A COMPARATIVE STUDY OF INDUSTRIAL RELATIONS
IN IRAQ, EGYPT AND SYRIA

by

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A THESIS PRESENTED FOR THE DEGREE
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I hereby declare that this thesis has been composed by myself and that the work is my own.

Khalil Ibrahim M. Al-Kassab
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ABSTRACT

This thesis is based on a historical study investigating and comparing the development of industrial relations in Iraq, Egypt and Syria. These particular countries were chosen because they share similar historical and cultural backgrounds and because they have undergone similar political, economic and social changes. At the beginning of the period of this study, they were all under foreign control, then they were governed by semi-feudal-semi-capitalist regimes "traditional systems" and at present by nationalist regimes.

The evidence suggests that industrial relations in the three countries are the product of political changes and of the socio-economic environment in which they developed. The industrial relations during the foreign administrations in the three countries emerged and developed in accordance with the policies of the foreign administrators. Although their economic policies were an important factor in the emergence of the industrial labour force and subsequently the emergence of organised labour, they paid little attention to labour legislation or to improvements in the social conditions of workers.

Under the traditional systems the general policy which was adopted was biased towards employers. The monarchist regime in Iraq discouraged labour organisations and severely restricted their
activities. Trade unions were encouraged under the monarchy in Egypt, but their activities were restricted, and employers resisted recognising them. In Syria, semi-constitutional management labour relations were maintained in which the dominance of employers was kept intact.

The nationalist regimes in the three countries adopted a socialist ideology and increased their intervention in industrial relations. They favoured labour and encouraged trade unionism, introduced comprehensive labour legislation and played a major role in establishing industrial relations rules. Under these regimes, the influence of private employers in dominating industrial relations practices has been greatly diminished while that of the management of the public sector has been continuously strengthened.
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LIST OF ABBREVIATIONS

ABSP = Arab Ba'th Socialist Party
AIU = The Association of Iraqi Artisans
ALO = Arab Labour Organisation
ARE = Arab Republic of Egypt
ASU = Arab Socialist Union
DCI = Damascus Chamber of Industry
EFL = Egyptian Federation of Labour
FEL = Federation of Egyptian Industries
GFTUI = General Federation of Trade Unions, Iraq
GFTUS = General Federation of Trade Unions, Syria
IBRD = International Bank for Reconstruction and Development
ICATU = International Confederation of Arab Trade Unions
ICP = Iraqi Communist Party
IFI = Iraqi Federation of Industries
ILO = International Labour Office
IPC = Iraq Petroleum Company
RC = The Revolutionary Council (of Egypt)
SAR = Syrian Arab Republic
SCP = Syrian Communist Party
TGWU = The Transport and General Workers Union (of Britain)
UAR = United Arab Republic
UWF = The Union of Workers Federation (of Iraq)
WFTU = World Federation of Trade Unions
INTRODUCTION

This thesis presents an attempt to collect, evaluate and compare information on the development of industrial relations in Iraq, Egypt and Syria which has not previously been assembled systematically. The main objective has been to examine the impact of changes in the political systems and in the economic and social conditions on the industrial relations in the three countries. The method adopted is descriptive and emphasises the study of formal institutions of industrial relations as this seemed to me a reasonable approach in view of the little present knowledge available on the development of industrial relations in the Middle East.

Iraq, Egypt and Syria were chosen because they share similar historical and cultural backgrounds, and because they have undergone similar political, economic and social changes. At the beginning of the period of this study, they were all under foreign control, then they were governed by semi-feudal-semi-capitalist regimes (which I decided to call the "traditional systems"), and finally by regimes which I decided to call the "nationalist systems", a term I used to distinguish it from the preceding stage. In Iraq and Egypt the "traditional regimes" were overthrown by the army to establish "nationalist regimes", whereas in Syria the change came about through the country's unification with Egypt. This similarity in background has facilitated the investigation and has made it possible to compare the effect of these changes on industrial relations practices and institutions.

The three countries, for instance, have undergone almost similar stages of industrialisation. They are also the leading Arab
countries where government intervention in economic activities (and industrial relations) is becoming dominant. It was possible to investigate and compare the impact of government economic policies on state-management-labour relations, to explore the differences in the practices and approaches and to put forward possible explanations for the differences. Social conditions in each of the three countries have also changed in line with the political and economic change. This made it possible to examine and compare the impact of social changes on industrial relations practices in the three countries.

The basic plan for looking at the subject of the development of industrial relations has followed the traditional approach of early books on British industrial relations, used by the so-called institutional or Oxford school. This approach is used by Flanders and Clegg in the book, *The System of Industrial Relations in Great Britain*, (1) which emphasised the study of the formal institutions of industrial relations and which has sometimes been referred to as a pioneering book. Their method "has been seen as essentially descriptive, not following any particular discipline of the social sciences". (2)

Only in subsequent writings on industrial relations in Britain, after the earlier work had assembled this type of basic material, did authors begin to turn to new and more critical evaluations of the subject matter of industrial relations and to embark on the search for a theory


of industrial relations. (1) In my view knowledge about industrial
relations in the Middle East has not yet reached this further stage
of development.

It would have been difficult to use the concept of Arab Socialism as
a framework for the analysis adopted in this thesis for two reasons.
Firstly, this study is concerned with the development of industrial
relations under three successive but totally different political
regimes in each of the three countries, and it was only under the
nationalist regimes that Arab Socialism emerged as the basis of their
economic policies. Secondly, not only did the nationalist regimes
in the three countries each adopt a different version of socialism, but
this was also true of the socialist groups within each country which
influenced governmental policies. The views of these groups ranged
from mild state intervention to extreme radicalism and in addition
it changed with political circumstances. Only the Ba'th Party in
Iraq (which came to power in 1968) adopted a clear socialist ideology
and pursued firm socialist policies.

These differences mean that it is not possible to use the concept
of Arab Socialism as a frame of reference for this study.

In a historical analysis, published and unpublished studies and
reports provide the main research material. However, the sources
available were very scarce. For example, only eleven relevant
studies of industrial relations as such have been undertaken by
researchers. Seven of these were concerned with specific aspects

(1) For an account of the increasing concern for the theoretical
development of industrial relations, see Ibid, particularly pp.15-17. The paper, however, is mainly concerned with discussing the "rules approach" initiated by J.T. Dunlop and adopted by Flanders in Britain.
of industrial relations in individual countries(1), while the other four studies were of a comparative nature.(2) The rest of the research material had to be collected from government statistics and reports, from trade unions and employer documents, and from studies and reports which do not deal directly with industrial relations.


Because most of this material was so difficult to obtain, I paid a visit to the International Labour Office (ILO) in Geneva to consult evidence which the Office had collected and allowed me to use and to consult ILO experts. I also corresponded with, and sought advice from, scholars and experts with experience in the field of industrial relations in the Middle East. Additional data had to be obtained orally. For this purpose I visited Iraq, Egypt and Syria and conducted open-ended interviews and discussions with a number of trade union officials, members of the boards of employers' associations and officials of the ministries of labour.

Although some of the literature is written in English and some in French, most of the published and unpublished material is written in Arabic and had to be translated by me. The Arabic version of the titles in a romanised form as well as their English translation are included in the bibliography.

To avoid confusion and to use a systematic procedure, I have made a distinction in the bibliography between books, articles and periodicals, and governmental and official documents. I have also distinguished between published and unpublished material, all of which are classified in accordance with the author.

Chapter 1 of the thesis deals with the political, economic and social development in Iraq, Egypt and Syria, as a historical background to the study of the development of industrial relations in these countries.
Chapter 2 describes the development of trade unionism in each of the three countries.

Chapter 3 examines trade union membership and formal structure under the present nationalist systems in the three countries.

Chapter 4 describes the development of the role of employers and of employers' associations in each country.

Chapter 5 deals with the development of the role of the state in industrial relations in each of the three countries.

Chapter 6 deals with collective bargaining and industrial disputes in each country.

Chapter 7 describes the development of worker participation schemes and examines the present schemes of worker participation in the three countries.

Comparison and evaluation are presented as a summary and conclusion section at the end of each of chapters 1 to 7 and in a brief summary found on the last page of each of these chapters.

Chapter 8 summarises final conclusions.
CHAPTER 1

HISTORICAL BACKGROUND TO THE DEVELOPMENT OF INDUSTRIAL RELATIONS IN IRAQ, EGYPT AND SYRIA

The main purpose of this chapter is to describe and analyse the political, economic and social developments in Iraq, Egypt and Syria since these countries have become separate political entities under the foreign administrations. This information is a necessary historical background to the analysis of the development of industrial relations which is the subject of this thesis.

Iraq

Iraq is situated in the eastern part of Arabia, and covers a total area of 438,446 square kilometers. In 1974 the estimated population of the country was just under 11 million. The majority of the population are Arab Moslems. In addition there exist various other ethnic and religious minorities.

(a) Political Development (1920-1976)

Under the British Mandate (1920-1932). Within a week of the declaration of the First World War, the British invaded Iraq.

(1) Minorities include Kurds (Moslems by religion) who constitute about 15% of the population, Turcomans, Persians, Sabaeans, Assyrians, Armenians, Yazidis and Jews. Christians (mostly Arabs) make about 5% of the population.
Direct British control was maintained in Iraq from 1917 to 1920, and in April 1920, Iraq was declared a British Mandatory Area. (1)

In August 1921, the country was reconstituted as a constitutional parliamentary monarchy guided by Britain under the Mandate. Faisal, son of Husein of the Hejaz, recently expelled by the French from Syria, was proclaimed King of Iraq as a result of British pressure. (2) In practice, the country was governed by a group of aristocratic ministers and the ruling Monarch under the influence of the British High Commissioner and British advisers.

Nationalist pressures in Iraq convinced Britain that she could better maintain her interests in Iraq through a treaty which provided for the termination of the Mandate. The Anglo-Iraqi Treaty of 1930 provided for this termination upon Iraq’s admission to the League of Nations. Important strategic, economic and diplomatic privileges were reserved for Britain securing her interests in Iraq. Iraq was admitted to the League of Nations and thus became independent on October 3rd, 1932. (3)

Under the Monarchy (1932-1958). During the period of the Monarchy, the oligarchy of traditional politicians and the King, developed under the British Mandate, was maintained.

The death of King Faisal in September 1933 brought his young son and heir King Ghazi to the throne. The new King showed signs of independence and relative discontent with the aristocratic politicians. The new development encouraged the emerging young intellectuals to form the "Ahali" (Nationalists) group, adopting a wider programme of reform with socialist inclinations. This situation alerted the traditional politicians who encouraged tribal sheikhs to stage a series of uprisings against the central government; as a result, the tribal sheikhs began to assume far greater political importance.

King Ghazi's death in April 1939,1 and the succession of his infant son, Faisal II, under the regency of his pro-British uncle 'Abd-ul-Ilah, did not change the situation. On the contrary, it escalated a conflict between the nationalist elements supported by army officers, and the pro-British elements represented by the Regent and the Prime Minister, Nuri Sa'id.

In the Spring of 1941 the conflict came to a head when the nationalist army officers assumed power and formed a "National Defence" Government. The Regent and Nuri Sa'id escaped to Transjordan but soon after were returned to power by British

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1 King Ghazi was killed in a car accident on April 4, 1939. Because of his anti-British sympathies, his death led to anger with and suspicion of the British in Iraq. See Khaddouri, M., Independent Iraq, pp.140-142; and Suwaïdi, T., Muthakarati: Wisf Qurn Min Ta'rikh Al-'Iraq Wal-cachia Al-'Arabiya, (My Memories: Fifty Years of Iraq's History and the Arab Cause), (Dar Al-katib Al-'Arabi, Beirut, 1969). (In Arabic).
troops which occupied Baghdad by the end of May 1941. (1)

The return of the Regent led to the establishment of a ruling oligarchy formed by the Regent, the traditional aristocratic politicians led by Nuri Sa'id and the tribal landlords, British influence dominating both foreign and economic policies.

The post-war period was characterised by times of political liberalism alternating with strict police rule; comparative quietness alternating with growing violent opposition. In September 1954, Nuri Sa'id was recalled to head the Government (after a short departure). His return was characterised by an iron police state which disregarded many constitutional practices. Externally Nuri Sa'id maintained close collaboration with the West, particularly with Britain.

These developments increased opposition to the regime and further alienated the regime from the people. In February 1958 the anti-nationalistic policies culminated in the formation of the "Arab Union" between Iraq and Jordan as a counter-move to the establishment of the United Arab Republic (UAR) between Egypt and Syria. Five months later, on July 14, 1958, the monarchist regime collapsed when the revolution led by the army broke out.

Under the Nationalist System (1958-1976). The revolution brought

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(1) For further details on these events, see Longrigg, S.H., op. cit., pp.282-287; Khaddour, M., Independent Iraq, pp.206-209 and Suwaidi, T., op. cit., pp.343-359.
a complete change in the structure of the political system and of the ruling elite, and in the basis of the political ideology.

A new Provisional Constitution was promulgated under which Iraq became a Republic. The Presidency was entrusted to a "Sovereignty Council" while the legislative and executive functions were retained by the Cabinet.

The ruling oligarchy of the old regime was replaced by a United National Front. (1) The Free Officers who came from the army and led the revolution (2) came from middle and even lower-class origins. Brigadier Abdul-Karim Qassem who planned the revolution assumed the post of Prime Minister. His collaborator and aide, Colonel Abdul-Salam Aref became Deputy Prime Minister.

Soon a power struggle developed between Qassem and Aref of which the outcome was that Aref was temporarily jailed. (3) This affected the United National Front, the Arab Ba'th Socialist Party (ABSP) backing Aref and advocating Arab unity and nationalism, while the Iraqi Communist Party (ICP) supported Qassem's opposition of Pan-Arabism. Qassem's domestic policy was based on dividing

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(1) The United National Front comprised the Ba'th Arab Socialist Party (ABSP), the Iraqi Communist Party (ICP), the National Democratic Party and the Independence Party. The ICP was not represented in the first revolutionary government.

(2) For further details on the organisation of the Free Officers, see Khaddouri, M., Republican 'Iraq; a study in 'Iraqi politics since the revolution of 1958 (Oxford University Press, London, 1969), pp.21-23. This volume is henceforth cited as Republican Iraq.

political groups and using them against each other to secure his absolute rule. Although he managed to outmanoeuvre the ICP, an atmosphere of intrigue and violence speedily spread, ending in the downfall of Qassem’s regime and his death at the hands of the ABSP in February 1963.

The ABSP rule lasted from February 1963 to the coup in November 1963. Colonel Aref was made president and a new cabinet was formed under Brigadier Ahmed Hassan Al-Bakr, a free officer and a veteran Ba’thist. Based on its Pan-Arabism ideology, the Party made enthusiastic moves toward Arab unity which resulted in the conclusion of the April 17th 1963 Tripartite Unity Agreement with Egypt and Syria. (1) In November 1963, Aref launched a coup in collaboration with the Nasserist army officers and assumed almost absolute power. Under his rule, there were three Prime Ministers and there was chronic instability within each cabinet. This situation resulted in confusion and dissension within the government. Aref’s rule came to an end in April 1966 when he was killed in a helicopter crash.

Under the influence of the Nasserists in the Iraqi government, an Arab Socialist Union (ASU) was formed on the Egyptian model and this was to be the only legal political organisation in the country, but Aref was soon able to manipulate the Nasserists and bring the ASU under his influence.

(1) In July 1963, Egypt withdrew from the April 1963 Tripartite Unity Agreement when relations between the ABSP’s governments in Iraq and Syria and Egypt deteriorated as a result of uncovering a Nasserist plot to take over power in Syria.
The death of Aref brought his brother, General Abdul-Rahman Aref, to the Presidency. The new President was rather weak, and this led to confused domestic policies. This state of affairs, together with Iraq's uncommitted position during the June 1967 War, were important factors leading to the fall of the regime.

On July 17, 1968, the ABSP(1) was able to take over power peacefully, and General Ahmed Hasan Al-Bakr, the Regional Secretary-General of the Party became President of the Republic. The new regime pursued firm socialist policies, part of which was the nationalisation of foreign oil companies. The regime managed to put an end to the hostile attitudes among the various political groups through the formation of the "National and Progressive Front". The ABSP regime also managed to settle the Kurdish War which had started under Qassem's rule.

(1) The Arab Ba'ath Socialist Party has played a significant role in the life and politics of the Arab World. It was officially founded in Syria on April 7, 1947. Its founding roots, however, could be traced back to the early 1930's in the writings of the Party founder and leader Michael Aflaq. The Party's ideology, which has undergone continuous development, is based on the Unity of the Arab Nation, the Freedom of People and Socialism. The Party is based on a Pan-Arabism organisation, with a national leadership and regional leaderships in various Arab countries. Its early formation was in Syria then it spread to various Arab countries. In Iraq it was founded in the early 1950's and gained power in 1963 and 1968. For a detailed account of the Party's history, see Arab Ba'ath Socialist Party (National Leadership), Lamahat Min Ni'dhal Al-Ba'ath (Glimpses from the Ba'ath Struggle), (ABSP, Baghdad, 1975). (In Arabic); and Abu Jaber, S., The Arab Ba'ath Socialist Party, History, Ideology and Organisation, (Syracuse University Press, Syracuse, New York, 1966).
(b) Economic Development (1920-1976).

Under the British Mandate (1920-1932). During the First World War, Iraq's economy was in a very poor state. Apart from a small agricultural sector and local trading and handicraft industries there were few other economic activities. (1)

During the British Mandate, measures were introduced to improve agriculture, education, health and transportation. Emphasis was given to agricultural development and little attention was paid to the other sectors of the economy. This policy was motivated to a large extent by the need to secure the loyalty of the tribal sheikhs through land endowment and improvements in the methods of cultivation.

Oil concessions were awarded in 1925, (2) and the government received its first oil royalties in 1927; these were allocated to capital investment. (3)

Under the Monarchy (1932-1958). In the years preceding the Second World War, political instability was a major obstacle to economic


(2) Various Western manoeuvres and changes accompanied the process of awarding the Concessions. They finally settled as follows: Equal shares of 25.75% to the Near Eastern Development Corporation (American), Anglo-Iranian Oil Company (British), Royal Dutch Shell Group (British-Dutch) and the Cie Francaise Petroles (French), and 5% for the Estate of C.S. Gulbenkain.

development. Surpluses from oil revenues (which had steadily increased since commercial production began in 1934) were used for investment in social overhead projects. The emphasis continued to be placed on agriculture. Tribal sheikhs, through rebellion and political influence, were able to concentrate the land in their hands thus forming a semi-feudal system.

In the period which followed the Second World War, a considerable increase in oil production and in oil revenues took place and this made oil the major base of the economy. Oil production, for example, increased from 3 million tons, providing a revenue of I.D. 2.0 millions in 1948, to 33 million tons, providing a revenue of I.D. 84.4 millions in 1955. This increase in oil revenues led to a change in the government's economic policy affecting development planning. The government began to utilise oil revenues in public investment projects, and in 1950, the Development Board was established to direct and control this new policy. At the beginning, the Development Board made no substantial change from the policy of using oil revenues for investment in social overhead projects. In 1952, however, as a result of recommendations made by the International Bank for Reconstruction and Development (IBRD), 20% of the investment


fund was allocated to industry and mining. This percentage was further increased in 1955.(1)

The shortage of consumer goods during the Second World War led to an expansion in private investment in manufacturing industry. A new industrial elite emerged which was able to expand the old small-sized industries such as textiles, cigarettes, soap and shoe manufacture; it also established new industries, such as cement, vegetable oil, beer and clothing.

Under the Nationalist System (1958-1976). The revolution brought a complete change in economic policies, both in the emphasis and in the nature of economic development. The role of the state in the economy increased rapidly and the general trend towards the establishment of a socialist economy was a policy pursued by successive revolutionary regimes.

