry of Agriculture

took on the role of "facilitator" or perhaps rather "the social carrier" when it introduced the NCFP. Five hundred thousand young calves are already available annually at the farmers' disposal. Green fodder is available beside locally-manufactured animal feed. Local demand for red meat at the lower prices enabled by the project and marketing guaranteed by the Government mobilized the active participation of farmers in the project.

(2) Meeting local needs

Employment and profit motive represent the main driving forces behind this project. However, the extra-amount of manure which it produced has constituted an additional impetus where land fertility and organic agriculture are concerned. As it happens this is a congenial development, in view of the expanding support for, and propagation of, the organic or bio-agricultural movement in Egypt. Imported frozen red meat, distributed through sponsored cooperatives, was available at low prices, but the appearance, texture and flavour were not particularly appealing to local taste. The meat provided by the NCFP was a highly favoured alternative.

(3) Independence and decentralization

Particularly sophisticated opinions originating from external or international parties are not necessary to this project; thus, it constitutes a relatively independent activity. Also, there is no need for interaction with agencies or offices at a higher level than that of the village. Decisions are taken independently at local level with no constraints imposed by external, hierarchical authorities.

(4) Capitalization on inherited experience and local knowledge

The project requires neither sophisticated technologies nor non-familiar approaches. Breeding cattle for meat production is not an alien activity, but rather a part of the mainstream of farmers' life.

(5) Links between the focal project, other production, and market forces

The NCFP assisted in the modification of the agricultural cropping pattern, as it led to the expansion of areas cultivated for fodder and thus increased cash inputs to other farmers not involved in the project itself. Through transportation, distribution, and butchery services, the project created urban employment opportunities. Finally, the competitive prices of the red meat provided by the project helped to stabilize and lower the retail prices of meat in regular stores.

CONCLUSION

Of the five principle methods mentioned in the CAMAR/CERES research report (Ploeg, *et. al.*, 1993) for the identification of endogenous development potential, it seems that those concerned with local resources and practices (agro-ecological and bio-ethnological) and localized food chains (neo-institutional district analysis) are mostly suitable in the case of rural Egypt. However, the application of other methods, which are concerned with local products, farming styles, and social carriers, could be more appropriate in particular situations, or at least complementary to those mentioned above.

Freedom, democracy, popular initiative and participation, decentralization, human values, local government, local administration, and adoption of the socio-cultural perspectives of development rather than just the material and economic perspective, are all components of the

indispensable basic philosophy of endogenous development. Adoption of this philosophy by strategic policy makers is essential. The latest adoption of privatisation and market economy principles in Egypt gives us hope that there will be a similar and concomitant socio-cultural structural adjustment. Endogenous development can then take off. Social scientists are mainly responsible for the creation of this consciousness and for the initiation and propagation of this transition.

On the other hand, a systematic survey of endogenous development activities and potential in Egypt is a necessary first step on the road towards the strengthening and promotion of this type of development. The survey should include:

- (1) The small industries and private enterprises already in existence, whether outside or under village government and non-government organizations
- (2) The resources and raw materials available locally and the extent of their utilization
- (3) Size, quality, efficiency, and sources of labour involved in these enterprises
- (4) Availability and sufficiency of finance
- (5) Marketing availability, extent, accessibility, and problems;
- (6) Assessment of the socio-economic and cultural impact of endogenous development activities in Egypt.

Table 1. Statistics of the NCFP During Eight Seasons from 1983/84 to 1990/91

Seasons	Plan	Contracts		Actually Received		
	Number of Head	Number of Head	Number of Head in %	Seasons	Number	in %
1983/84	50,000	47,152	94.3%	—	—	—
1984/85	100,000	90,084	90.1%	1984/85	36,846	79.1%
1985/86	150,000	118,495	78.9%	1985/86	60,198	66.8%
1986/87	200,000	117,586	58.8%	1986/87	70,130	58.9%
1987/88	200,000	162,840	81.4%	1987/88	79,869	67.9%
1988/89	250,000	197,916	79.1%	1988/89	129,427	79.5%
1989/90	275,000	275,140	100%	1989/90	180,903	91.4%
1990/91	250,000	213,744	85.5%	1990/91	150,261	54.6%

Table 2 . Distribution of Calves Fed in Twelve Governorates in the First Season - 1983/84

Governorates	Planned No. of Head	Real No. of contracts in head	%
Al-Kalyubia	2,500	2,168	86.7%
Al-Dakahia	5,000	5,763	115.0%
Al-Gharbia	10,000	6,710	67.1%
Al-Minufia	5,000	4,200	84.0%
Al-Sharkia	5,000	4,900	98.0%
Al-Minia	5,000	5,000	100.0%
Assyut	6,000	6,562	109.0%
Sohag	5,000	5,415	108.3%
Kafr El-Sheikh	3,000	2,583	86.1%
Al-Fayoum	1,500	1,500	100%
Alexandria	1,500	1,882	125.5%
Damietta	500	469	93.8%
Total	50,000	47,152	94.3%

REFERENCES

- Baourakis, G. (1994): Olive Oil and Herbs. The Construction of Endogenous Development Possibilities in Crete. Paper Presented at the Fourth Seminar of the CERES-CAMAR Program on Endogenous Rural Development, 10-15 December 1994, ISEC, Cordoba, Spain.
- Broekhuizen, R. Ploeg, J. D., Roep, D., Bruin, R. and Renting, H. (1994): Design Methods for Endogenous Rural Development. Paper Presented at the Fourth Seminar of the CERES-CAMAR Program on Endogenous Rural Development, 10-15 Dec. 1994, ISEC, Cordoba, Spain.
- Bruin, R. de, (1994): Diverging Farm Development Patterns and Changing Cost Relations. In J.D. van der Ploeg, V. Saccomandi, F. Ventura, A. van der Lande (eds): On the Impact of Endogenous Development in Rural Areas. Proceedings of a seminar held in Assisi (Umbria, Italy).
- Guzman, E. S. and Remmers, G. (1994): Design Methods for Endogenous Rural Development. An Agro-Ecological Approach from Andalusia. Paper Presented at the Fourth Seminar of the CERES-CAMAR Program on Endogenous Rural Development, 10-15 December 1994, ISEC, Cordoba, Spain.
- Meulen, H. van der, and Ventura, F. (1994): Methods of Identification and Reinforcement of Endogenous Rural Development: Experiences from Umbria. Paper Presented at the Fourth Seminar of the CERES-CAMAR Program on Endogenous Rural Development, 10-15 December 1994, ISEC, Cordoba, Spain.
- Oostindie, H. and Dries, A. van der, (1994): Portuguese CAMAR Research Program and Design Methods for Endogenous Development. Paper Presented at the Fourth Seminar of the CERES-CAMAR Program on Endogenous Rural Development, 10-15 December 1994, ISEC, Cordoba, Spain.
- Ploeg, J. D., van der (1994): Styles of Farming: An Introductory Note on Concepts and Methodology. In Practice and Perspectives of Endogenous Rural Development, Van Gorcum, Assen, the Netherlands.
- Ploeg, J. D. van der; Broekhuizen, R.; Guzman, E. S.; Nikolaides, A.; Cristovao, A.; Pertela, J.; Benvenuti, B.; and Saccomandi, V. (1993): Design Methods for Endogenous Rural Development: A Synthetic Overview. Seminar held in Assisi, Umbria, Italy, Oct. 25-27. pp: 123-127.
- Roep, D., and Bruin R. de, (1994): Regional Marginalization, Styles of Farming and Technology Development. In: Born from Within, Practice and Perspectives of Endogenous Rural Development, Van Gorcum, Assen, the Netherlands.