In 1959, this involvement led to the abolition of the Development Board and its replacement by the Economic Planning Board. A five year economic development plan for 1961-1966 allocated expenditure

(1) In 1955, the government sought separately, the advice of the British economist, Lord Salter, and the American consultants, Arthur D. Little, Inc., to study the prospects of the industrialisation of Iraq. Both recommended that in a country like Iraq, which has a predominantly agricultural economy, it would be advantageous for industrialisation to go stage by stage. The monarchist government was largely influenced by these two reports in determining the programmes of the Development Board. For further details, see Salter, Lord, The Development of Iraq: A Plan for Action, (The Development Board, Baghdad, 1955); and Langley, K.M., The Industrialisation of Iraq, (Harvard University Press, Cambridge, Massachusetts, 1961), pp.216-218.
of I.D. 566.3 million almost entirely to industrial development.(1) The finance was provided from oil revenues, Soviet loans, and profits from government agencies. The next five year plan for 1965-1969 allocated an expenditure of I.D. 820 million to economic development; the government contributed I.D. 640 million to this sum, and the private sector I.D. 180 million. Emphasis in the second five year plan was put on agriculture, industry and power generation. The third five year plan (1970-1974) allocated I.D. 894.9 million to industrialisation, agricultural development and housing, and financed this mainly from oil revenues.(2)

Oil remains the most important source of revenue - a source on which the Iraqi economy depends. The contribution of oil to the national income amounted to about 37% in 1974 and oil resources contributed 87% of the total finance for the national development plan of 1970-1974.(3) The oil policy in operation since 1958 could be termed a qualified success. In 1973, for instance, production increased steadily to 98 million tons and revenues increased to I.D. 460 millions.(4)


Disputes between the government and the Iraq Petroleum Company (IPC)(1) over the revision of the oil agreements continued through the 1960's and early 1970's. It ended in the nationalisation of the Company in June 1972, followed by the nationalisation of its subsidiaries in 1973 and 1975,(2) so that all the oil exploitation functions are now nationally controlled.

Early revolutionary governments recognised the importance of the private sector for the economy. In September 1958, the government passed an Agrarian Reform Act; the aim of this was to limit land ownership and to end the influence of tribal sheikhs but not to increase government involvement in agricultural production.

The drive for socialism became more dominant in the mid 1960's. The first step in this direction was taken in July 1964 when all banks (foreign and local), all insurance companies, and seven large trading and thirty-four large industrial firms were nationalised. Later the government increased its share in mixed companies (i.e. those jointly owned by the government and the private sector). After this, several more businesses were nationalised, mostly pharmaceutical concerns.(3)

(1) The holders of the 1925 concessions (see footnote of page 13 of this Chapter) formed the IPC and its two subsidiaries Mosul, and Basra Petroleum Cos. in Iraq. IPC was nationalised on June 1, 1972, but not the two subsidiaries. An agreement was reached on March 1, 1973, according to which Mosul Petroleum Co. became totally owned by Iraq. Then in 1973 and 1975 the nationalisation of Basra Petroleum was followed.

(2) Republic of Iraq (Ministry of Information), Iraq Today (Weekly Magazine), Vol. 1, No. 6 (December 1975), p.3.

(3) See Khaddouri, M., Republican Iraq, p.236.
In the 1970's the trend towards the expansion of the public sector and towards establishing a socialist economy continued. By 1974, the public sector controlled almost all mineral production, 73% of industrial production, 82% of foreign trade and the land owned by the state (state farms, state agricultural projects, together with collective farms) amounted to 63% of the total land under cultivation. (1) Economic planning and emphasis on industrialisation led to a considerable increase in employment. Total employment increased from about 2,403,000 in 1969 to about 2,859,000 in 1974. Employment in industry and oil increased from about 187,000 in 1969 to about 270,000 in 1974. 37% of the industrial firms were located in the three major cities, Baghdad, Mosul and Basra, and accounted for 62% of the employment in industry. (2)

Gross Domestic Product was valued at I.D. 1,565.0 million and the Net National Product (at factor cost) I.D. 1,334.8 million by 1974 prices (see Table 1.1). The average annual economic growth was estimated at 7.8% between 1967-1970 and at 8.3% between 1971-1974. (3) Per capita income was estimated as I.D. 47 (§140) in 1959.


(3) Ibid., p.12.
I.D. 70 (§210) in 1968, and I.D. 124 (§413) in 1974 (see Table 1.1), which puts Iraq in the same category as Iran and Tunisia.

(c) **Social Development (1920-1976).**

**Under the British Mandate (1920-1932).** In 1920, Iraq's population was predominantly rural and tribally structured (including nomads).(1) Urban communities constituted only about 20% of the total population and were mainly concentrated in the three major cities of Baghdad, Mosul and Basra. These cities were under the influence of a small mercantile aristocracy and of bureaucratic civil servants. The majority of city dwellers were small traders, artisans and labourers.

Meanwhile, social conditions were very backward, with almost total illiteracy and a complete absence of health facilities.

**Under the Monarchy (1932-1958).** Social development during the Monarchy was relatively slow. Efforts were made to settle nomadic tribes in agriculture and to incorporate them with the rest of the rural communities. This resulted in a gradual fall in the nomad population to about 5% of the total population in the early 1950's.(2) The slow progress in agriculture and the endowment of large estates to the tribal sheikhs led to increased unemployment in agriculture.


(2) IBRD Report on Iraq, p.126.
and to continuous migration into the urban centres, and the development of large towns. Among these migrants rural traditions continued to play a very important role.

The growth of urban centres was associated with improvement in health and education and with industrial growth. This led, in turn, to a gradual growth of the middle class from among the old artisans and small traders, and of a working class largely made up by rural migrants. The middle class became the intellectual elite which constituted the main political opposition during the monarchy while the working class developed as a force of political and economic protest.

Under the Nationalist System (1958-1976). Drastic changes in social conditions and structure were brought about as a result of the 1958 revolution. In the field of social welfare, impressive intensive efforts were made to fight illiteracy and to raise the level of education (for instance, primary education became compulsory in 1976), to expand health facilities, and to raise living standards.

The urban communities continued to grow rapidly and constituted 63% of the total population in 1974. In addition to migration from rural areas, this growth was caused by the industrialisation programme and the improvements in the standard of living. The

(1) Calculated from figures in Iraq's Annual Abstract of Statistics, 1974, p.46.
emphasis placed on education and industrialisation resulted in a slow but noticeable decline of tribal influences among the urban population. The middle and working classes have become the most important sectors of the urban society.
Egypt

Egypt is located at the north-eastern corner of Africa, with a total area of just over one million square kilometers. The inhabited area covers only some 22\(\frac{1}{2}\) thousand square kilometers (approximately 4\% of the total area). In 1974, Egypt's estimated population was about 35\(\frac{1}{2}\) million. The majority of the population are Arab moslems.\(^{(1)}\)

(a) Political Development (1882-1976).

Under the British Administration (1882-1922). Egypt became the focus of the European powers as an important centre for international transportation through the construction of the Suez Canal in 1869. This was the major factor which subsequently led to the British occupation in 1882. The British soon established control over the affairs of the country and appointed Sir Evelyn Baring (later Lord Cromer) to the post of Council-General (from 1883 to 1907). Baring's approval became necessary for the appointment and dismissal of ministers by the Khedive, the dynastic ruler of Egypt.\(^{(2)}\) Sir Evelyn Baring became practically the absolute ruler of Egypt until 1907.\(^{(3)}\)

\(^{(1)}\) Non-Arab minority groups in Egypt include Italians, Greeks and Jews.


\(^{(3)}\) See Ibid., pp.74-82.
The departure of Lord Cromer in 1907 brought about changes in British policy and administration. A co-operative policy between the Khedive and the Administration was established and some financial and administrative reforms were introduced. (1) These did not change the political system significantly and some of them were never implemented. The changes which did take place, and Cromer's departure, were connected with the rise of the Egyptian nationalist movement which was directed against British influence in Egypt.

The outbreak of the First World War led to the establishment of the British Protectorate over Egypt and the introduction of martial law. The 1919 revolution was caused by Britain's refusal to give up the Protectorate and to leave the country and led to the unilateral Declaration of Egypt's Independence by Britain in 1922. (2)

Under the Monarchy (1922-1952). After the Declaration of Independence, a Constitution was drafted which came into force in 1923 and which laid down that Egypt was to be sovereign and independent. The King (3) was to be head of the executive branch;


(2) For further details of the events of the 1919 revolution, see Berque, J., *Egypt, Imperialism and Revolution*, (Trans. Stewart, J.) (Faber and Faber, London, 1972), pp. 304-324.

(3) The title of Khedive was changed to "Sultan" during the First World War and this was changed to "King" upon Egypt's independence in 1922.
he was to exercise his powers through the Cabinet of Ministers which was to be responsible to Parliament.

From the start, the King paid little attention to the powers given to Parliament and to the Constitution and, in 1930, he brought in a new Constitution which gave him more powers. (1)

Throughout the period of 1922-1930, there was conflict between the King and the Wafd (Delegation) Party which held the Parliamentary majority. The King, in order to enhance his position against the Wafd, co-operated with the British. The Wafd emerged from this struggle as the most powerful political party in Egypt because of its nationalist programme and its efficient method of organisation.

After the accession of King Farouq in 1936, the alignment of the parties changed. Mustafa Nahas, the leader of the Wafd Party, concluded a Treaty of Alliance with Britain which provided for British troops to be stationed in the Suez Canal zone. (2)

A conflict developed between Farouq on one side and the British Ambassador in Cairo, Lampson and the Wafd on the other side. This conflict came to a climax in February 1942 when Lampson, together with the Commander of the British troops in Cairo, compelled Farouq to appoint a Wafdist Cabinet headed by Nahas. After this incident, the power struggle between the King on the

(1) Ibid., pp.441-443.
(2) Ibid., pp.524-527.
one side and the British and Wafd on the other, continued until 1952.

The Wafd government resigned in 1944 and the political situation began to deteriorate, and new political forces began to emerge in the country. For instance, the Moslem Brotherhood (the largest non-parliamentary political party which was based on religious ideology) gained considerable strength and stepped up its attack against the Wafd. The Free Officers Movement was developing secretly, and the activities of the Communist Party (founded in the early 1920's) spread particularly among workers and students. In 1948 the Palestine War broke out and the Free Officers movement came out into the open. Violence erupted soon after the Palestine War, leading to the burning of Cairo in January 1952, (1) and the takeover by the army on July 23, 1952. (2)

Under the Nationalist System (1952-1976). One of the first steps taken by the Free Officers after assuming power was to depose King Farouq. The Monarchy itself was abolished on June 18, 1953 when a republic was established. The Revolutionary Council (RC),

(1) The extensive burning of Cairo (when a large number of shops, cinemas, art galleries, government buildings and buildings of foreign institutions were destroyed) was caused by the violent demonstration which broke out on January 26, 1952, in protest of the massacre of Ismailia in the Canal zone where British troops killed about 100 of the auxiliary police on January 25, 1952. For further details on the events of the burning of Cairo, see Lacouture, J. and S., Egypt in Transition, (Trans. Scarfe, F.), (Methuen, London, 1958), pp.105-122.

(2) For the events which led to the revolution, see Naguib, M., Egypt's Destiny, (Doubleday, Garden City, N.Y., 1955); and El-Sadat, A., Revolt on the Nile, (Dey, New York, 1957).
composed of twelve free officers, was set up as the supreme authority. These officers came mostly from the lower middle class. (1)

The revolutionary government embarked on a series of reforms which influenced most aspects of society as well as Egypt's international relations. One of the first measures was the Agrarian Reform Law which limited landownership to 200 acres per person. The significance of this law was that it reduced the power of the old type landowners who had largely controlled the political and economic life of Egypt.

As regards political reforms, the abolition of the Monarchy was followed by measures restricting the powers of the old political parties, which were accused of having corrupted political life. In their place, a united front was created which became known as the Liberation Rally and which was renamed the National Union in 1956. The purpose of forming a united front was to enable people to participate in new national political parties which the leaders of the regime hoped to create, (2) but the establishment of such new parties never took place.

In 1953-1954, the revolutionary regime encountered a crisis of a different sort. This resulted from a conflict that developed


(2) See Naguib, M., op. cit., p.161.
during 1953 between General Naguib the President of the Revolutionary Council (RC) and of the Republic and other members of the RC. Naguib’s insistence that he ought to be able to exercise more power led to his being ousted in October 1954, and to Gamal Abdel-Nasser, the leader of the Free Officers Organisation, becoming President of both the RC and the Republic. (1)

A new political drive, based on nationalism, constituted the essence of the new internal and external policies of Nasser. Because the West refused to supply arms, Nasser concluded an arms deal with Czechoslovakia in 1955, and because the United States refused to finance the High Dam Project he nationalised the Suez Canal in 1956. This action led to the Suez War, which established Nasser as the undisputed leader of Arab nationalism. His pan-Arabism policy led to the unity agreement between Egypt and Syria which established the United Arab Republic (UAR) in February 1958. (2) This union was dissolved by Syria’s separatist coup d’etat in September 1961.

The period 1961 to 1970 was characterised by the establishment of a socialist economy and the stabilisation of the political system. In July 1961, all banks and insurance companies in both regions of the UAR were nationalised and so were a large number of


(2) For further details on these events, see Stephens, R., op. cit., pp.198-302.
industrial firms. In Egypt this process was completed by further nationalisation measures in 1963. These measures increased the alienation of the upper class from the system and put an end to the remaining features of feudalism in Egypt. Nasser's popularity also increased and he won the support of political elements hitherto reluctant to accept his regime such as the various underground marxist and communist groups.

After Syria's withdrawal from the UAR, to ensure a stable political system, Nasser started to make changes in the political organisation. The National Union was replaced by the Arab Socialist Union (ASU) to make it into a "revolutionary instrument for national measures". (1) Membership of the ASU was to include workers, peasants, intellectuals, professionals, soldiers and national capitalists. Nomination to the National Assembly and various elected organisations was to be an ASU prerogative only. A National Charter was presented by Nasser to become the basis of the economic and social policies for the coming period of his regime. The Charter confirmed the socialist nature of the regime and the continuation of its pan-Arab policy. (2)

The sudden death of President Nasser on September 28, 1970 brought his Vice President, Anwar El-Sadat to the Presidency. Nasser's policy was maintained during the early period of Sadat's

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(2) Ibid., pp.117-130, 131-138.
rule but thereafter a gradual change began to take place.
While maintaining state control, a liberal economic policy
began to be encouraged.

Although the ASU is being maintained as the sole political
organisation, a policy of liberalism within the framework of
the ASU is being adopted. Three organisations within the ASU
have been officially formed: (1) the Arab Socialist Organisation
of Egypt representing the Centre; the Organisation of Liberal
Socialists representing the right; and the National Progressive
Organisation representing the left. The policy of establishing
a socialist economy has been maintained but liberal trends have
been increasingly encouraged. (2)

(b) Economic Development (1882-1976)

Under the British Administration (1882-1922). British economic
policy, particularly under Lord Cromer, was based on the belief that
Egypt was basically an agricultural country and should continue to

(1) For further details on these organisations, see Ibid., p.1,
also see Arab Socialist Union, Al-Ittihad Al-Iqtisadia Li
Siyasat Al-Manabir Fi Misr (The economic Trends of the
Inner-Organisations in Egypt), (Unpublished report, Cairo,

(2) For details of this economic policy, see Al-Ahram (Daily
Newspaper of Cairo), Vol. 102, No. 32652, (May 4, 1976), p.3.
The development of agriculture and agricultural roads was encouraged, as was the construction of railways to connect fertile land with the centres of export. Some export processing industries based on agricultural products were also established by foreign investors. Cromer adopted a policy which prevented the development of local industry, and he declined to give any direct assistance to industrial development.

Under the Monarchy (1922-1952). The monarchist government, since it was under British influence, maintained the previous economic policy which focussed mainly on agriculture; but pressure from the emerging industrial elite forced the government to pay some attention to other sectors of the economy. This led to the building of a number of factories, and to the imposition of almost prohibitive tariffs on imported manufactured goods in the late 1920’s and early 1930’s. This policy fostered increased industrial production, but agricultural production declined because of the continued use of old methods of cultivation and insufficient irrigation. The increase in industrial production was not sufficient to offset the decline in agriculture and the real national income of the 1930’s was therefore below that of the previous decade. This factor, combined with the rise in population, led to a distinct decline in the standard of living.

(2) Ibid., p.492.
In the early post-War years, the transport system (which was relatively adequate) was improved by the building of new roads and airports and the modernisation of the railways. Specialised government-sponsored banks were created to fill gaps in the credit system, and the introduction of income tax and other direct taxes removed some of the defects of the fiscal system. More importantly, the post-War period witnessed an expansion in manufacturing industry and in technicians and skilled workers.

Under the Nationalist System (1952-1976). The revolutionary regime attempted from the start to promote economic development, to raise the standard of living, and to industrialise the country. From 1952 to 1956, the government encouraged both foreign and domestic capital investment in industry. After the nationalisation of the Suez Canal in 1956, government economic policy began to change. From 1958 to 1961 the government increased its intervention in economic affairs and, in retrospect, it can be seen that during this period socialist planning was gradually developed. (1) Broad scale planning had begun in 1957 when two plans were adopted, one for industry and one for agriculture. But it was not until 1958-1959 that a first Five-Year Plan covering the whole economy was put forward but this was not implemented until 1960. (2) The decisive shift to a socialist economy in Egypt was made in mid-1961 when a series of nationalisation measures were inaugurated. During the post 1961 period the socialist economy was further consolidated.


The long term objective of the first Five-Year Plan was to double the national income in ten years, the more immediate aim being to raise the level of national income by 40% during the first five years. It also called for the provision of additional employment for one million employees during the first five years; half of these jobs were to be provided by agriculture. (1) More than 80% of the net investment during the first two years was to be undertaken by the public sector. This plan was then followed by a series of short term plans, all placing heavy emphasis on industrialisation and the modernisation of agriculture.

The growth of the public sector increased rapidly after the completion of the second nationalisation measure in 1963. By 1964, the government was in control of about 76% of manufacturing production, 95% of the wholesale trade and 68% of the retail trade. The proportion of the value of manufacturing production owned by the public sector increased from 76% in 1964 to 81% in 1971. (2) This demonstrates that the public sector controls the bulk of economic activities. Despite recent trends towards encouraging private investment there is no evidence to suggest that a substantial change has as yet taken place.

Employment has increased continuously since 1960. Total employment was about 61/2 million in 1960, about 8 million in 1968, about

(1) Ibid., p.295.

10 million in 1974 and about 11 million in 1975. (1) (See Table 1.2 for the distribution of employment by economic sectors in 1974). The increase in employment is attributable to economic planning as well as to the government's policy of deliberate overmanning in service industries and in the public sector so as to reduce unemployment.

In 1974, Egypt's domestic product was estimated to be about £E3212 million (£8993.6 million) and the net National Product (at factor cost) about £E2884 million (£8075.2 million) (See Table 1.1). Per capita income was estimated as £E70 (£196) in 1968 and £E81 (£227) in 1974, (2) which puts Egypt in a lower category than Iraq and Syria.

(c) Social Development (1882-1976)

Under the British Administration (1882-1922). Since before the British occupation, the majority of Egypt's population settled in the cultivated rural land of the Nile Valley while the smaller (but growing) urban communities lived in the industrial and

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commercial cities of the Upper Delta and the Suez Canal. The economic policy adopted by the British administration did not aim to expand the urban population; nor did the education policy which was based on the assumption that there was no direct relationship between education and development. (1)

The concentration of land among a small number of powerful aristocratic owners was encouraged by the British administration. In 1890, the "guild system" (which restricted skill development and prevented progress among labourers) (2) and "the corvee" (forced labour) which had been developed during the Ottoman rule were abolished. The abolition of these two systems removed major obstacles to the growth of a working-class in Egypt.

Under the Monarchy (1922-1952). After independence, the emergence of national and foreign industries enabled the growth of a middle-class as well as the working-class. The middle-class was composed of the intellectual elite and the revolutionary Free Officers who, together with the working-class, mounted opposition to the regime and represented a serious threat to the ruling aristocracy.

Political and economic pressures led to a considerable increase in the level of education. This, together with economic progress and an improvement in health and welfare services in the urban centres, (1) See Owen, E.R.J., op. cit., p.492.

(2) For further details on the guild system and its abolition, see Baer, G., Studies in the Social History of Modern Egypt, (University of Chicago Press, Chicago, 1969), pp.149-160.
helped to increase the urban population and encouraged rural migration to towns. This migration was also due to population pressure in the rural areas which created a "push" effect.\(^{(1)}\)

Under the Nationalist System (1952-1976). One of the primary aims of the 1952 revolution was to change Egyptian society. Post-revolution social reforms covered almost all aspects of welfare and the improvement of social conditions, particularly in the fields of health and education.

Family and kinship relations tend to be very influential among rural communities and among poor classes of urban communities.\(^{(2)}\) This suggests that, despite efforts to modernise, changes in the traditional values occur very slowly and are largely connected with the social position of the group concerned. The middle-class by contrast has grown rapidly and become important in the system, as is shown by the regime’s increasing dependence on this class as administrators in government departments.

While the Agrarian Reform Act has led to an improvement in the position of peasants, the logical consequence of industrialisation has been the growth of urban population in general (to constitute 47% of total population in 1974) and of the urban labour force.


in particular. Workers and peasants were given special attention by the revolution which considered them as the basis of its popularity. (1) In practice, however, the dominance of the middle-class has never been matched.

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(1) Arab Socialist Union, Al-'ummal Wa'l-thawra Fi 'Idaha Al-hadi: Wa'l-'Iahrin (Workers and the Revolution in its Twenty-First Anniversary), (ASU, Cairo, 1973), p. 32. (In Arabic).
Syria

Syria is located at the north-west of Arabia with a total area of 115,903 square kilometers. In 1974, Syria's estimated population was about seven million. The majority of the population are Arab Moslems; in addition, there exist various other ethnic and ethno-religious minority groups.(1)

(a) Political Development (1920-1976)

Under the French Mandate (1920-1946). Present-day Syria became an entity in 1920 when it was occupied by French troops. This put an end to a short-lived Arab Kingdom of Faisal of Hijaz which had been established after the collapse of the Ottoman rule in 1918.(2)

The French authority improved public services and administration but the people of Syria rejected it as foreign. Syrian nationalist opposition erupted into violence several times during the 1920's. In 1925 an uprising started in Jabal Druse and spread to all areas of Syria to become a national uprising which was finally quelled in July 1927.

(1) The minorities include Moslem Kurds (7% of the population), Christians (mostly Arabs and constituting 13% of the population), Druse, Yazidis, Jews and Turks.

(2) For details of these events, see Ziadeh, A., Syria and Lebanon, (Bonn, London 1957), pp.49-50.
In response to this revolt, the French government agreed to grant nominal independence to Syria based on a treaty which would ensure special privileges for the Mandatory Power. (1) However, the Syrian national movement which was becoming increasingly influential and which united in the "National Bloc" was not prepared to accept anything less than full independence.

The "Popular Front" government in France was prepared to grant Syria's national demands; and, in September 1936, a Franco-Syrian Treaty was signed, which envisaged that Syria would become independent after a three-year interim period. The French, however, began gradually to retreat from the Treaty, its ratification was delayed, and finally in 1939, the French Parliament refused to ratify it. The Syrians reacted to this decision violently and soon street demonstrations became a daily phenomenon.

During the Second World War, the fall of France and conflicts between Allied interests proved decisive in Syria's move to independence. In 1943, under British pressure, the Free French held general elections which resulted in an overwhelming majority for the National Bloc, and on April 17, 1946, Syria was declared an Independent Republic. (2)

(1) See Petran, T., Syria, (Benn, London 1972), pp. 61-62.
Under the Traditional System (1946-1958). The newly independent state faced problems of leadership and internal political conflict. The National Bloc, the major political force in the fight for independence, disintegrated soon after independence had been realised. New political forces which had emerged during the war challenged the National Bloc and took the lead in popular support; the new forces were - the ABSP, the Syrian Communist Party (SCP) and Akram Hourani's Arab Socialist Party. The latter merged with the ABSP in 1954.(1)

Lack of political stability, coupled with lack of reforms and the defeat in the Palestine War in 1948 led to a serious crisis and to a series of coup d'etats during the period 1949-1951. These were followed by the dictatorial rule of Colonel Adib Shishakli from 1951 to 1954. (2) Shishakli's regime was overthrown in February 1954 and a Parliament was reinstated. The ABSP and other leftist elements became influential in the government, and due to the ABSP's campaign, unity between Syria and Egypt was achieved in February 1958.

Under the Nationalist Regimes (1958-1976). Since the unity with Egypt, Syria has undergone numerous political changes; in spite of

(1) Akram Hourani, a lawyer, was an active nationalist during the French Mandate. In 1943 he was elected for Parliament. Afterwards he started a campaign to organise peasants and improve rural conditions. In 1950 he founded the Arab Socialist Party, which then in 1954 was merged with the ABSP. After the establishment of the UAR, he became Nasser's Vice President (from 1958 to 1960). For further details on Hourani's role in Syrian Politics, see Abu Jaber, K., op. cit., pp.31-35, 57, and 63-65.

(2) See Arab Ba'th Socialist Party (National Leadership), op. cit., p.26; and Abu Jaber, K., op. cit., p.30.
this, this period has shown similarities in policies and methods of action with Egypt.

In a plebiscite which was held on February 21, 1958, the union and Nasser's candidature for the presidency were approved. All political parties in Syria were dissolved and a National Union on the Egyptian style was formed.

The union with Egypt soon became unpopular in Syria, as Egypt - the bigger, more modern and developed country - increasingly took over control of the government. The ABSP, the major force that had brought about the union, was disappointed at "some trends of regional dominance and internal isolation". (1) Although the nationalisation and reform measures gained the full support of the ABSP and other leftist elements, they came relatively too late to lead to reconciliation, and they antagonised the economically influential upper classes. These factors helped a group of army officers to carry out a successful coup d'état on September 28, 1961, announcing Syria's secession from the UAR. (2)

The new regime turned to the right and abolished many of the reforms of the UAR government, notable among their actions being the denationalisation of industry and financial institutions. This policy roused opposition against the regime which was finally overthrown by the ABSP on March 8, 1963.

(1) Arab Ba'th Socialist Party (National Leadership), op. cit., p.65.

(2) For a detailed account of the period of Syria's unity with Egypt, see Petran, T., op. cit., pp.128-146.
One of the early steps of the ABSP government was the restoration and expansion of nationalisation, distribution of land to peasants, and the development of further socialist measures. These measures resulted in merchants' and landowners' riots and protest demonstrations during February-April 1964, but these were quickly suppressed.

Conflict within the ABSP now emerged. The veteran Party leadership remained loyal to the ideal of Arab unity, hoping to reach an alignment with Egypt, while a newly dominant "regionalist" group (anti-unity) led by General Salah Jadid and largely based on sectarianism which had source of power in the army, was against the union. This latter group launched a coup d'etat on February 23, 1966 and so took over power and deposed the ABSP National leadership. (1)

The new ruling group soon split into two factions centred primarily on the personalities of Jadid and the Minister of Defence, General Hafith Asad. In November 1970, the Asad group gained the upper hand, arrested Jadid and dismissed his followers. In March 1971, Asad was endorsed in a plebiscite as President of the Republic. (2)

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(1) For further details of these events, see Seymour, M., "The Dynamics of Power in Syria since the break with Egypt", Middle Eastern Studies, Vol. 6, No. 1 (January 1970), pp. 35-47.

(2) See Petran, T., op. cit., p. 250.
(b) Economic Development (1920-1976)

Under the French Mandate (1920-1956). The First World War had brought disruption and famine and complete collapse of the Syrian economy. Early French policies further aggravated the economic crisis by putting up tariff barriers which cost Syria's traditional industry the greater part of her market (i.e. Arab consumers).(1) In addition, the mandate-inspired "open door" enforced non-reciprocity in economic matters between Syria and the members of the League of Nations and deprived Syria of protection against dumping and other competitive practices by League of Nations members. This situation led to further decline in the demand for home products and rapid increase of urban unemployment.(2)

By the late 1930's the French began to make some changes in their economic policy. Roads were built, communications improved, power stations and other construction projects were sponsored by the Administration, the adoption of modern industrial plants was encouraged, and most importantly, tribesmen were settled on agricultural lands. However, much of the land was allocated to the tribal Sheiks who supported the Administration.(3) A shortage of imports brought about by the outbreak of the Second World War, and the need of the Allied troops to have supplies, furthered this policy.

(1) Ibid., p.69.
(2) Ibid., p.72.
Under the Traditional System (1946-1958). Political independence led the way to economic independence when, in 1950, Syria severed the customs union with Lebanon which had been imposed under the French and was thus able to pursue an economic policy which was appropriate for its industrialisation and economic development strategies. The wartime period had created unprecedented demands on the local and international markets for agricultural crops and this helped Syria to increase her agricultural production. The problem of uneven land distribution and the dominance of big landowners, however, resulted in peasant migration to urban centres. (1)

The industrial sector underwent rapid expansion during this period. It was stimulated by the new profits from agriculture and trade and by the accumulation of wartime savings. The private sector provided most of the industrial investment as it largely dominated the Syrian economy.

Under the Nationalist Regimes (1958-1976). Since the establishment of the UAR (except for the Separatist Regime of 1961-1963) socialist ideology has replaced that of private enterprise in Syria, government intervention in economic activities has become dominant.

An Agrarian Reform Act, based on the Egyptian law, was introduced in

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September, 1958. (1) The Act restricted landownership to a maximum of 200 acres of artificially irrigated land, and 750 acres of land irrigated by rainfalls. This maximum limit was further reduced by the ABSP government in 1964, and the sequestrated landholdings were sold to peasants in small plots. (2)

Similar to the Egyptian Plan, a comprehensive First Five-Year Plan was introduced during the unity period to cover the five years from the end of 1960 to the beginning of 1965 and to make possible the transformation of the Syrian economy to a socialist economy. The plan aimed to achieve an annual growth rate of 3% in the level of the national income. The plan also aimed to redistribute income in order to achieve more social justice; this was to be achieved by increasing output per head (per capita) by 24.5% over the five years which represents an average annual increase in output per head of 4.9%. (3)

At the end of the five-year plan, the public sector had only reached 56% of its investment targets, while the private sector had beaten its targets by increasing its share by 161%, a performance which it did not repeat in the Second Plan (1966-1970) when it reached only 88% of its planned investment. The overall performance of both

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(1) Government of Syria (Directorate General of Information), Al-Jarida Al-Baaniya (Official Gazette), No. 54 (September 1958).
sectors reached 86% in the First Plan and 68% in the Second Plan. One of the basic reasons for the poor performance in the public sector was that planners overestimated the government’s capacity to undertake such a programme; an overestimate which was repeated in the Second Plan. The planners believe that the investment targets of the 1971-1975 plan have been more realistic.(1)

The shortfalls in economic performance during the Second and Third Plans has led to fluctuations in employment. Although total employment increased from about 1,196,000 in 1962 to about 1,774,000 in 1968, it declined to about 1,631,000 in 1974. The decline was particularly sharp in agriculture (from 1,139,000 in 1968 to 864,000 in 1974) due to a decline in agricultural production. In industry and oil, however, employment increased from about 176,000 in 1968 to about 205,000 in 1974.(2) (See Table 1.2 for employment figures by economic sectors in 1974.)

The series of nationalisation decrees issued in July 1961 by President Nasser were applied to Syria as well as to Egypt. The decrees included outright nationalisation of all banks, insurance companies and financial institutions as well as of fifteen large manufacturing companies.


After the break-up of the UAR, the new government abrogated the nationalisation laws to appease the Syrian Nasserists and to retain, at the same time, elements of free enterprise in the country. However, this trend did not last long. After seizing power in 1963, the ABSP government introduced by far the most severe measures of economic control. These measures included complete nationalisation of all banks in Syria, all petroleum firms and an additional 61 companies. A further step of nationalisation in 1965 covered private electricity firms and about 70% of the export and import trade. (1) Since then, the process of state intervention in economic activities has been steadily increased. By 1972, the state owned 56% of the value of industrial production, and 55% of the value of wholesale and retail trade. (2)

Gross Domestic Product was valued at £37,162.4 million (£2363.6 million) and the Net National Product (at factor cost) £36,797.4 million (£2243.1 million) (see Table 1.1). Per capita income was £8680 (£224) in 1968 and £8955 (£315) in 1974, (3) putting Syria in a higher category than Egypt but lower than Iraq.

(1) Petran, T., op. cit., p. 179.


(c) Social Development (1920-1976)

Under the French Mandate (1920-1946). Upon becoming a new entity in 1920, Syria's population was predominantly rural and illiteracy exceeded 90%. Social conditions were very backward, and health and general services were almost non-existent.

The urban population which represented less than 20% of the total population formed an active community of professionals, intellectuals, merchants and artisans. This elite, though it seemed socially divided, was united politically and supplied the early nationalist movement leadership. Modernisation under the French, though limited, benefited the urban well-to-do and stimulated the growth of a small middle class but it made very little impact on most of Syrian society.

Under the Traditional System (1946-1958). The post-War economic development, in addition to developing a capitalist-class of wealthy notables, furthered the growth of the middle class. Small merchants and shopkeepers, artisans and small manufacturers carried on the bulk of commercial and industrial activities while the educated urban middle and lower middle-class grew rapidly. At the same time industrialisation increased the growth of the working-class in spite of low standards of living and poor working conditions. Although there was industrial growth, rural immigration gave rise to unemployment.

Post independence Syrian governments were conscious of the need for social reform, and expansion took place in education, health and
welfare services. (1) This led, among other things, to further urbanisation, modernisation and, above all, a strengthening of the position of the middle-class which together with the growing working-class represented the active political elements outside the traditional ruling class.

Under the Nationalist Regimes (1956-1970). The period since the establishment of the UAR in 1958 has witnessed a noticeable social change. There has been a strong emphasis on education and health services. Steady economic growth and increased industrialisation has, to some extent, absorbed urban unemployment but has led to further rural-urban migration. By 1974, the urban population represented 43% of the total population as compared with about 34% in 1956. (2)

Increasing government control of economic activities has resulted in a decline of the traditional upper class, both in influence and activity. It has also led to further growth of the middle class which is increasingly involved in the running of the country’s affairs.

The working-class has also acquired an influential position since the adoption of socialism, for the state now views workers as an important group in building socialism. (3) Workers themselves,

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(1) For details on these reforms, see Ziadeh, N., op. cit., pp. 248-249.
(3) See Syrian Arab Republic (State Organisation of Planning), op. cit., p. 102.
however, are divided into two sub-cultural groups: those who were born and brought up in the urban community have much in common with the middle-class; but those who immigrated from rural areas are still influenced by rural traditions based on ties of kinship and on tribal relationships.
TABLE 1.1

SELECTED ECONOMIC DATA ON IRAQ, EGYPT AND SYRIA, 1974.

<table>
<thead>
<tr>
<th></th>
<th>Iraq</th>
<th>Egypt</th>
<th>Syria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Population</strong></td>
<td>6,736,000</td>
<td>16,745,000</td>
<td>3,096,000</td>
</tr>
<tr>
<td><strong>Rural Population</strong></td>
<td>4,029,000</td>
<td>18,874,000</td>
<td>4,025,000</td>
</tr>
<tr>
<td><strong>Total Population</strong></td>
<td>7,765,000</td>
<td>35,619,000</td>
<td>7,121,000</td>
</tr>
<tr>
<td><strong>Per Capita Income</strong></td>
<td>$413</td>
<td>$227</td>
<td>$315</td>
</tr>
<tr>
<td><strong>GDP</strong></td>
<td>$15,650,000</td>
<td>$52,115,000</td>
<td>$17,162,400</td>
</tr>
<tr>
<td><strong>GDP at Purchasing Power Parity</strong></td>
<td>$21,872,000</td>
<td>$89,936,000</td>
<td>$23,636,000</td>
</tr>
</tbody>
</table>

*Employment figures in this table and other tables of this thesis are rounded to the nearest 1,000.

(i) One ID = $3.33, one £E = $2.80, and one £S = $0.33, as on 31st December, 1974.


Note: The figures are based on the official definitions of urbanisation. In Iraq, the term covers each town or city where the population exceeds 25,000 and in Egypt and Syria, 18,000.
Here is the table in a natural text format:

<table>
<thead>
<tr>
<th>Economic Sector</th>
<th>Number (000's)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agriculture</strong></td>
<td>1,588</td>
<td>56</td>
</tr>
<tr>
<td><strong>Oil and Industry</strong></td>
<td>270</td>
<td>9</td>
</tr>
<tr>
<td><strong>Construction and Building</strong></td>
<td>157</td>
<td>5</td>
</tr>
<tr>
<td><strong>Transport and Communication</strong></td>
<td>153</td>
<td>5</td>
</tr>
<tr>
<td><strong>Commerce</strong></td>
<td>167</td>
<td>6</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>167</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,859</td>
<td>99</td>
</tr>
</tbody>
</table>

*Note: The total percentage does not come to 100 because figures have been rounded to the nearest percentage.

Of this total, employment in the oil industry in Iraq was about 53,000 in 1974. Separate figures are not available for employment in the oil industry in Egypt and Syria.*

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population (000's)</th>
<th>Working Population (000's)</th>
<th>Ratio of Working Population to Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1955</td>
<td>6,125</td>
<td>1,608</td>
<td>26%</td>
</tr>
<tr>
<td>1965</td>
<td>8,097</td>
<td>1,985</td>
<td>25%</td>
</tr>
<tr>
<td>1975</td>
<td>11,121</td>
<td>2,990</td>
<td>28%</td>
</tr>
</tbody>
</table>

The 1975 figures of the total populations are estimated and included in the statistical yearbooks of earlier years.

Comparison of the Historical Background to the Development of Industrial Relations in the Three Countries

At the beginning of the period of this study, Iraq, Egypt and Syria were ruled by foreign administrations. Iraq was occupied by Britain in 1917 and became a British mandate with a constitutional monarchy in 1920. In 1932 Iraq became an independent kingdom but Britain maintained important strategic and economic privileges.

Egypt was occupied by Britain in 1882 and was declared a British protectorate during the First World War. The growing Egyptian national movement rejected the protectorate and attempted a revolution in 1919. Egypt gained independence in 1922.

Syria was occupied by French troops in 1920 and continued as a French mandate until 1946. The Syrians rejected the French administration as foreign and frequently rebelled against it. Although the French quelled these rebellions, they finally granted Syria independence in 1946.

In each of the three countries semi-feudal semi-capitalist regimes were established after independence which I have called "traditional systems" (monarchies in Iraq and Egypt and a republic in Syria). In both Iraq (1932-1958) and Egypt (1922-1952) the monarchical regimes were ruled by an oligarchy comprising the Royal Palaces, the aristocratic politicians (and businessmen in Egypt) and landowners. Both regimes maintained close collaboration with the West, particularly Britain, until they were overthrown by the armies which established nationalist republican regimes.

In Syria, the traditional system (1946-1958) was a parliamentary republic in which the aristocracy gained the upper hand but did not manage to maintain political stability. Gradually, the nationalist elements became very influential and they succeeded in bringing the regime to an end when Syria was united with Egypt in 1958.
The nationalist systems in the three countries adopted political ideologies which were interested in keeping republican regimes in power and in introducing socialism.

In Iraq (1958–1976), until 1968, there were frequent changes within the nationalist government. In 1968, the ABSP came to power and was able to maintain political stability and to pursue socialist policies.

In Egypt, in 1952–1976, stability was maintained and socialism was pursued under the rule of Gamal Abdel-Nasser. Although his political ideology has in essence been maintained under Sadat since 1970, there has been a cautious move towards political and economic liberalism.

In Syria, in 1958–1976, frequent political changes were witnessed. The union with Egypt was dissolved in 1961 and a separatist regime was established which in turn was overthrown by the ABSP in 1963. Then followed a series of political changes which ended in General Hafith Asad taking over power and becoming President in 1971.

Economic Development

Under the foreign administrations the economies of the three countries were based mainly on agriculture. A few export processing industries were established mainly to help the home countries of the occupying powers; these were usually owned by foreign companies. The Second World War forced the French to encourage the setting up of some consumer goods industries in Syria.

Under the traditional systems, the monarchist regime in Iraq relied on the support of the landowners and maintained agriculture as the basis of the economy. Political opposition and the new wealth from oil (discovered in the late 1920's) led to the adoption of economic planning in the 1950's and to industrial investment.
In Egypt, businessmen were influential among the ruling elite and put pressure on the government to expand industrial investment. In spite of this, agriculture remained the major economic sector.

In Syria, there was some expansion among small and medium-sized firms but agriculture remained the major sector. In the three countries private enterprise predominated.

Under the nationalist systems in the three countries economic policies began to be based on socialist principles. State intervention became dominant and the state pursued industrialisation programmes mainly in the consumer goods industries. In Iraq oil contributed significantly to the development programmes which tried to create a balance between agriculture and industry. In Egypt, there has recently been a cautious shift towards economic liberalism. In Syria, economic planning has become dominant.

Social Development

Under the foreign administrations, social conditions in the three countries were very backward and almost 90% of the population were illiterate.

Under the traditional systems some efforts were made to improve educational and health facilities, particularly in Egypt and Syria. Although economic development was slow it led to the growth of the middle and working classes who worked together in opposing the ruling elites.

The nationalist systems in the three countries believed in the welfare of the masses. Their economic policies resulted in a further growth of the working class which also gained political strength. The middle class has become the main support of the regimes and the source of their political recruitment while the influence of the upper classes has gradually declined. The expansion in health and education has been
very impressive, particularly in Iraq, and this together with economic development has resulted in the growth of urbanisation.

The main features of the historical background to the development of industrial relations in the three countries are summarised on the separate page which follows.
<table>
<thead>
<tr>
<th>Year</th>
<th>Event/Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917</td>
<td>IRAQ became independent from the Ottoman Empire</td>
</tr>
<tr>
<td>1920-12</td>
<td>British mandates imposed on IRAQ, with the Royal Palace as the seat of power</td>
</tr>
<tr>
<td>1922-52</td>
<td>British Mandate of Iraq, nationalist elements began to emerge</td>
</tr>
<tr>
<td>1922-58</td>
<td>Gained independence from British rule, with the rise of the Ba'ath Party</td>
</tr>
<tr>
<td>1932-58</td>
<td>Gained independence from British rule, with the rise of the Ba'ath Party</td>
</tr>
<tr>
<td>1953-76</td>
<td>The Ba'ath Party came to power, with the enforcement of socialist policies</td>
</tr>
<tr>
<td>1958-76</td>
<td>Underlined the regime, with the rise of Generals Hafiz al-Assad, Husein al-Assad</td>
</tr>
<tr>
<td>1971</td>
<td>Pursued a policy of socialist economic development</td>
</tr>
<tr>
<td>1950's</td>
<td>The Ba'ath Party became the ruling force, with the enforcement of socialist policies</td>
</tr>
<tr>
<td>1950-82</td>
<td>Gained independence from British rule, with the rise of the Ba'ath Party</td>
</tr>
<tr>
<td>1982-89</td>
<td>Gained independence from British rule, with the rise of the Ba'ath Party</td>
</tr>
</tbody>
</table>

**Notes:**
- The table outlines the major political developments in IRAQ from 1917 to 1989.
- The Ba'ath Party played a significant role in the political landscape.
- Economic policies were primarily socialist, with emphasis on industrialization and state control.

**Additional Information:**
- The table includes events such as independence from British rule, the rise of the Ba'ath Party, and significant political changes.
- The table provides a structured overview of the historical context and developments in IRAQ.
CHAPTER 2
THE DEVELOPMENT OF TRADE UNIONISM

This Chapter is concerned with the investigation of the development of trade unionism in Iraq, Egypt and Syria. It also examines the effects of changes in the political systems and social and economic conditions on the development of trade unions.

In dealing with trade unions, I shall restrict my investigation to "workers and employees unions" which are covered by the provisions of various labour laws in the three countries. These unions are usually affiliated (in accordance with the law) to the general federations of trade unions in their respective countries. They also, to a large extent, fall in the category of "trade union" as defined by the Webbs; that is "a continuous association of wage earners for the purpose of maintaining or improving the conditions of their working lives". (1)

Occupational associations of which membership is compulsory, for groups such as the engineers, teachers and doctors, are excluded from this investigation. Firstly, they are not trade unions proper in terms of pursuing activities of trade unions, since they are primarily concerned with academic, professional and welfare activities. Secondly, membership is regulated by statute on the basis of professional qualification and thus there is no distinction between both employers and employees.

Iraq

A primitive industrial relations system existed in Iraq before it became an entity in 1920. A more differentiated system emerged with

the development of the labour force and of the trade union movement. In analysing the development of trade unions, the period from 1920 onwards will be divided into three stages which are related to: the British Mandate, the monarchist regime, and the nationalist system.

(a) Trade Unions Under the British Mandate (1920-1932)
Before the First World War when handicraft industries were dominant in Iraq, the relations between artisans and labourers were governed by family, kinship and craft rules. Under the British occupation, the Port of Basra was expanded and modernised and the construction of railways was completed. The first recognisable stable industrial labour force began to emerge in these two large organisations though most of the skilled workers were foreigners. In 1919, a group of workers at the Port of Basra staged a short strike protesting against low wages, but it was easily suppressed owing to lack of organisation and coherence.(1)

The first attempt to organise workers in trade unions was made in 1921, when a group of skilled railway workers, headed by Mohammed Salih Al-Qazzaz, a mechanic,(3) decided to establish an organisation


(2) Al-Qazzaz was born in 1901 in Baghdad. After his graduation from primary school he entered the Trade School and became a mechanic. He worked in almost all the factories and major industries which then existed. During his work in these factories he developed great skill and ability as a leader. He won workers' respect and confidence for his firm stand in defending their rights and voicing their complaints. Owing to government oppression, he retired from the trade union movement in 1934, but remained in constant contact with the trade unionists. In the mid 1960's he was given the title of the "First Iraqi Unionist" and was asked to arbitrate in a number of industrial disputes. Letter sent to K.I. Al-Kassab from Mr M.S. Al-Qazzaz, Leader of the Iraqi Trade Union Movement from 1927 to 1934, (dated 28 November 1974). See also Tellew, op. cit., pp.214-216.
to safeguard their interests and improve their working conditions. They applied for permission to form a social club for workers, similar to the clubs already formed by other groups such as doctors, teachers and lawyers. According to the "Association Law of 1922" these groups were given the right to establish associations to protect their interests and improve conditions. Until 1936, there was no law which permitted workers to organise, so workers referred to the Association Law of 1922 for this recognition. However, the government rejected their demand on the ground that they were not professionals. (1)

But workers everywhere continued to demonstrate their will and desire to form labour organisations. Illegal "workers' associations" were established and, through meetings and publications, exerted pressures on the government in order to get legal recognition. In 1927, Al-Qazzaz and his colleagues staged a successful strike at the Railway work shop of "Shalijia". The main demands of the strikers were:

- wage increases,
- improvement of working conditions,
- and to be given the right to form an organisation.

The strike ended with management giving in to most of the workers' demands. Finally, the government acceded to workers' pressures and reluctantly granted permission to Al-Qazzaz and his colleagues to establish the first trade union in Iraq. The union was named "The Association of Iraqi Artisans" (AIA) and Al-Qazzaz was elected as its chairman. (2)

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(1) The Ministry of the Interior interpreted the word "professionals" to cover exclusively those who were qualified through academic attainments such as lawyers and doctors.

AIA was opened to all Iraqi workers. However, only the railway workers joined the AIA, but at the same time, the AIA participated actively in the establishment of other workers' associations in the country. Thus, during the period 1929-1930, barbers, tailors, retail grocers, mechanics and printing workers established their associations in Baghdad. In Mosul, other workers' organisations were established such as the Carpenters and the Grocery Associations. (1)

The AIA soon became very active in organising railway workers and formulating continuous demands to the authorities. In late 1930, Colonel Tinge, the Director General of the Iraqi Railways, in order to deal with a budgetary deficit, ordered a reduction in the wages and an increase in working hours. In response, the AIA on December 12, 1930, called a strike demanding that both wages and working hours must return to their previous level. They also asked for paid holidays and an end to certain discriminatory practices which favoured foreign workers over Iraqis in regard to wages and other benefits. (2) The strike was called off next day when Colonel Tinge promised to grant some of the workers' demands and review others.

However, after waiting for a period of more than two months without

(1) For list of these associations and their activities, see Khabbaz, S.K., Nisf Qurn Min Tarikh Al-haraka Al-nagabiya Fi'l-'Iraq (Fifty Years of Trade Union History in Iraq), (Ummal Press, Baghdad 1971), pp. 31-32; and Jai'd, H., Al-haraka Al-nagabiya Fi'l-'Iraq (The Trade Union Movement in Iraq), (Dar-assalam Press Baghdad 1974), pp. 14-15 (both sources in Arabic).

any serious action being taken to implement the workers' demands, the AIA on February 26, 1931, staged another strike. After a week, the government intervened as mediator, and negotiations were held to settle the dispute. The central issue was the "budgetary deficit", and Colonel Tinge held that there was no solution other than the reduction of wages and increase of working hours. But Al-Qazzaz opposed such a solution, because it only affected Iraqi workers, while foreign workers and the clerks remained unaffected. Al-Qazzaz proposed a solution to deal with the deficit involving laying off non-technical foreign workers and redistributing the cuts in wages among all categories of employees. He also demanded the introduction of injury compensation regulations and improvement of working conditions. His demands were accepted and a promise was made to deal with them within one month. Accordingly the strike was called off, but the Railways Authority did not keep its promise.(1)

After the strike, the AIA requested the government to pass a labour code to protect workers. Some members of Parliament supported this move, and the government promised to pass a law. The government asked Al-Qazzaz to submit his suggestions, which he did on March 21, 1931, but the issue was not pursued further.

According to the Directory of Iraq, the government was careless and indifferent to workers' complaints and needs.(2) When, in 1931, the government passed the "Law of Municipal Taxes" aimed at levying a new tax on workers, the self-employed and small employers, the AIA on

(1) For further details of this strike, see Tellew, F.H., op. cit., pp. 219-221, and 'Abd Al-Jabbar, T., op. cit., pp. 26-28.

June 6, 1931, yet again called a strike. This time the strike involved all workers' associations, the self-employed, and small employers who were directly affected by the Law. The strike lasted for fourteen days and was called off when the government agreed immediately to some of the demands and promised to satisfy others within a short period.

However, the government did not fulfil its promise, and, by late 1931, closed the AIA and other workers' associations and arrested Al-Qazzaz.(1) This action was taken because the government was unable to cope with the continuous pressure imposed upon it by various worker organisations. The government instead adopted the tactic of encouraging the formation of trade unions under its control. Accordingly, it permitted the formation of the "Iraqi Workers Association" headed by Abdul-Razzaq Al-Summarie, a government supporter and opponent of Al-Qazzaz. But members of this new union soon resented their pro-government leadership and held a convention in December 1931, at which they dismissed Al-Sammarie, elected a new leadership, and condemned government action in arresting Al-Qazzaz.

In confronting this situation, the government could take no action against the legally elected leadership. Thus, it tried to form another rival union called the "Association of the Mechanical Workers". But at the convention of this union on April 26, 1932, Al-Qazzaz, who by now had been released from prison, won the election against the pro-government candidate. Thus, government efforts to control the trade union movement had failed again.

(1) Idem.
Trade Unions Under the Monarchy (1932-1958)

After independence in 1932, the Association of Mechanical Workers continued its stand against the government, as there was no particular change in the latter's labour policy. In January 1933, the Association held its second convention and changed its name to "The Union of Workers Federation" (UWF), so that workers of all categories could join. Al-Qazzaz was re-elected as chairman of the new union. In his opening speech at the convention, Al-Qazzaz pointed out that the aims of this association were to protect the rights of Iraqi workers, to educate them, to represent their interests and to campaign for the enactment of a labour code. He also condemned the government's suppression of the trade union movement and its indifference to the improvement of working conditions.

In this respect, the UWF requested the intervention of the International Labour Office (ILO) to investigate working conditions and the status of labour in Iraq.

This request marked the beginning of ILO pressure on the Iraqi government to enact adequate labour legislation.

In December 1933, the UWF called for a boycott of the Electric Supply Company of Baghdad, to force the Company to reduce the price charged for electricity.

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3. The Company which was British, practiced price discrimination. Prices in Baghdad were 28 Iraqi fils per unit, while in the Hinadi, Shaljia and Railways areas, where the British had their houses, factories and military establishments, prices per unit were 14, 18 and 8 Iraqi fils respectively.
the public and political opposition enthusiastically supported this
action. (1) The boycott was so successful that the authorities had
to intervene, they accused the UWF of unlawful representation of
Iraqi workers, (2) arrested the members of its executive committee and
deporated them to Sulaimania in northern Iraq. The government also
closed down the union's headquarters. (3)
The government's policy of curbing the labour movement extended
through 1932-33. This policy, without doubt, served the interests
of the employers. Salim stated that they (employers) chose to stay
out in the background and direct the political organ to do the fighting
for them. (4)
However, the big setback to trade unionism at that time was the
decision of Al-Qazzaz to retire. He had never had faith in what he
called the government's lip-service to labour. Later he became a
shop-owner and retired from the trade union movement scene.
Meanwhile, some external and internal pressures forced the government
to pay serious attention to the conditions of labour in the country.
The ILO made several requests to the government concerning labour
problems. These requests, together with pressure from political
groups in Iraq and the too categorical demands of the Iraqi workers,

(1) For example, the Al-Ahali group demanded the nationalisation
of the Electricity Company.

(2) On December 11, 1933, the Mayor of Baghdad wrote to Al-Qazzaz
warning him that the government had neither recognised the UWF
nor his Chairmanship and threatening to take legal action if proof
of the legal standing of the union was not presented.


(4) Ibid., p.173.
were the obligations which the enactment of the Labour Law No. 72 of 1936 was designed to fulfil. Longrigg puts it thus:

"The passage into law of a Labour Code in 1936 reflected pressure on government to insist, at least ostensibly, on something of modern standards in the treatment of industrial workers." (1)

The Labour Law granted workers the right to organise, but it also gave the government the authority to cancel the licence of any union. The Law restricted unions membership to "workers" employed in "industrial undertakings" which meant exclusion from the right to organise of administrative staff, government employees and agricultural workers. (2)

Despite the passing of the Labour Law, the government refused to allow workers to organise. Except for the Drivers Union, which was licensed in 1937, (3) no legal union existed in Iraq until 1944. The authorities were apprehensive of the possibility that organised labour "might be used as an instrument of protest and source of power for other political opponents". (4) As a result of this policy of harassment underground trade unionism began to spread and were organised by the ICP (Iraqi Communist Party) and to a lesser extent, by national elements. This situation continued to exist until the licensing of trade unions in 1944.

(2) The Law is to be further discussed in Chapter 5 of this thesis.
(4) Harris, G.L., op. cit., p.176.
These underground organisations chose to pursue peaceful tactics in exerting pressures on government and employers. Their efforts resulted, in 1942, in the amendment of the 1936 Labour Law. The amendment included provisions for fixing wages, for the settlement of disputes and for industrial safety. (1) There were some strikes, notable among the incidents was the strike by the workers of the Abboud Tobacco factory in 1938 and the sit-in of workers of three cigarette plants in 1942. The first strike took place in protest against the government's refusal to license a union for the tobacco workers, while the sit-in was motivated by demands for wage increases in one of the factories followed by sympathy action in the other two plants. (2)

The amendment of the Labour Law and the formation of a less conservative government in 1944, (3) encouraged the underground unionists to apply for licences. Although several were rejected, between 1944 and 1946, sixteen trade unions were licensed. The majority of these unions were organised on an industrial basis. A few of them were craft unions, but these were open to all categories of workers engaged in their specific occupations as their main concern was to expand their membership. According to data supplied by the Iraqi Ministry of Labour and Social Affairs, the membership of these unions seems to have grown fairly rapidly, particularly if one takes into account the high proportion of


(3) This was the government of Hamdi Al-Pachachi, a moderate politician, who was known to oppose Nuri Sa'id's policies, but who was acceptable to the Royal Palace as a "compromise" man in critical situations.
illiterate workers who were usually expected to be indifferent or unenthusiastic towards trade union organisation. This suggests that underground unionisation, which was largely politically activated, had been successful enough to attract a considerable number of workers who joined the legal unions once these were licensed. The majority of the unions were formed in Baghdad, and a few in the other two large cities, Mosul and Basra. This was to be expected, as Baghdad was the industrial centre as well as the focus of political activities, and Mosul and Basra were the only other major urban centres. Only one union was formed outside the three major cities and that was the Mechanics Union of Qmara.

Once the trade union movement became publicly active, the government began to worry and accordingly took some restrictive measures. Firstly, the government refused to license a federation of unions. In July 1951, when trade unions tried to form a permanent coordinating bureau, the government quickly closed it in December of that year on the grounds that the bureau was not legally licensed. (1) Secondly, the government closed many of the unions, on the grounds that they were involved in political activities dangerous to public security. By 1952, only a few remained licensed and these were confined to educational and welfare activities. (2)

In spite of this, the period was dominated by violent worker protests against the government and foreign employers. As opposed to this, only a few strikes took place in industries owned by Iraqi industrialists, and a majority of these were settled quickly. The friendly attitude of workers towards national employers was explained by 'Abd Al-Jabbar, a prominent trade unionist, on the grounds that:

"The national bourgeoisie have an essential part in the evolution of the national economy — they, at that stage, realised the importance of co-operation between workers and their employers, and in that respect they were our periodical allies in the struggle against the ruling oligarchy."(1)

As conditions worsened, the oil workers in Kirkuk, who were not allowed to form a union, went on strike on July 3, 1946. The dispute was basically centred around the shortage of housing, the right to organise unions, and higher wages to match the mounting costs of living. The strike continued for two weeks and generated a chain reaction of labour discontent and unrest all over the country. The discontent was exploited by the political opposition including the ICP and soon became severe. The climax came on July 14, when the IPC (Iraq Petroleum Company) asked for the government's assistance to break up the strike. Policemen fired at a meeting of about 1,000 workers killing five to eight persons.(2)

This brutality created a storm of public protest and criticism in the press against the government and foreign interests in Iraq, particularly Western. The ultra-nationalist — right and left — directed

(1) 'Abd Al-Jabbar, T., op. cit., p.86.

(2) Known as the "Kawar Baghi Massacre" after the name of the gardens in which the meeting was held.
severe criticism against the IPC.(1)

This strike was followed by a series of strikes in the oil industry which continued throughout the 1950's.(2) Outside the oil industry, too, the 1950's were characterised by continuous labour protests. Workers, as Tellew asserted, "showed no reluctance to accept the idea of a strike — because conditions were so poor that the strike loomed up as the only way out of the situation".(3) The importance of these strikes was not in securing demands — they failed on that score — but in dramatising the labour movement in Iraq.

The period from 1954 to 1958, during which Nuri Sa' id was in power, witnessed the return to underground organisations by trade unionists, who totally became part of the political opposition. In 1954, all political parties and the majority of professional organisations were dissolved, and a police state was imposed. Most of the trade union leaders were arrested on the grounds of being involved in communist or leftist political activities. The membership of the remaining legal unions dropped considerably during this period. In 1946, membership was 13,170, by 1953 it had dropped to about 7,000 members; in 1957, to 821 registered members, and in 1958 it was estimated only

(1) For further details of this strike, see Khaddouri, N., Independent Iraq, pp.256-257.

(2) For an account of these strikes, see Lenczowski, G., Oil and State in the Middle East, (Cornell University Press, Ithaca, New York, 1960) p.267; also see Ibrahim, R., "Ma'a Al-tabaga Al-'amila'Fi'l-'Iraq, 1952-1968" (With the Working Class in Iraq, 1952-1968), Afaq 'Arabia (Arab Horizons), Vol. 1, No. 3, (November 1975) p.91 (in Arabic).

(3) Tellew, F.H., op. cit., p.245.
at 450 members.(1)

To compensate for this policy, the government, under pressure from the ILO, passed two important acts during this period; the Social Security Act No. 27 of 1956 and Labour Law No. 1 of 1958 (replacing the 1936 Law). However, the actual implementation of these two laws had to wait until after the revolution.

(c) Trade Unions Under the Nationalist System (1958-1976)

The revolution brought a complete change regarding government labour policy. Subsequent post-revolution governments maintained a belief in a leading role for the Iraqi working-class in the process of economic development. Accordingly, trade unionism was encouraged and various measures were taken to ensure social justice and welfare of the workers. However, the position of the trade union movement has fluctuated in accordance with changes in the political regime.

Soon after the revolution, trade unions emerged as an "avalanche" in Iraq.(2) Underground organisations established during the previous

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regime were transformed into public "preparatory committees of trade unions". The majority of these committees were controlled by the ICP which emerged as the most powerful and best organised political group in the country. The nationalists led by the ABSP (Arab Ba'th Socialist Party), however, managed to control some of these committees. Meanwhile, the newly enacted Labour Law was amended to enable the formation of trade unions. The Agrarian Reform Act, in turn, made it possible for agricultural workers to join trade unions, a right which was denied them under the previous regime. Accordingly, the preparatory committees applied for legal recognition of trade unions, but the government was reluctant to grant permission, due probably to fear of ICP influence on these committees. Early in September 1958, a preparatory committee for the General Federation of Trade Unions, Iraq (GFTUI) was formed, (1) to which unions' preparatory committees affiliated. Both were not yet legalised but relying on their political strength functioned publicly. Tactically, the GFTUI's union committees sought to put pressure on government through industrial unrest. This and the pressure put by the ICP resulted in the licensing of fifty-two trade unions early in February 1959.

The year 1959, was of special significance in the history of trade unionism in Iraq. For the first time since the 1920's, the right to organise was granted by the government without restriction on a

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(1) Until 1969, the GFTUI was known as the General Federation of Iraqi Trade Unions (GFITU). In 1969, the second congress decided to change it to GFTUI. I have decided to use the present name in order to avoid any confusion.
national basis. Another feature of the new state's labour policy was government pressure on the oil companies to allow union organisation. The companies' resistance lost the backing of the regime and the trade union movement, at last, established itself in the oil industry.

Trade unions took full advantage of the situation and launched the biggest campaign ever to organise workers. The fifty-two licensed unions soon established branches in various districts, some 170 branches in a few months. The Law permitted organisation either on an industry or a craft basis and as a result thirty-two of the licensed unions were industrial while the rest were craft unions. Official figures indicated that by the end of 1959 union membership amounted to 139,853 members, (1) though some other sources had estimated much higher figures, namely 250,000 to 275,000 members. (2)

The GFTUI held its founding congress between July 9 to July 11, 1959. On its agenda, in addition to electing an executive and establishing its internal constitution, were the following topics: the preservation of the democratic republican regime; campaigning for, and participating in, the growth of the national industry and in economic development; improving working conditions and the living standards of the Iraqi working-class; and establishing a new basis for relations with Iraqi employers.

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(1) Quoted by Al-Habib, M.M., A Study of the Social, Political, Economic and Cultural Institutions and the Labor Movement in the Middle East, p. 150.

Prime Minister Qassem himself opened the Congress. In his speech, he implied that the workers of Iraq should devote their efforts towards the creation of a better future through the toil of their hands, leaving politics to those best suited to deal with them. Falahi, the President of the Preparatory Executive of the GFTUI, took up the challenge. In his address to the Congress he stressed at length the political character of trade unions, which he defined as the originised expression of the Iraqi workers' will to fight. That his mood was no more conciliatory than Qassem's was shown by minor, but intensely disagreeable, sallies against government departments. These, he alleged, had of late "unexpectedly" demonstrated hostility to "union workers" and their "measures must be checked immediately."(1)

The Congress elected Falahi as President of GFTUI; Shuker, the Chairman of the Railway Union was elected Vice President; and 'Abd Al-Jabbar, General Secretary. Both the President and the General Secretary were ICP members and had considerable trade union experience, both public and underground.

Qassem's treatment of the GFTUI revealed an uncharacteristic measure of spite. His clash with Falahi had angered him and he would have nothing to do with the movement as long as Falahi was at its head. But Qassem did not merely discriminate against personalities. In July 1959, the GFTUI's headquarters were closed in the name of "the public interest" and its licence was cancelled because "the application

was not made in conformity with the law". (1) The GFTUI was put in abeyance for three months; legally not existing until November 15, 1959, when the Minister of Social Affairs gave his approval to its constitution. In response, the GFTUI issued a statement asserting that it had no political aims - the very issue over which Falahi had foundered in early summer. New elections were held on November 20, 1959, and Vice President Shuker emerged as President; Akhajadoor, the Chairman of the Oil Workers Union was elected Vice President, Ayyash, the Chairman of the Post Office Union was elected General Secretary. Falahi was sacrificed and not elected to the Executive, while 'Abd Al-Jabbar, was elected to the lesser, but very influential post of Secretary of the Industrial Relations Committee. Both the President and the General Secretary were not official members but sympathisers of the ICP, and they had a notable record as trade unionists during the monarchy. The outcome indicated a compromise offer by the ICP to avoid further government hostility. However, during February 9-11, 1960, the GFTUI held the First General Congress (as the July 1959 Congress was considered a general meeting), in which Shuker and Akhajadoor were confirmed in their positions. 'Abd Al-Jabbar was reinstated as General Secretary, and Falahi was given the post of Secretary of the Organisational Committee.

The control of ICP affiliates over the trade union movement was met

(1) The GFTUI was licensed without delay on June 12, 1959, on the basis of an application signed by the members of the Preparatory Executive, most of whom were also chairmen of individual unions. In accordance with Ordinance No. 39 of 1958 which established the procedure for licensing unions, the formation of a federation required the signature of seven chairmen of unions. On July 29, 1959, the licence was cancelled on the grounds that the signatories applied not in their capacities as chairmen of unions but as representatives of an illegal executive.
by a furious reaction from the ABSP and other nationalist groups. Underground union committees were immediately formed, and these, and not the official leadership of the trade union movement, were received by the nationally inspired International Confederation of Arab Trade Unions (ICATU). The activities of these committees, together with the change in the political scene resulted, by early 1960, in a drastic decline in the ICP's control over the trade union movement. In the elections of individual unions held in June 1960, the ABSP and its nationalist allies gained control of the majority of shop steward committees, as well as union branches. As a result, the GFTUI became isolated from the rest of the movement and clashed with them. It even denounced many of the official strikes led by unions on the grounds that they aimed at sabotaging the national economy. (1) In February 1961, when the term of office of the GFTUI's Executive came to an end, elections were postponed on the grounds that the accounts and auditing had not been completed. The real reason, however, was that the executive wanted to prolong its days in office, as it was obvious they would not win the elections.

Alerted by these developments, Qassem, who by no means wanted to see the nationalist bloc revived and in control of the trade union movement, prepared the ground for bringing the total movement under government control. Accordingly, a pro-government "independent

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list"(1) emerged, and when finally, on May 15, the second Congress was held, the government intervened by preventing some opposition members from attending in order to ensure that its candidates would win the elections. Haj Ibrahim Jawad, who had been previously elected as Chairman of the Oil Workers Union, emerged as President of the now government-controlled GFTUI. Nevertheless, many of the union branches and shop stewards committees remained under the control of the nationalist bloc headed by the ABSP.

When the ABSP took over power in 1963, the pro-Qassem GFTUI's Executive was dissolved and a new Temporary Executive was set up in March 1963.(2) The task of this Executive was to administer the routine affairs of the GFTUI, reorganise the existing unions and prepare for elections.(3) Accordingly, unions in similar industries or crafts were amalgamated reducing their number to only twenty-three central unions, while the number of branches in the districts was

(1) After the revolution, when professional and trade union organisations were legalised, various political groups adopted "lists" in order to be identified with them in standing for elections. This procedure is still preserved.

(2) Mohammed Zaki Yunis, a veteran Ba'athist and a well known underground unionist during both the monarchy and the Qassem regime, emerged as President of the Temporary Executive. 'Isa Khether, a trade unionist active in the textile industry became Vice President, and Sami Hamid from the Iraqi Railways, was made General Secretary.

increased to 222. (1)

The new Executive, had successfully campaigned for the formation of a union-government joint dismissal committee. The dismissal committee which was formed in May 1963, was responsible for reinstating the majority of workers who were dismissed by the previous regime because of their alleged political activities. The Executive was also successful in obtaining, in September 1963, an amendment to the Labour Law 1958. The dismissal committee thus became the permanent "Termination of Service Committee". The tasks of the new committee were to monitor the dismissal of all workers and employees in government establishments, and to enquire into cases of unfair dismissal in other establishments. Another major achievement by the Executive was to obtain a Ministerial Decree which stated that members of the GFTUI and union executives were to become "full-time officers". They were to perform their union duties exclusively and their original employers were obliged to pay them the full wages and other allowances they would have received when fully employed. Once their term of office expired, they were to be automatically reinstated in their previous jobs. Prior to the decree, union office holders either performed their duties in the evenings and weekends, or in some cases, reached special but voluntary agreements with their employers to be released on full pay.

The new federation was soon received by the ICATU as a formal member.

Individual member unions joined the Arab Confederation under the previous regime in their capacity as representatives of the nationalists' trade union movement.

The issue of union elections began to grow more pressing a task for the Temporary Executive. Another change of government in November 1963, delayed elections for the time being. The new government, hostile to the ABSP affiliated Temporary Executive, dissolved the latter and the unions' executives on March 14, 1964, and formed a ministerial committee to reorganise unions and hold elections. The new committee reduced the existing unions to nineteen and their branches to 117.(1)

Meanwhile, as a result of their dominance in government, the Nasserists emerged as the strongest group. Their list was sponsored by the ASU, the only official political organisation in the country. Another dissident group known as the "Labour and Workers Group", also stood for the elections but managed to gain control of only one union, the Construction Workers Union. The outgoing ABSP's Temporary Executive boycotted the elections on the grounds that "government intervention in favour of the ASU's list made it impossible to carry out free election".(2)

The GFTUI held its third Congress in October 1964. The main topics on the agenda were: the means of socialist transformation after the nationalisation of industry, methods of implementing and protecting the workers' participation laws which were recently passed, and the achievement of Arab workers' solidarity. Hashim Ali Muhsin, a

(1) International Labour Office, op. cit., p.5.

(2) General Federation of Trade Unions, Iraq, op. cit., p.28.
prominent Nasserist and a member of the Executive Committee of the ASU was elected President of the GFTUI; (1) Omar 'Isa Bajari as Vice President, and Nuri Najim as General Secretary. The new Executive remained in office throughout the whole period of Aref's regime. No elections were held until 1969. However, with the decline of the Nasserists' influence in the late 1960's, the relationship between the trade union movement and the government began to suffer. The latter expressed less enthusiasm towards the formal leadership of the movement and encouraged the dissident "Labour and Workers Group". This group which had controlled only the Construction Union, was led by Immad Al-Aziz, a trade unionist formerly of the Mechanical Union who since the Qassem days had attached himself to the ICATU. (2) His group opposed Muhsin's leadership and the ASU on the grounds that they were leftists and marxist elements. The period until July 1968 witnessed continuous conflict between the two groups which reflected on the performance of the trade union movement. Although membership had increased annually it suffered a relative decline during this period. For example, the increase in 1965 compared to 1964 was 6%; in 1966 compared to 1965 was 38%; and in 1967 compared to 1966 was 19%. (3)

(1) Later, in 1966, Muhsin was elected as President of the ICATU in addition to his post as President of the GFTUI.

(2) Immad Al-Aziz tried to enlist the ICATU support on his behalf, but the Arab Confederation declined on the grounds that the issue was an internal one.

(3) See Table 3.1 of Chapter 3 in this thesis.
In addition, the government represented by its main agency, the Ministry of Labour and Social Affairs, adopted a hostile attitude towards the GFTUI, and a series of discriminatory actions were taken against some individual members or unions.

The question of the legality of the GFTUI Executive after more than one year in office was a major challenge against the formal leadership. Despite subsequent threats, no legal action was taken to dissolve the Executive or hold elections.

The return of the ABSP to power in July 1968, raised the question of elections and the legality of existing union executives. A new election procedure was set up by the Ministry of Labour, according to which the GFTUI and constituent union executives were all suspended. In order to arrange for elections a provisional committee was set up, chaired by Mohammed Ayesh, the Chairman of the Post Office Union and Secretary of National Affairs in the 1963 Executive. The committee had suggested further amalgamations between unions to reduce the number to sixteen central unions. Union elections were

(1) The Ministry of Social Affairs was established in 1941 and was entrusted with responsibility for Labour affairs amongst other social and welfare functions. In 1963, it was reorganised and renamed as the Ministry of Labour and Social Affairs with a separate under secretariat for Labour. Henceforth will be referred to as Ministry of Labour.

(2) Mohammed Ayesh, a prominent Ba’hist and a veteran trade unionist during both the monarchy and the post-revolution periods. In 1963, he became the Secretary of National Affairs in the GFTUI’s Temporary Executive, but then was arrested for a while during the Aref regime. Since 1966 he led the Socialist Progressive List which campaigned for union elections.

held in December 1968, and the GFTUI Congress was held in January 1969. The participants in the Congress declared it to be the Second GFTUI Congress, recognising only the first Congress of 1960. The 1961 and 1964 congresses were disregarded on the grounds that in both cases the government had intervened over the composition of the congresses' membership and the results of the elections.

In the union elections and the Congress, two main lists emerged, the Socialist Progressive List representing a coalition led by the ABSP and including the Democratic Kurds and independent leftists, and the United List representing the ICP and its sympathisers. In addition a few individuals stood independently for election. The result was an overwhelming victory for the Socialist Progressive List. Ayesh, was elected President of the GFTUI; Uraibi, an active unionist in the Agricultural Workers Union was elected Vice President; and Fathil, a leading trade unionist in the Tobacco Union became General Secretary.

Among the major issues discussed by the Congress was the proposal to change the existing labour legislation. As a result of its recommendation, two government sponsored committees were formed in which both GFTUI and IFI were represented. These committees were to propose new labour and social security laws which eventually resulted in Labour Law No. 151 of 1970 and the Social Security and Workers Pension


Law No. 39 of 1971. The two laws, compared with previous legislation, advanced workers' rights and position, and the status of the trade union movement. (1)

The 1969 Congress lengthened the period between elections to every two years. It was then extended to three years during the Third Congress held in January 1971. In this and the subsequent Fourth Congress held in June 1974, no other major change took place in the composition of the GFTUI, except for the post of Vice President which went to Majid Jabbari, while Uraibi was given another responsibility within the Executive. (2) In both Congresses, the GFTUI expressed its unquestioned support of the government's national, as well as labour policies. It also pledged itself to protect the revolution, offered its support to the World Federation of Trade Unions (WFTU) as the international trade union movement and to the ICATU as the basis of a united Arab trade union movement. In addition, it proposed further changes in labour legislation aiming at active worker participation in various aspects of the management of enterprises. (3)

Egypt

As in Iraq, the emergence of an industrial relations system in Egypt was attributable to the development of the labour force and the trade union movement during the British occupation. The development of

(1) These two laws are to be discussed in Chapter 5 of this thesis.

(2) Wai’ Al-Ummal (Labour Review) (Organ of GFTUI), (February 1, 1971) p.6. (In Arabic).

trade unions in Egypt follows a similar historical process to that of Iraq.

(a) Trade Unions Under the British Administration (1882-1922)

Until the end of the nineteenth century, there was only primitive industrial relations in Egypt. The abolition of the Corvee (forced labour) and the guild system in 1890 greatly influenced the development of the industrial labour force, and subsequently the emergence of the trade union movement. A year earlier, in 1889, foreign workers started to organise strikes. The first of these was organised by Italian workers engaged in the construction of the Aswan Dam in March 1889. The second was organised by workers in one of the cigarette factories in Cairo, in December of the same year. The latter strike lasted for about two months and was of a non-violent nature. The two strikes were followed by a series of strikes during the period to 1903, also organised by foreign workers who were employed mainly by the cigarette industry and the transportation companies. The chief demands of the workers were for wage increases and for short hours of work.

The strikes were organised by strike committees, most of which disappeared soon after the strike ended. However, some of these strike committees were transformed into "Workers' Committees", pursuing economic demands. Between 1899 and 1903, eight Workers' Committees were established, but the first successful attempt to organise trade unions was in 1908, when the Cigarette Workers Union and the Cairo Tram Workers Union were founded. These two unions were organised by both foreign and Egyptian workers.(1)

With the increasing strength of the nationalist movement, labour organisations and activities increased. The period between 1906 and 1911 witnessed a series of long and violent strikes. Although the strikes which took place during this period were aimed mainly at achieving economic ends, they were also, to some extent, politically motivated. They were led by Egyptian workers against both foreign firms and government-owned establishments, such as the Railway Administration and the Port of Alexandria, which were both controlled by British officials.(1)

The Nationalist Party played an important role in the development of the trade union movement. The Party adopted a policy of educating workers and encouraging the formation of trade unions. By the end of 1908, a number of night schools had been established in Cairo and other major cities. With the assistance of the Nationalist Party, the Handicraft Union was established. This included all workers who were enrolled in the night schools which were established by the party. By 1909, membership in this union which consisted only of Egyptian workers, reached 800. The original purpose of the union was not the protection of the workers, but rather the provision of educational and social services to its members, and it was successful in establishing production and consumer co-operatives.(2)

(1) For further details on these strikes see 'Izz al-Din, A., Tar'ikh Al-tabaa Al-'amila Al-misriya Montho Nasha'teha Hatta Thawrat 1919 (The History of Labour and Labouring Classes in Egypt from their Emergence Until the 1919 Revolution) (Dar Al-Kitab Al-'arabi, Cairo, 1967), pp.76-117; and Nekheili, S.M., Al-haraka Al-ummalia Fi Misor Wa Mawkif Al-Sahafa Wal-sultat Al-misriya Neha (The Labour Movement in Egypt and the Stand of the Press and the Egyptian Authorities Towards It) (EFL, Cairo, 1967), pp.17-72 (both sources in Arabic).

(2) See Nekhieli, S.M., op. cit., p. 75.
The relationship between the nationalist movement and the Labour movement was strengthened after the establishment of the Handicraft Workers' Union. The Nationalist Party continued to encourage the establishment of trade unions and provided substantial support to them. In 1911, the number of unions increased to 11, with a total membership of about 6,000. The Party attempted to establish a close relationship between the intellectuals and workers by spreading socialist ideas. (1)

However, the British administration's policy aimed at suppressing the nationalist movement during the pre-war period successfully weakened trade unions. With the outbreak of the First World War, martial law was introduced and other specific measures were enacted undermining further the trade unions. Some union leaders and nationalist leaders who were connected with trade unions were imprisoned. (2)

Meanwhile, the huge increase in the cost of living during the War resulted in widespread unemployment, forcing many workers to abandon their union activities. As a result, many trade unions disappeared.

In 1918, the revival of both industry and the nationalist movement resulted in the revival of the labour movement. Workers at first started to reorganise themselves in trade unions; the constant rise in the cost of living was an important factor in unifying the workers around the theme of exploitation by foreign capital. The 1919


(2) See 'Izz al-Din, A., op. cit., p. 136.
revolution provided an outlet for the articulation of labour demands. This was an important turning point in the development of the trade union movement in Egypt.

Workers relied on two strategies: strikes (1) and organisation of trade unions. Perhaps the most significant outcome of the 1919 revolution was the establishment of a large number of trade unions. The number of trade unions increased from 11 in 1918 to 43 in 1919; 19 in Cairo, 18 in Alexandria and 6 in other towns in the delta region. (2) Another important outcome of the revolution was the emergence of the concept of "general union" which included other groups in addition to workers. Two general unions were established in Cairo and Alexandria by the Handicraft Workers Union. The main purpose of these unions was to mobilise various groups for advocating nationalist aims. (3)

Soon after the 1919 revolution, adherents of socialist ideas started to infiltrate trade unions. In 1920, the Socialist Party was established, advocating a programme of political and labour reforms. The Party's programme of reform was received with enthusiasm by the trade unions. The Party also advocated the establishment of trade unionism as a mass movement, and was successful in establishing a

(1) The pattern of these strikes is to be discussed in Chapter 6 of this thesis.

(2) For details on the establishment of these unions see 'Izz al-Din, A., Ta'rikh Al-tabaga Al-'amila Al-misriya, 1919-1929 (The History of Labour and Labouring Classes in Egypt, 1919-1929), (Dar Al-Sh 'b, Cairo, 1970), pp.94-103 (in Arabic).

(3) Ibid., p.101.
short-lived Egyptian Federation of Labour which included 38 trade unions. (1)

(b) **Trade Unions Under the Monarchy (1922-1952)**

In 1922 some people left the Socialist Party and established the Communist Party of Egypt, and these elements started to infiltrate trade unions. However, the Party was weakened by the enactment of a law in 1922, which prohibited communist activities. In the same year, a law was passed which prohibited strikes on projects which served the public interest. The Egyptian Federation of Labour established by the Socialist Party disappeared after the government broke up a violent strike in 1924, and imprisoned communist leaders. In 1924, the Wafd Party attempted to control trade unions through the establishment of a federation under the chairmanship of Abdulrahman Fahmi, a prominent Wafdist. (2) This new federation likewise, disappeared the same year, following the imprisonment of its president. Trade unions tried to bring pressure on the government for the enactment of a labour code, but to no avail.

During the period from 1922 to 1930, Labour activities were limited to attempts to persuade the government to enact a labour code and the establishment of trade unions.

Political parties continued their attempts to control trade unions.

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(1) See Amin., M.F., *op. cit.*, p.20.

In 1930, a new trade union federation was formed by the Prince Abbas Halim, with the encouragement of the Wafd, but in 1935, when a conflict developed between the Prince and the Wafd, a split occurred among trade unions. The Wafd succeeded in controlling some of the trade unions. The Royal Palace and some other political parties also attempted to win the support of trade unions. In 1935, Ismail Sidqi, the leader of the People's Party, who had been a Prime Minister and a prominent businessman, attempted to bid for the support of trade unions by promising labour reforms. The Royal Palace also announced the establishment of a trade union federation under its sponsorship. (1)

The promulgation of the 1930 Constitution prevented the articulation of demands by many groups including workers. (2) Employers succeeded in preventing the enactment of significant legislation which might have strengthened the position of workers in general, and of trade unions in particular. They also succeeded in securing the cooperation of the police in breaking up strikes. This led workers, on some occasions, to resort to hunger strikes and even suicide. (3)

The spread of unemployment, the rise of the cost of living, the worsening of working conditions, and the dissemination of nationalist ideas through the press, all led to the resumption of strike activity. A series of strikes, some of which were extremely violent, took place between 1932 and 1938.

(1) See Amin, M.F., op. cit., pp. 22-23.
(2) See Chapter 1 of this thesis.
The period from 1938 to 1944 did not witness strikes. In 1940, following the outbreak of the Second World War, a law was enacted prohibiting strikes and strict control was established over trade union activities.

When the Wafd was brought to power with the help of the British in 1942, it passed a number of laws. Of particular importance was the Trade Union Act 1942, which gave legal recognition to trade unions.(1) But even though the law legally recognised trade unions, it established strict government control over them. Furthermore, agricultural workers and government employees were specifically forbidden from organising trade unions. The exclusion of agricultural workers was aimed at preventing peasants from gaining political strength, which might have constituted a challenge to the authority of landowners. Government employees were allowed to form only associations, whose activities were limited to providing services to their members.

The Act restricted union membership to persons actually working in industry and commerce. This was aimed at preventing intellectuals and political groups from infiltrating trade unions. The Act restricted the establishment of unions to those having fifty and more members. Some other restrictions were introduced which were generally aimed at limiting trade union activities.(2)

(2) The Trade Union Act 1942 is to be discussed in detail in Chapter 5 of this thesis.
In spite of the limitations of the Act, the number of trade unions, as shown in Table 2.1, increased to 489, with a total membership of about 140,000 in 1945. The number of unions and union membership, however, dropped to about 92,000 by 1947. The reason for this decline was that many unions were found to have less than the minimum of fifty members required by the law, and accordingly their licences were cancelled. The licences of other unions were cancelled for their failure to maintain proper accounts and records.(1)

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Unions</th>
<th>Total Union Membership 000's</th>
</tr>
</thead>
<tbody>
<tr>
<td>1945</td>
<td>489</td>
<td>140</td>
</tr>
<tr>
<td>1946</td>
<td>441</td>
<td>142</td>
</tr>
<tr>
<td>1947</td>
<td>441</td>
<td>92</td>
</tr>
<tr>
<td>1948</td>
<td>478</td>
<td>124</td>
</tr>
<tr>
<td>1949</td>
<td>465</td>
<td>123</td>
</tr>
<tr>
<td>1950</td>
<td>491</td>
<td>149</td>
</tr>
<tr>
<td>1951</td>
<td>488</td>
<td>145</td>
</tr>
<tr>
<td>1952</td>
<td>568</td>
<td>160</td>
</tr>
<tr>
<td>1953</td>
<td>947</td>
<td>265</td>
</tr>
<tr>
<td>1954</td>
<td>1,155</td>
<td>300</td>
</tr>
<tr>
<td>1955</td>
<td>1,154</td>
<td>373</td>
</tr>
</tbody>
</table>

The trade unions which existed during the period from 1942 to 1952 were rather weak and the majority were small but a few were large.

For example, in the textile industry, the unions at two leading textile companies in El-Mehalla El-Kubra and Alexandria, consisted of about 30,000 workers. The small size of unions was due to the fact that many company unions were established in the same industry. In 1947, there were eighty-two separate unions in the transport industry, with a total membership of 16,640 workers.(1)

The Trade Union Act 1942, prohibited the establishment of trade union federations, nevertheless, a short-lived trade union congress was founded in 1946. It was known as the Committee of National Liberation and was founded by a group of leftist unionists. The Committee changed its name to the Workers' Congress attracting more conservative elements as it became involved in nationalist activities. It was one of the main forces behind a series of

(1) See Handley, W.J. op. cit., p.281.
violent political demonstrations and workers' strikes which took place during 1946. It disappeared, however, at the end of 1946, when the government severely suppressed some of the strikes, dissolved the major unions involved and imprisoned their leaders. (1)

A few surviving members of the defunct Congress started to reorganise themselves. They participated in the activities of various nationalist groups, among which was the leftist organisation known as the Democratic Movement of National Liberation. This workers' group was responsible for organising the major strikes which took place at El-Mehalla El-Kubra in 1947. The stern counter measures taken by the government resulted in the disappearance of this group.

The recognition of trade unions clearly did not result in industrial peace. Factors which led to these strikes were related to the huge increase in the cost of living, the low level of wages, unsatisfactory working conditions, lack of housing and social services, the extreme repressive measures taken by the government against workers, and the workers' involvement in the growing nationalist movement. Many of the workers lived below subsistence level during this period. (2)

(1) See Audsley, M.T., "Labour and Social Affairs in Egypt", in St. Antony's Papers, No. 4 - Middle Eastern Affairs No. 1, (Chatto & Windus, London, 1958), pp.96-97.

(2) See El-Giritly, A.A., op. cit., p.531.
(c) **Trade Unions Under the Nationalist System (1952-1976)**

The revolutionary regime that came to power in Egypt in 1952 aimed from the start to establish social justice for all and mobilisation of the masses for political action participation. In order to achieve these goals various measures were taken to improve the welfare of the people. The two main groups representing the majority of the population were the peasants and the workers. Agrarian reform was introduced to improve the welfare of peasantry. To improve the welfare of workers, the revolutionary regime enacted a series of labour laws which aimed at regulating almost all aspects of management-labour relations. It also established machinery for more rigorous enforcement of existing labour laws. The regime's efforts to strengthen the labour movement were not limited to the development of trade unions, but also included measures for the education and training of workers.(1)

Soon after the new regime assumed power in 1952, a new Trade Union Act was promulgated (Trade Union Act No. 319 of 1952).(2) The law gave agricultural workers the right to form trade unions, permitted the establishment of a nationwide federation, the right of the trade union to represent all workers on the shop-floor if three-fifth of them were union members, the formation of shop stewards' committees...

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(1) The government's labour policy and measures are to be discussed in Chapter 5 of this thesis.

and check-off agreements. These provisions contributed greatly to unionisation and to the financial independence and security of trade unions.

Under the new Act, unions continued to be prohibited from engaging in political and religious activities. Strikes also continued to be forbidden. Furthermore, all trade union officials were required to be full-time workers. This specific provision prevented the development of a full-time professional union leadership.

Although strikes were forbidden by law, the early years of the revolutionary regime witnessed frequent instances of labour unrest. These were to be expected. After all the workers had suffered from oppression and exploitation in the past and were encouraged by the declaration of the government that their rights and their entitlement to a higher standard of living and working conditions would be supported by legislation and other provisions.(1) The formation of a nationwide general federation was delayed until 1957 when the government had practically removed all opposition groups from among the trade union movement and brought the latter under its total control. The formation, in 1957, of the Egyptian Federation of Labour (EFL) marked the beginning of a nationwide

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(1) Some of these strikes were of a serious nature and included sit-ins and wrecking of factories. The government dealt sternly with the strikers. For further details on the events which accompanied these strikes, see Hussein, M., Class Conflict in Egypt: 1945-1970, (Trans. Chirman, M., Chirman, S., Ehnenfeld, A., and Brown, K.), (Monthly Review Press, New York, 1973) pp. 124-125.
unified trade union movement politically integrated with the ruling Party and sole political organisation, the National Union (and thereafter the ASU).

In 1959, a comprehensive labour code was promulgated (Labour Code No. 91 of 1959).(1) This law, along with various later ministerial decrees, constitutes the basis of labour policy in Egypt during the period from 1959 onwards. Part of the law was aimed at strengthening trade unions. A trade union was to include persons engaged in a given occupation, trade, or craft. Trade unions were permitted to set up branches in each district, and to form shop stewards committees in each plant having fifty workers and more. This was a confirmation of the same provision of the 1952 Act aimed at unifying trade union leadership. The new Code also permitted government employees to join trade unions. Unions, reorganised in fifty-three central unions with 288 branches, witnessed a considerable increase in membership. In 1963 total union membership reached 408,566 workers.(2)

Despite the general support and satisfaction of the labour movement for the 1959 Labour Code, practical problems soon emerged when the Code was applied. Restricting shop stewards' committees to establishments with fifty or more workers resulted in a severe communications problem between union branches and their members in small firms who had no

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official union representation. The centralisation of authority in the hands of the central unions with headquarters usually located in Cairo and Alexandria, resulted in weakening union branches.

To eliminate the above weaknesses in the Labour Code the Presidential Decree No. 62 was issued in 1964. (1) The Decree did not change the structural organisation, on the contrary, it further affirmed the central authority of the central unions and the EFL. It did, however, give greater autonomy to union branches and shop stewards' committees. The new decree also provided for the appointment of full-time officers. After completing their term, these officers were to return to their former employment. The provision was intended to develop professional trade union leaders drawn from union membership. The legislation was also intended to establish government authority over the trade union movement. In this respect, the government alone was authorised to specify the number of unions and classify similar trades in which one union was to be established. Accordingly, Ministerial Decree No. 30 of 1964 specified the twenty-seven trade unions that were permitted. (2)

The changes in labour legislation and full government support for trade unionism resulted in uniting various political factions within the trade union movement, and in expanding trade union activities.


(2) For a list of these unions see Ibid., pp. 42-43; and Khalid, M., Al-haraka Al-naqabiya Baina Al-madhi Wal-hathir (The Trade Union Movement Between the Past and the Present), (Mu'ssat Dar At-ta'wey, Cairo, 1975), p. 58, (In Arabic).
Various marxist groups now content to be incorporated within the formal trade union leadership, offered their support to the regime and started to play a positive role in trade union activities. The National Charter presented in 1962 by President Nasser, stipulated that trade unions were to contribute to industrial development, to protect their members' rights and interests, and work for the improvement of their members' material, educational and social well-being. (1)

Thus, trade unions were viewed as agencies for promoting co-operation for the purpose in achieving industrial development. The new role assigned to trade unions differed sharply from their previous role. Hitherto, trade union activities, apart from some collective bargaining which was limited in scope and in subject matter, were confined to the provision of welfare services and workers' education programmes. The changes introduced profit-sharing, worker-directors and other forms of participation at local, as well as national levels. (2) This wave of activities opened up a new horizon for the trade union movement and led to further refinement of its ideology towards workers control. Thus, at the Fifth Congress held in May 1965, the EFL issued a "list of recommendations" to the "national government" to "strengthen the position of the Egyptian working-class so that it is able to contribute effectively to the economic development and the creation of the country's renaissance". (3) The list included demands for expanding

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(2) Worker participation in management is to be discussed in Chapter 9 of this thesis.

workers' participation in all aspects of industry and economic sectors, notably in planning, legislation and manpower forecasting. (1) Despite the cool reaction of the Ministry of Labour, subsequent steps were taken by President Nasser himself (through Presidential decrees) to expand the trade unions' role in national planning and to consult them about labour and industrial legislation. (2) These changes suggest a shift in the process of rule-making at national level. In the past, nationwide rules had usually been established by the government with occasional consultation of employers and the management of the public enterprises. The new changes in the role of trade unions eventually led to their inclusion in this process, though the state continued to maintain the leading role.

Political changes brought about after Nasser's death have not much affected the position of trade unions. Despite the policy of "economic liberalisation", the Sadat's government has maintained socialism as the essence of the Egyptian economy making no drastic changes in labour policy.

At the EFL's Ninth Congress, held in July 1973, Salah Gharib, the then Minister of Labour, was elected President of the Federation replacing Bulita who became President of the ICATU. (3) This move helped to maintain the traditional co-operation between the government

(1) For a list of these demands, see Ibid., pp. 12-13.
(2) Arab Socialist Unions, Workers and the Revolution in its Twenty-First Anniversary, pp. 198-199.
(3) Bulita, at present is the Minister of Manpower Planning in addition to his post as President of the ICATU.
and the trade union movement at the centre. However, within the rank and file in branches and union committees where Nasserist and marxist elements were strong, there has been some opposition to the formal leadership. This opposition still operates within the legal framework of the ASU and the regime.

Union elections which were due to be held in July 1975 were postponed on the grounds that new labour and trade union laws were about to be passed. This action was criticised by a representative of the leftist elements, Miss Amina Shafiq. In an article published in the Al-Ahram, (the semi-official Cairo daily newspaper), Miss Shafiq argued that there was no justification for postponing union elections, except for fear of the possibility that some radical elements might reach top positions.(1) Although given the present system by which the ASU nominates candidates for union offices, it seems difficult to believe Miss Shafiq's argument, it is still obvious that no union elections have been held up to the present time. The promised labour and trade union laws were enacted but have not yet been put into effect due to opposition from trade unions. The Trade Union Act in particular was criticised by EFL (though the Federation was consulted when the Bill was drawn up) on the grounds that it did not contain their recommendations and further increased government control over the trade union structure.(2)

Meanwhile, the leftist elements have been putting increasing pressure on the EFL to take an independent economic and political stand.


Although they failed in persuading unions to join the National Progressive Organisation, the Leftist Front within the ASU, they successfully prevented the EFL from standing with the Centre Front.\(1\) Under pressure, the Federation was forced to call for free choice by its members to join any of the three fronts.\(2\)

In conclusion, it seems that the present trend of inter-union ideological conflict is going to continue for the near future. If so, this will undoubtedly effect the trade union movement and its relationship with the government.

Syria

In Syria, similar to Iraq and Egypt, a primitive industrial relations system existed prior to the emergence of the industrial labour force and trade unionism under the French Mandate. Therefore, in analysing the development of trade unions I shall follow a similar historical process to that followed in the cases of the other two countries.

(a) Trade Unions Under the French Mandate (1920–1946)

Prior to the French Mandate, when handicraft industries were prosperous, management-labour relations were governed by a guild system. Both

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\((1)\) In May 1976, President Sadat announced the reorganisation of the ASU so as to allow for the existence of three formal political fronts operating within the ASU. One represents the political right, the other represents the left and the third represents the centre (the government’s front). For further details see Chapter 1 of this thesis.

employers and employees were organised in one craft association, in which the power of employers based on paternalism was dominant. (1) However, the emergence of the factory system under the French administration, accompanied with a relative decline in the handicraft industries, made possible the emergence of modern trade unionism. Nevertheless, the guild system did not disappear until it was officially abolished in 1935.

The first trade union to be organised independently from the guild system was the "National Union of Workers of the Textile and Knitting Industries" which was formed in Damascus in 1925. Subhi Khatib, the pioneer of Syrian trade unionism was elected Chairman of this Union. (2) In 1928, the "Printing Workers' Union" was also founded in Damascus. In the absence of any law regarding the formation of trade unions, the French authority ratified the two unions' internal rules in accordance with the Ottoman Code of the Guilds. (3) Employers, confident of their power and aware of the ineffectiveness of such organisations, did not object. (4)

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(2) Subhi Khatib, a foreman, originally campaigned for a formation of a workers' union in 1922, but did not succeed until 1925. He later became the President of the GPTUS and a founding member of the ICATU.


In the ensuing years other permits were granted and several unions were formed in Damascus and Aleppo. Their establishment set the pattern for workers in the newly-developed industries.

Workers' attempts to organise on a modern basis were not easy. There were many setbacks, for example, the strong roots of paternalism, the powerful position of the employers, the absence of a protective labour code, and the lack of qualified and experienced labour leaders. The few unions which were established were ineffective because they lacked the legal structure according to which they could justify their activities. The Ottoman Code of the Guilds entitled them to act as organisations arranging the rules of their crafts and pursuing some other welfare activities within the limits of social norms and customs.

It was apparent to the French authority that new labour legislation was needed, since the idea of trade unionism was increasing in popularity among workers and any legislation would have to reckon with their sentiments. Thus, in September 1935, a legislative decree was passed (Legislative Decree No. 152 of 1935) which abolished the Ottoman Code of the Guilds, and was also designed to restrict trade union activities and to control and suppress them.(1)

Although the abolition of the Ottoman Code did not provide trade unions with the needed labour code, it made it possible for them to convene and act as workers' organisations. Meanwhile, the change in French policy under the National Front government encouraged the Syrian trade unionists to act freely. Accordingly, in late 1936, the

delegates of the leading trade unions of Damascus convened a conference to study the problems of trade unionism and workers. Its outcome was a list of problems which the conference expected the government to deal with, among them: maximum hours, a labour code, a committee to resolve industrial disputes, and the problem of low wages. The list of demands also asked for compensation for workers who had been discharged owing to the severe economic conditions, the banning of child labour, and prohibition of the employment of foreign workers.

The government's reaction was negative and contributed to industrial unrest and the outbreak of a series of strikes. Another conference was convened in March 1938 and was attended by representatives of all workers in Syria. The conference led to the establishment of a federation of all trade unions to give labour a powerful united front. The Federation, which elected Subhi Khatib as President, submitted to the authorities a new list of demands, notable among them was the right to organise all categories of workers, including those still engaged in handicraft industries. This demand was conceded and in January 1939, the government issued a directive specifying the occupations and professions that could form trade unions. This list of occupations and trades was shortly expanded to include almost all categories.

The outbreak of the Second World War brought a temporary setback to the development of trade unions. To prevent interruption of wartime production, the state prohibited trade union conferences and meetings. The Federation of Trade Unions thereupon authorised its President, Khatib, to follow up the efforts of the unified demands of workers.
Meanwhile, the need to seek workers’ co-operation to meet the wartime production requirements resulted in a gradual easing of the restrictions on trade unions’ activities. Khatib’s efforts succeeded in bringing about the enactment of better and more protective labour legislation, and in creating an atmosphere of freedom to organise. Trade union activities were not limited to economic goals but extended, as was the case in Iraq and Egypt, to identification with political parties and upheaval in the country. Political parties competed to infiltrate the trade union movement and gain trade union support. Both the ABSP and the SCP (Syrian Communist Party) were very active in this field and more successful than the traditional parties, such as the National Bloc. The political orientation of trade unions was reflected during the elections of the unions’ executives. Syria’s nationwide war efforts made the workers realise their obligations to the country and their importance as a pressure group.(1)

The War era also brought formal changes in government policy beneficial to the cause of trade unionism, namely, industrial peace. Government intentions were to support the war effort by avoiding strikes. The way to achieve that aim was by easing out the restrictions imposed on trade unions by legislation. Hanna points out that numerous decrees were passed to help solve some of the problems, such as Decree No. 125/N1 of December 1941, providing

(1) For a detailed account of the political orientation of trade unions in Syria during this period, see Hanna, A., Al-haraka Al-ummalia Fi Suria Wa Libanan, 1900-1945 (The Labour Movement in Syria and Lebanon, 1900-1945), (Dar Dimashq, Damascus, 1973), pp.362-381, (In Arabic).
living allowances and the decrees of August 1942 and May 1945, providing wage adjustments to meet increasing cost of living. (1) This encouragement stimulated further organised efforts, and by 1946 there were some 18,000 to 19,000 members in Syria's trade unions. (2)

(b) Trade Unions Under the Traditional System (1946-1958)

Among the earliest actions of the newly independent government was the enactment of the Labour Code No. 279 of 1946. (3) The government needed the support of various groups, including trade unions, and had no choice but to submit to the latter's demand for a Labour Code. The Code brought, in addition to legal recognition, very advanced provisions regarding trade union activities. However, as was the case in Iraq and Egypt, it excluded agricultural workers and government employees from the right to organise.

After the enactment of the Labour Code, trade unionism began to spread rapidly in Syria, though not as impressively as in Egypt. By the early 1950's there were 182 registered trade unions with nearly 28,000 members, of whom about 15% were in industry. (4) By comparison, Egypt at that time had 488 unions with about 150,000 members, and Iraq had only 12 unions with some 7,000 members.  

(1) Ibid., pp.179-183.  
(2) See Nabulsi, op. cit., p.235.  
(3) The Code is to be discussed in Chapter 5 of this thesis.  
Table 2.2 shows that the total membership of Syrian trade unions was very small and increased very little between 1951 and 1957 although the number of trade unions increased considerably.

**TABLE 2.2**

**Trade Union Membership in Syria, 1951-1957**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Unions</th>
<th>Total Union Membership 000's</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>182</td>
<td>27</td>
</tr>
<tr>
<td>1952</td>
<td>190</td>
<td>27</td>
</tr>
<tr>
<td>1953</td>
<td>199</td>
<td>28</td>
</tr>
<tr>
<td>1954</td>
<td>219</td>
<td>30</td>
</tr>
<tr>
<td>1955</td>
<td>236</td>
<td>31</td>
</tr>
<tr>
<td>1956</td>
<td>256</td>
<td>33</td>
</tr>
<tr>
<td>1957</td>
<td>281</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: Devised from Nabulsi, H.M.S., op. cit., pp. 233 and 236; and Beling, W.A., op. cit., p.10.

This was mainly due to the ineffectiveness of many registered unions, whose establishment was motivated by political rivalry rather than actual expansion of employment in their respective trades.

Since the figures of Table 2.2 represent the aggregate of industrial, transport, construction and services employment, it is fair to say...
that the Syrian trade union movement was weak during this period, though compared to Iraq it was in a healthier position. Among the factors which hindered its expansion, in addition to the ineffectiveness of many registered unions, were the exclusion of the agricultural workers and government employees, and the high percentage of illiterate workers who were indifferent towards organised activities.

However, except for the Shishakli's rule (1951-1954), the Syrian trade union movement, during this period, enjoyed a considerable degree of freedom to function. In 1949, the General Federation of Trade Unions, Syria (GFTUS) was established to replace that of the 1938. (1) A few other general federations were thereafter also established, but the GFTUS was the most powerful among them. By 1958 there were some 135 unions affiliated to it in various parts of Syria. (2) The Federation played a significant role in the country's domestic policies. Prior to 1957, the GFTUS was controlled by a coalition of various leftist and moderate political groups among trade unionists. Its first President was Subhi Khatib, the pioneer trade unionist who presided over the 1938 federation. In the 1957 elections, the ABSP, now very powerful in Syria, was able to capture the leadership of the Federation, and Tala'at Taghlubi, the Chairman of the Railway Union and a prominent Ba'athist was elected to the Presidency. The ABSP's control of the Syrian trade unions continued until 1960, when the Nasserists took over the leadership of the GFTUS.

As a result of the ABSP's influence, the GFTUS became very active in the political field, advocated socialism and Arab unity. The

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(1) Later in 1959, the GFTUS became by law the only recognised trade union federation in Syria.

(2) Lenczowski, G., *op. cit.*, p.279.
federation, guided by the spirit of Pan-Arabism, was one of the founders of the ICATU in 1956. However, owing to ideological differences, some other, but far less influential, general federations were also established throughout the 1950’s. In 1953, in addition to the GPTUS, there were two other national and six regional general federations. Many other federations were formed thereafter; in early 1958, they totalled eighteen national and regional general federations. Like their affiliated unions, the majority of these federations were small, ineffective, and merely a reflection of political rivalry.

Industrial unrest was a familiar phenomenon during the period, particularly between 1946-49 and 1954-58. The post-war wave of strikes may be traced to inflation, the adverse effects on the young Syrian industry of the resumption of imports, and governmental instability. During the period 1949-54, the number of strikes declined, as the military regimes attempted to improve working conditions and suppress strikes and it was not until the deposition of Shishakli that another series of strikes erupted.

(c) Trade Unions Under the Nationalist Regimes (1958-1976)
The new UAR regime aimed at integrating the Syrian Trade Union movement into the National Union, and thus, like the Egyptian trade union movement, it was to come under government control. Early attempts to

(2) Belling, W.A., op. cit., p.40.
(4) The National Union was Egypt's only political party prior to the ASU. During the union with Syria, a National Union was also established in that country. See Chapter 1 of this thesis.
persuade various federations, including the Ba'ath-dominated GFTUS to join the National union failed. This was mainly because the Syrian trade union movement had experienced freedom of association and would not sacrifice this freedom even for national integration. However, the government, in order to enforce its policy, pursued new tactics: it influenced workers to join the National union on an individual basis, it sponsored Nasserist unionists, and in the meantime, gave concessions to the labour movement in order to ensure its loyalty and prepare it to accept political integration with the National Union. (1)

The ABSP, which controlled the Ministry of Labour, could not officially oppose these tactics. However, in order to maintain its control over the trade union movement, the ABSP instructed its unionist members to join the National Union individually. Meanwhile, a campaign to organise uncommitted workers was waged, and both the ABSP and the Nasserists competed with each other in this respect. The ABSP was very experienced and had a popular base among workers compared to the Nasserists who were inexperienced and relatively new to this field of activity. Thus, despite direct intervention by the Ministry of the Interior on behalf of the Nasserists, the ABSP list won the union elections which was held in September 1958, though by a margin of only twenty-four votes. (2)

The Labour Code No. 91 of 1959, which enacted in April of that year, applied to both Egypt and Syria. (3) Although the Code drew upon the most advanced Egyptian labour legislation, to Syria it was in


(3) The main provisions of the Code were discussed earlier in this Chapter. The Code is also to be discussed in detail in Chapter 5 of this thesis.
certain important aspects, a step backward. The Code established very close government control over both unions and workers, which the Syrians had never experienced before. It prohibited strikes, a right which Syrian workers had enjoyed since the Ottoman days. It also applied the Egyptian form of disciplinary procedures. These procedures gave employers greater authority regarding discipline, including the right of summary dismissal in certain cases (a right hitherto unknown in Syria).

More significantly, the government, in January 1960, enacted a new law (Law No. 8 of 1960) which made it compulsory for trade unionists who stand for union office, to join the National Union. Article (6) of the Law explicitly states:

"A trade unionist may not stand for trade union elections at any level within the trade union organisation structure, unless he (or she) becomes a member of The National Union."(1)

The Labour Code was accepted enthusiastically by the Egyptian trade unionists (to whom it represented a very great advance), but the Code was met with severe opposition by the Syrian trade union movement. The GFTUS and other Syrian federations became virtually illegal under the provisions of the Code. The GFTUS strongly criticised the Code on the grounds that it subjected the trade union movement to government control, prohibited unions to engage in political activities, and prohibited the right of strike. The GFTUS also claimed that the Code, contrary to international agreements, abused the freedom of association by giving the authorities the right to dissolve unions on trivial grounds.(2) The GFTUS reacted strongly

(1) Quoted by Khareet, M., and Jamal, R., op. cit., p.7.

(2) General Federation of Trade Unions, Syria, Al-haraka Al-ummalia Fi'l-qitr Al-'Arabia Al-suri (The Labour Movement in Syria) (GFTUS, Damascus, 1975), pp.43-44, (In Arabic).
against Law No. 8 and considered it to be "an Act aimed at paralysing the labour movement in Syria" and "there is no resemblance to this Law even in the more reactionary regimes and those countries who are well known to oppose freedom of association". (1)

The opposition to integration led to abandoning the idea and amending Article (183) of the Labour Code which stipulated that "it is forbidden to constitute more than one general federation of trade unions in the United Arab Republic". The new amendment stipulated that the "term one general federation of trade unions applies separately and independently to each region of the United Arab Republic". This meant that there would be two separate trade union movements, one in Egypt and the other in Syria, with two general federations and affiliated unions in each region.

All trade union federations and their affiliated unions in Syria became illegal in accordance with Labour Code 1959, and new applications for union licensing had to be made. Applications for licenses for forty-one central unions were granted (compared to about 300 unions which existed in various districts prior to the enactment of the Code). This was a result of the Code's provision that only one union may be formed in one industry or craft.

The licensed unions soon opened branches in the districts and prepared for the elections which were held on July 5, 1959. Despite government intervention, the ABSP (which had now come into open

(1) Ibid., p.44.
conflict with the government) was again able to control most of the trade unions. Its candidates also held the majority of the seats in the GFTUS' Executive, including the presidency which went to Khalid Hakim, the Chairman of the Automobile Drivers Union who was a prominent Ba'athist and an active founder of the ICATU. (1)

The enactment of Law No. 8 of 1960, required that all office holders had to join the National Union. This provoked great protest and resentment among the Syrian trade union movement. Refusing to join the National Union, representatives of more than 300 union branches and 36 out of the 41 general unions held a conference in Damascus on January 31, 1960. The conference petitioned President Nasser to restore trade union rights. The delegates demanded the right to strike, an end to summary dismissal, an amendment of the Labour Code, an end to the National Union's control, and a 10% increase in minimum wages (because wages had declined at least that much in 1959). Many of the union leaders, as a result, were arrested and in protest the Executive of the GFTUS resigned. (2)

The government then installed a new leadership loyal to it from among the National Union members. Executives of general unions were suspended and union branches were dissolved and replaced by appointed loyal personnel. This action was deplored by various trade union


(2) See Ibid., p.63; and GFTUS, op. cit., p.45.
factions as anti-democratic and illegal, because in accordance with the Labour Code, all union posts must be filled by elected personnel.(1)

The new trade union leaders occupied themselves mainly with National Union activities, and Arab and international affairs; they paid little attention to the mounting problems of unemployment and rising prices. Consequently, workers lost confidence in their new leadership and tried, on several occasions, to enforce their demands by resorting to short daily stoppages.(2) However, the nationalisation measures introduced in 1961 were generally welcomed by many deposed trade unionists, despite the conflict between these unionists and the government. But these measures came too late in the life of the regime to provide a serious solution.

The Syrian trade union movement further suffered under the separatist rule (1961-63). The new regime which denationalised industry was determined to revive the pre-unity position of the private sector and strengthen it. Open conflict ensued between employers backed by the government and trade unions. The Nasserist unionists, who continued to lead the trade union movement officially, were paralysed after losing government support after the separation. The Ba'athists and communists though holding no official trade union posts, became the most active groups leading almost daily strikes in protest against the new regime's anti-labour policies.

(1) See General Federation of Trade Unions, Syria, op. cit., p.45.
(2) See Khareet, M., and Jamal, R., op. cit., p.10.
Another blow to the trade union movement came with the enactment of the Legislative Decree No. 50 of 1962. The new Decree, amending the Labour Code of 1959, restructured trade union organisations. It returned unions to the pre-1959 status of district-based trade unions. The Decree, contrary to the pre-1959 situation, did not allow the formation of shop stewards committees on the shop floor, though workers could still join their respective district trade unions. (1) This move helped employers to act freely on the shop floor in the absence of legal union representation. The Decree, however, repealed Law No. 8 of 1960, though this Law became ineffective once recession from the UAR had taken place.

In accordance with the provisions of the Decree No. 50, the government dissolved the existing union executives and appointed temporary union officials until elections were held. The new appointees were chosen from among the supporters of the pre-unity traditional parties, the People's Party and the National Block (both represented in the government).

The Decree was met by strong opposition from workers, and consequently the outbreak of strikes increased further and was accompanied by demonstrations, hunger strikes and sit-ins. (2) These actions forced the government to freeze the Decree in November 1962, and then repeal it in February 1963.

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The repeal of the Legislative Decree No. 50 required the reapplication of the Labour Code No. 91 of 1959, regarding trade union organisations. Accordingly, the existing district unions were restructured into nationwide general unions, and fifty-nine new general unions were formed between April and May 1963. The ABSP, which took over power on March 8, 1963, seized this opportunity to appoint unionists loyal to it to the temporary executives until elections could be held.

In July 1963, the GFTUS held its Eleventh Congress. Four different groups competed for the elections, the Ba'athists, the Nasserists, the Communists and the Houranists (followers of Akram Al-Hourani, who by now had been dismissed from the ABSP because of his anti-unity stand and support for the Separatist regime).

The Nasserists were in a weak political position and gained little support during the elections. The Communists who revived their activities during the Separatist period and became active in leading worker protests, by now suffered from a political division. This, in turn, affected their performance in the elections so that they only won a few seats at shop stewards level. The Houranists, on the other hand, still had some popular support and were able to capture a few major seats. The majority of the seats, however, were won by the ABSP candidates who emerged as the most experienced group in campaigning for the elections.

The Congress, which reinstated Khalid Hakim as President of the GFTUS, resolved that the Labour Code of 1959 must be amended and
trade unions must be consulted regarding the enactment not only of a trade union law but of other labour legislation. As a result of this resolution and due to GFTUS' pressure, a new trade union law was passed in 1964 (Law No. 31 of 1964). The new Law reorganised trade unions into a hierarchical structure. The major change in this regard was that union branches were federated into local district federations in addition to affiliation to nationwide general unions. This was intended to combine the advantages of both central and local organisations, but this led to a conflict of authority between local federations and general unions. The new law did, however, repeal most of the provisions of the Code which had been the subject of trade union criticism.

The 1964 Act was then repealed by the Law No. 84 of 1968, which completely restructured trade union organisation and government. (1)

Meanwhile, the internal political conflict in Syria began to affect the trade union movement. The elected leadership of the trade union movement was replaced in 1966 by an appointed personnel loyal to the regime. Then the government launched a purge of the movement to remove its opponents and to bring it firmly under control.

The period from 1966 onwards witnessed a drastic change in trade union ideology. Apart from increasing demands for workers' control, a new order of union-government co-operation was promoted. The Eighteenth Congress of GFTUS held in September 1974, advocated the priority of increasing production over indulging in "economic demands".

(1) This Law is to be discussed in detail in Chapter 5 of this thesis.
It was later explained that this did not necessarily mean abandoning the economic and social demands of workers, but the priority of objectives. Because the public sector is dominant in most industries, it is deemed that the main objective of the working-class was to increase production, reduce waste and cost, and protect the public sector. (1) In pursuance of this objective, the GFTUS in 1974, allocated a month for "production" in which all members of trade unions were asked to work an extra two hours per day for the whole of the month. This was also repeated in 1975 and 1976. In addition, the GFTUS introduced a productivity competition among workers, where financial prizes, as well as other means of remuneration, were provided to those who showed outstanding records of production.

Although this policy suggests the beginning of a change in the trade unions' role, it is difficult to assess its outcome or impact on labour without further research which might be left to future investigation.

Comparison of the Development of Trade Unions in the Three Countries

The development of trade unions followed similar patterns in Iraq, Egypt and Syria. During the foreign administrations a few trade unions were formed. They remained weak, their activities very limited and subjected to government suppression.

Under the traditional systems, the situation became slightly more favourable for trade unions in Egypt and Syria, but remained unchanged for Iraqi trade unions. In Iraq, a severe setback of trade unionism was witnessed, because the Iraqi monarchist regime saw in organised labour a potential political danger to the backing from the landowners which it was relying on. In Egypt, trade unions benefited from the state of acute conflict between the nationally oriented governments and the dynasty who tried to enlist the cooperation of workers and other social groups in their struggle against each other. Although the position of trade unions showed some improvement, the activities which they were allowed to carry out were limited and controlled to prevent government political opponents using trade unions for their ends. In Syria, the situation was more favourable for trade unions because of the state of political instability. Except under the Shishakli's dictatorial regime, the various political regimes, promised social reforms, backed trade unionism and introduced comparatively advanced labour legislation.

Under the nationalist systems, trade unions in the three countries experienced substantial growth. The structure of trade unions was
changed by legislation, and as a result the unions acquired a high prestigious social as well as political position. The nationalist governments viewed labour as a critical but favoured group which was needed to build up the new economic order. The co-operation of labour organisations was to be sought and they were to be encouraged and given the maximum possible support within the limits of the state's labour policy. This has positively affected the trade unions' outlook and activities. They became equal participants in establishing and administering work place rules, as well as being consulted or becoming actively involved in, setting national labour policies. They also became class conscious and much more militant in dealing with employers and enterprise managers. Nevertheless, their position and strength have varied in line with their political view vis-a-vis the governments in power, and their readiness to accept the state's labour policies. In Iraq and Syria, particularly in the former, co-operation between trade unions and governments has increased recently as a result of which the trade union position has been further enhanced through new and more advanced legislation. In Egypt, where some trade unionists have criticised the recent political trends in the country, the government proposed new legislation aiming at reducing the influence of trade unions. Although such legislation has not yet been enforced, the trade unions' position has comparatively become less influential than in Iraq and Syria.

In the three countries, within the framework of the state's labour policy, trade unions are viewed as agencies contributing to the process of economic development. Thus, their leadership is
expected to be one of co-operating fully with the government in the pursuit of its economic goals.

The main features of the development of trade unions in the three countries are summarised on the separate page which follows.
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CHAPTER 3

TRADE UNION MEMBERSHIP AND STRUCTURE

This Chapter continues the analysis (which started in the previous Chapter) of the development of trade unions in the three countries, and deals with the growth of trade union membership and trade union formal structure under the present nationalist systems. Trade union membership has undergone substantial growth under the present systems and their structures have been largely influenced by statutes which reflect the increasing role of the state in industrial relations.

IRAQ

(a) Trade Union Membership

Since the revolution of 1958, the trade union movement in Iraq has undergone almost continuous growth. There have been a few fluctuations, for example, trade union memberships in 1959 was about 140,000 workers according to the Iraqi Ministry of Labour,(1) but membership declined to about 74,000 workers in 1964. This was

(1) Quoted by Al-Habib, M.M., op. cit., p.150.
probably due to the political instability and inter-union conflict during the Qassem regime. Table 3.1 shows that trade union membership has continuously increased during the period from 1964 to 1974. The increase in union membership since 1964 is attributable to frequent changes in labour legislation in favour of unionised workers, and to the considerable growth of the industrial labour force(1) as a result of economic and industrial development. As stated earlier, inter-union conflict during the period 1964-1968 adversely affected the rate of membership recruitment and thus resulted in a fall in the annual rate of increase of membership. The fluctuations in the rate of increase since 1968 are probably attributable to changes in some of the employment regulations which required that certain categories of employees became civil servants and were thus legally excluded from union membership.

The density(2) of union membership differs among various economic sectors. Although more than 50% of the labour force was still

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(1) For the purpose of analysis in this Chapter, the term "industrial labour force" excludes the labour force in agriculture. Employment in agriculture increased in both Iraq and Egypt, but declined in Syria. Furthermore, the Syrian agricultural workers are not unionisable by law. In Iraq and Egypt, unionisable agricultural workers represent a small percentage of total agricultural labour force.

(2) The term density of union membership is used to describe the percentage distribution of union membership to employment, see Price, R., and Bain, G.S., "Union Growth Revisited: 1948-1974 in Perspective", British Journal of Industrial Relations, Vol.14, No.3 (November 1976), Table 1, p.240.
employed in agriculture between 1969 and 1974, the density of trade
union membership in this sector was only 3% in 1969 and 4% in 1975
as Table 3.2 shows. This low density of trade union membership is
attributable to the fact that peasants are organised in special
associations which are of a co-operative nature and have a different
legal status. Only those who are employed in irrigation projects
and agricultural stations are considered "agricultural workers" for
the purpose of trade union organisation. The number of unionisable
agricultural workers was estimated as being about 100,000 workers
in 1974; taking this figure into account, union membership in
agriculture would constitute about 71% of the total number of workers
permitted to join trade unions in this sector. The Table shows an
increase in union membership in all sectors between 1969 and 1974,
a reflection of the constant increase in overall union membership.
However, industry represented the highest rate of increase (by 38
percentage points). Nevertheless the oil and mining sector
continued to be in the lead in terms of density of union membership
at 69% in 1969 and 83% in 1974. The low density of trade union
membership in the commerce and services sector is due to the fact
that the majority of this sector's employees are covered by
regulations of employment other than the Labour Code and thus are
not entitled to join trade unions.

The distribution of trade union membership also differs by provinces.
In 1974, Baghdad alone accounted for 40% (about 265,000 members)
of total union membership; Basra for 13% (about 85,000 members).
<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Central Unions</th>
<th>No. of Union Branches</th>
<th>Trade Union Membership (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>19</td>
<td>117</td>
<td>74</td>
</tr>
<tr>
<td>1965</td>
<td>19</td>
<td>118</td>
<td>121</td>
</tr>
<tr>
<td>1966</td>
<td>19</td>
<td>121</td>
<td>166</td>
</tr>
<tr>
<td>1967</td>
<td>19</td>
<td>121</td>
<td>197</td>
</tr>
<tr>
<td>1968</td>
<td>19</td>
<td>121</td>
<td>221</td>
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<tr>
<td>1969</td>
<td>16</td>
<td>137</td>
<td>316</td>
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<tr>
<td>1970</td>
<td>13</td>
<td>137</td>
<td>392</td>
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<tr>
<td>1971</td>
<td>13</td>
<td>144</td>
<td>506</td>
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<tr>
<td>1972</td>
<td>13</td>
<td>144</td>
<td>584</td>
</tr>
<tr>
<td>1973</td>
<td>12</td>
<td>151</td>
<td>612</td>
</tr>
<tr>
<td>1974</td>
<td>12</td>
<td>154</td>
<td>660</td>
</tr>
</tbody>
</table>

(1) The 1974 figures are based on a membership survey which was conducted by GFTUI between May 10 and June 10, 1975. The figures were as on June 10, 1975.

TABLE 3.2
Density of Trade Union Membership in the Different Sectors in Iran, in 1969 and 1971

<table>
<thead>
<tr>
<th>Sector</th>
<th>1969 ((10^3))</th>
<th>1971 ((10^3))</th>
<th>% of (\text{Total}^{(i)})</th>
<th>No. of Unions</th>
<th>% of (\text{Total}^{(i)})</th>
<th>No. of Unions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>2,163 (117)</td>
<td>2,163 (117)</td>
<td>11.5</td>
<td>12</td>
<td>11.5</td>
<td>12</td>
</tr>
<tr>
<td>Mining</td>
<td>1,800 (83)</td>
<td>1,800 (83)</td>
<td>9.9</td>
<td>12</td>
<td>9.9</td>
<td>12</td>
</tr>
<tr>
<td>Industry</td>
<td>2,046 (109)</td>
<td>1,800 (83)</td>
<td>10.4</td>
<td>12</td>
<td>10.4</td>
<td>12</td>
</tr>
<tr>
<td>Construction and Building</td>
<td>1,365 (72)</td>
<td>1,365 (72)</td>
<td>7.4</td>
<td>12</td>
<td>7.4</td>
<td>12</td>
</tr>
<tr>
<td>Transportation and Public</td>
<td>1,000 (51)</td>
<td>1,000 (51)</td>
<td>5.3</td>
<td>12</td>
<td>5.3</td>
<td>12</td>
</tr>
<tr>
<td>Commerce and Administration</td>
<td>1,900 (101)</td>
<td>1,900 (101)</td>
<td>10.2</td>
<td>12</td>
<td>10.2</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>16,000 (803)</td>
<td>16,000 (803)</td>
<td>84.0</td>
<td>12</td>
<td>84.0</td>
<td>12</td>
</tr>
</tbody>
</table>

\(\text{Total}^{(i)}\) includes agriculture.

Source: Employment figures adopted from Republic of Iraq (Ministry of Planning), op. cit., p.58.

The 1971 figures of trade union membership are as on June 10, 1975.
and Mosul for 9% (about 53,000 members). Thus, the three largest
cities accounted for 62% of total union membership while the rest
of the provinces accounted for only 38% of total union membership.(1)
This is an indication of the concentration of employment in these
three cities which account for 62% of employment (excluding
employment in agriculture) in the country.(2)

(b) The Present Formal Structure of Trade Unions

The present trade union structure is based on the provisions of
the Labour Code No. 151 of 1970. According to this Code, unions
are to be organised on an industrial basis, but unions in similar
industries are permitted to amalgamate. Thus, a typical trade
union tends to cover a wide range of industrial activities rather
than a specific industry.(3)

(1) Calculated from General Federation of Trade Unions, Iraq,
Tables on Trade Union Membership, 1974.
(2) Calculated from Republic of Iraq (Ministry of Planning),
op. cit., p.57.
(3) The nationwide unions established under the present Labour
Code No. 151 of 1970 are called "general unions". They
are so called to distinguish them from the provincial unions
(i.e. union branches) and does not mean that they are organised
on a general basis. The same applies to the Egyptian
organisations. To avoid confusion, I shall henceforth refer
to "general unions" as central unions.
The present hierarchical structure of trade unions as stipulated by the Code is shown in Chart 3.1 below.

**Chart 3.1**

Organisation Chart of the General Federation of Trade Unions, Iraq

Source: General Federation of Trade Unions, Iraq.

Under the Labour Code No. 151 of 1970, a group of fifty or more workers in an industry or occupation may establish a union but
there must be only one union in the said industry or occupation in each province. This union, which under the repealed Labour Law No. 1 of 1958 was a branch of the central union, is now in theory a separate entity. However, in practice and under the Internal Constitution of the GFTUI, unions in the provinces are branches of the general (central) unions. They are subject to the authority of the overall trade union organisation.

In firms employing less than twenty workers, there would be one union representative who directly reports to the union branch. In firms employing twenty or more workers union branches can form shop stewards committees made up of 3-7 members. All union branches are affiliated to their respective central union and local federations which in turn are both affiliates of the GFTUI.

The present structure it seems is preferred by the GFTUI because it combines both industrial activities and geographical location as the basis for its organisation. Nevertheless, it does entail some major problems of jurisdiction and communications.

The geographical structure of trade unions attempts to lessen the effects of excessive centralisation by allowing decision making at provincial level. This is mainly accomplished through the local federations in the provinces. Each local federation is allowed to make decisions connected with trade union problems in the province without taking the matter to the national level of the GFTUI. Meanwhile, the principle of industrial unions ensures one union per
plant and enables all workers to join one union. This it is hoped will contribute to the unification of the trade union movement and reduce inter-union disputes. This structure is intended to produce a mechanism for reconciling conflicting loyalties usually existing in large organisations such as the GFTUI (which is a representative of labour in different geographical areas and covering a wide variety of trades and industries). (c.f. Transport and General Workers Union (TGWU) in Britain)(1)

However the GFTUI in practice exercises a central authority over all subordinate organisations. This practice appears to clash with the principle of geographical decentralisation, but the GFTUI believes that it is justifiably exercising this authority in central matters, while local issues are left to be dealt with by local organisations.(2)

Formally, the GFTUI communicates its policies, decisions and instructions downward and receives upward feedback via the subordinate organisations. In practice, the shop stewards committees are the only union groups who are in direct daily contact with rank and file workers, but these are usually the least


educated and the least experienced among union officials.

The turnover of members is relatively high. The GFTUI Report to the Fourth Congress indicates that about 50% of the shop stewards continue in office for the full term of three years. The percentage goes up to about 75% in the case of union branch officials, and 82% in the case of local federations, 85% in the case of central unions, and 95% in the case of the GFTUI's executives. This affects the building up of a permanent relationship between shop stewards and rank and file members on the one hand, and between shop stewards and senior union officials on the other. For instance, shop stewards attend meetings of their union branches irregularly and may not even report certain grievances. In addition, written reports are not produced of these meetings, and in the absence of an effective shop stewards committee a communications gap exists because most workers are unable to make direct contact with union branches. In order to keep informed, union branches send their officials to visit the workplace and keep abreast of the news. Informal meetings of union branches are useful in that workers are informed of the decisions of the leadership while the rank-and-file members discuss grievances which may be communicated to upper echelons. The same can be said of informal contact between workers and their shop stewards on the shop floor which usually take place during breaks.

In addition, some shop stewards committees have installed suggestion schemes, while others, for example, in the Bata Shoe Company and the Post Office Work Shops have issued "notice-boards" covering union, economic and political information.\(^{(1)}\)

At present trade union management is based on what is known as "union democracy"; that is, union constitutions provide for elections of officials. They also provide for checking and reviewing the performance of officials. This seems to be consistent with the Webbs' classic theory of trade union management, that:

"Trade unions are democracies: that is to say, their internal constitutions are all based on the principle of government of the people by the people."\(^{(2)}\)

According to the present Internal Constitution of the GFTUI, all trade union organisations at various levels are governed by executive committees (in the case of the GFTUI, it is called the Executive Bureau). The number of members of each executive is determined by the GFTUI. The procedure of elections is that rank-and-file members form the shop floor general assembly which elects the shop stewards committee. Elected shop stewards are automatically made members of their union branch conference. The conference elects the branch


council and executive. This process is carried out at a higher level so that elected members of the central unions' executives and executives of local federations comprise the GFTUI's Congress. The Congress elects a general assembly which in turn elects the Central Council and the Executive Bureau of the GFTUI. All officers are elected for a three-year term. At all organisational levels, elections are supervised entirely by the unions without intervention of the Ministry of Labour.

The present procedure raises two problems; namely, the efficiency of and the control over, executives. Office holders often change through elections, particularly at the lower levels of the trade union organisation. This has prevented the development of professional trade union leadership. It has also indirectly affected union communications with shop stewards, because of the high turnover of shop stewards who are in direct contact with the rank-and-file members.

Prolonging the interval between two elections to three years helped in tackling the problem, and the GFTUI Report to the Fourth Congress, for example, points out that the turnover of shop stewards was about 75% during the 1969-71 term (compared to about 50% during the 1971-74 term).(1) However, the GFTUI has mainly tried to appoint permanent staff to run its non-negotiating affairs. But such a

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(1) General Federation of Trade Unions, Iraq, Report to the Fourth Congress, p.112.
move, as Roberts suggests with respect to trade union administration in Britain, may lead to "sacrificing democratic control for administrative efficiency". (1)

Union councils are supposed to meet periodically to check on the executives, evaluate their performance and even take disciplinary actions against them when necessary. These councils, however, are composed of the executives concerned and their subordinate officers. The hierarchical relationship between the two organisational levels prevents an effective exercise of the councils' controlling activities over their higher executives. While the general assemblies are the supreme decision making bodies they only meet annually and cannot hope to exercise control of the executives.

(1) Roberts, B.C., op. cit., p. 459.
(a) **Trade Union Membership**

Under the nationalist government in Egypt, particularly after the enactment of the socialist laws in 1961 and 1963, trade unionism has spread rapidly. Table 3.3 shows that trade union membership has continuously increased during the period from 1965 to 1972. This indicates the prestigious position which the trade union movement has acquired under the government's new labour policy. The 1965 figure in particular represents a very large increase in membership compared to previous years, from about 409,000 workers in 1963 to about 1,291,000 which means that membership more than trebled between 1963 and 1965. Union branches also increased their number from 288 branches in 1963 to 448 branches in 1965. However, the number of union branches had dropped to 316 by 1973, owing to amalgamations of central unions as ordered by the Ministry of Manpower (which replaced the Ministry of Labour). Trade union membership dropped by about 12% in 1973 as a result of the call-up of a large number of workers for national service during the October 1973 War. Membership thereafter began to grow again.

Like Iraq, the density of union membership in Egypt differs widely among economic sectors (see Table 3.4). It is at its highest level in transport and communication where the density of union membership increased from 62% in 1968 to 74% in 1975.
<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Central Unions</th>
<th>No. of Union Branches</th>
<th>Trade Union Membership (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>27</td>
<td>8</td>
<td>1,291</td>
</tr>
<tr>
<td>1966</td>
<td>27</td>
<td>8</td>
<td>1,355</td>
</tr>
<tr>
<td>1967</td>
<td>27</td>
<td>8</td>
<td>1,470</td>
</tr>
<tr>
<td>1968</td>
<td>27</td>
<td>8</td>
<td>1,495</td>
</tr>
<tr>
<td>1969</td>
<td>27</td>
<td>8</td>
<td>1,511</td>
</tr>
<tr>
<td>1970</td>
<td>27</td>
<td>8</td>
<td>1,559</td>
</tr>
<tr>
<td>1971</td>
<td>25</td>
<td>0</td>
<td>1,568</td>
</tr>
<tr>
<td>1972</td>
<td>25</td>
<td>0</td>
<td>1,590</td>
</tr>
<tr>
<td>1973</td>
<td>16</td>
<td>16</td>
<td>1,399</td>
</tr>
<tr>
<td>1974</td>
<td>16</td>
<td>316</td>
<td>1,463</td>
</tr>
<tr>
<td>1975</td>
<td>16</td>
<td>316</td>
<td>1,592</td>
</tr>
</tbody>
</table>

TABLE 3.1

### Density of Trade Union Membership in the Different Economic Sectors in Egypt in 1968 and 1975

<table>
<thead>
<tr>
<th>Sector</th>
<th>1968</th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Unions</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>Number Employed</td>
<td>5,260</td>
<td>7,711</td>
</tr>
<tr>
<td>No. of Trade Union Membership</td>
<td>1,359</td>
<td>1,465</td>
</tr>
<tr>
<td>Density (expressed as % of)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Note: Density of Trade Union Membership in the Different Economic Sectors in Egypt in 1968 and 1975.
In agriculture union membership declined sharply with a fall in the density of union membership from 11\% in 1968 to only 2\% in 1975. This decline is mainly attributable to land reform and the increase in the number of peasant collective associations which agricultural workers are joining. Under existing legislation these workers have to resign their trade union membership once they become members of the peasant association.

Another noticeable change in union membership is in industry and electricity. Despite the increase in the size of union membership in this sector, the density of membership fell by 7 percentage points between 1968 and 1975. This indicates that the rate of increase in union membership in this sector was lower than the rate of increase in employment.

The distribution of union membership also differs by geographical location. As in Iraq, the main urban centres accounted for the highest concentration. In 1975, Cairo alone accounted for about 35\% of the total union membership and Alexandria accounted for about 18\%, and 23\% and 10\% of union branches respectively.\(^{(1)}\)

\(^{(1)}\) Calculated from Arab Republic of Egypt (Ministry of Manpower), Labour Statistics, 1975 (Unpublished), (Letter to K.I. Al-Kassab, dated May 11, 1976), Table 8 (In Arabic).
The present structure of the trade union movement is based on the Labour Code 91/1959 as amended in 1964. Accordingly, "workers who are engaged in similar or related crafts or industries" may form a general (central) union. Twenty-seven categories of such "similar or related crafts and industries" were defined by Ministerial Decree 30 of 1964. In each of these categories one central union is allowed. Further redefinition led to several union amalgamations and thus the number is reduced at present to sixteen central unions.

At the plant level union members are allowed to form a shop stewards committee. The committees automatically become affiliates of the central union to which their members belong. The central unions are permitted to form one nationwide general trade union federation (EFL).

In addition to this basic internal structure, central unions are permitted to organise branches on a provincial basis for administrative purposes. A similar option of forming provincial (local) federations is granted to the EFL. Unlike the Iraqi organisation, where union branches affiliate to the local federations, Egyptian local

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(1) United Arab Republic (Ministry of Labour), The New Organisation of Trade Unions, pp.42-43.
federations are inter-industry organisations, drawing membership from shop stewards committees from across the boundaries of the central unions, i.e. shop stewards committees from many different industries may belong to the same local federation (see Chart 3.2).

**CHART 3.2**

Organisation Chart of the Egyptian Federation of Labour

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CHART 3.2
Organisation Chart of the Egyptian Federation of Labour

```

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Source: Egyptian Federation of Labour.

According to this structure local federations have no authority over union branches, only over shop stewards committees which are subordinates to union branches. The shop stewards committees are frequently confused as to which organisation they should contact.
regarding shop floor matters. Although the EFL has defined the lines of authority and responsibilities of each organisational level, there continues to be a lack of co-ordination between union branches and local federations and rivalry between them to control the shop stewards committees. This has resulted in the shop stewards committees often contacting central unions or EFL directly.(1) In turn, this has enhanced the central authority of trade unions and nullified the intended decentralisation of decision making.

Moreover, trade unions face a problem of representation on the shop floor. This problem results from the existence of three formal organisations dealing with workers' affairs on the shop floor. These are: the shop stewards committees, the ASU units, and the joint consultative committees. Unlike Iraq, where the shop stewards committee appoints workers' representatives to joint consultative committees from among its members, in Egypt members of the consultative committees are elected independently by workers. Shop stewards are specifically prohibited from standing for election on the grounds that they cannot combine two functions. Not surprisingly, lack of co-ordination and overlapping of functions has arisen between shop stewards and consultative committee members.

The ASU unit in the plant is basically a political organisation aiming at rallying workers around the political objectives of the state.

(1) In a discussion held in May 1976 with Zaftawi, the General Secretary of the EFL, he admitted that this is the case at present, but he did not provide positive suggestions how to deal with the problem.
But, as Kamal, a former senior director of a nationalised firm, has pointed out "the ASU unit which is empowered with political authority usually uses its position to step in and take over from the shop stewards committee". (1) Shop stewards are nominated to their posts by the ASU (as are all other elected union officials) and have no choice but to submit to the demands of the ASU unit.

Recognising this situation, the EFL has demanded a change in the legal position of the ASU unit, the shop stewards committees and the composition of the consultative committee. The aim is to enable the shop stewards committee to be independent of the ASU control. It has also proposed that shop stewards should be able to be members of the consultative committees in order to avoid duplication of representation and conflicting activities. (2)

So far no legislation has been enacted to rationalise the situation.

Unlike Iraq where all trade union executives at various organisational levels must be elected, in Egypt a combination of election and appointment is followed. Membership of shop stewards committees, central union executives and the Executive Bureau of the EFL are all determined by bi-annual elections. Similar to Iraq, shop stewards are elected by a general assembly comprising the rank-and-file.

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(1) Kamal, R.L., Al-'amil Fi Majlis Al-Idara (The Worker on the Board of Directors), (Maktabat Al-qahira Al-haditha, Cairo, 1965), p.27. (In Arabic).

members on the shop floor. Central unions and EFL executives are also elected by general assemblies. The central union’s assembly consists of representatives chosen from among shop stewards according to the number of rank-and-file members they represent. The EFL Congress is composed of representatives from all the affiliated central unions, and their number is determined by the central unions’ membership. (1)

Local federation executives are appointed by the Executive Bureau of the EFL and branch executives by their central union’s executive. This is mainly because these are seen by the EFL as co-ordinating bodies at the local levels; the former to co-ordinate the inter-industry union activities, and the latter to co-ordinate the activities of shop stewards committees locally in each industry.

In contrast to Iraq, there are no controlling bodies in the Egyptian trade union movement to check the activities and conduct of the executive bodies. The general assemblies include a large number of delegates and their bi-annual meetings continue for a period of three days only. Due to the large membership involved and the short period of the assembly’s meeting, clear and detailed policy scrutiny is not made possible. Probably a smaller number of delegates and a longer duration of assemblies would provide for discussions on policy matters. However, some might argue that a large number of

(1) The basis of the selection of delegates to the central unions’ assemblies is: 1 delegate for the first 250 members, 1 delegate for the second 500 members, and 1 delegate for each extra 1500 members; and for the EFL’s Congress is: 1 delegate for the first 500 members, 1 delegate for the second 1000 members, and 1 delegate for each extra 5000 members.
delegates provides a better opportunity for the rank-and-file to participate in policy making. (1)

Thus, it seems the present administrative procedure does not provide for a system of checks and balances which reconciles leadership with members' control, and responsibility with responsiveness. To ensure its re-election, the leadership is more concerned with being nominated by the ASU (as it must do this constitutionally) than with gaining the consent of its rank-and-file members. Delegates to the assemblies, like their Iraqi colleagues, are usually constrained by the absence of an effective yardstick or measure to review the performance of their executives or judge their conduct. Therefore, the executives are able to develop bureaucratic behaviour and establish their authority over their subordinate organisations.

Another feature of the Egyptian trade unions is that they do not completely follow democratic procedure. This is because some office holders are elected and some are not. Office holders in the local federations and branches are appointed by their immediate superiors, and thus are reluctant to challenge the authority of their superiors if they wish to keep their positions.

In this regard, EFL argues that union democracy is not necessarily exercised through elections, but more importantly through the

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(1) Roberts, B.C., op. cit., p.169.
enforcement of collective agreements. These agreements have to be approved by workers through an open ballot before being endorsed. (1)

This argument could, however, be refuted because it implies that union office holders do not need a mandate from their members as long as the latter approve the outcome of the activities of their union officers. Furthermore, the consent or disapproval by workers of collective agreements may be considered by some as undemocratic because the workers are not consulted in the negotiations. It is interesting to quote a similar conclusion by Flanders, regarding union democracy and collective bargaining in Britain, Flanders states:

"The actual participation of membership in what is still the main function of a trade union, the making of a collective agreement, may be reduced to little more than registering their collective consent or disapproval." (2)

Under the Ministerial Decree No. 30 of 1964, trade union elections were to be held bi-annually and to be supervised by the Ministry of Labour (i.e. the Ministry of Manpower). The Minister was also empowered to postpone elections if, at his discretion, new organisational or legal arrangements were to be enforced. This right was exercised in 1975 when the elections were postponed, as I have mentioned earlier. (3) This intervention not only deprived the


(3) See Chapter 2 of this thesis.
trade union movement of the right to determine its basic constitutional arrangements, but it also endangered its limited democratic machinery. It further helped to enhance the bureaucratic practices of the leadership whose source of authority is in practice drawn from the governmental agency (i.e. the Ministry of Manpower) and its political machinery (i.e. the ASU) and not from the trade union members. This is another hindrance to the already limited inter-union democracy as nominations for elections are the constitutional prerogative of the ASU only.

The Ministry also stipulated the procedure of elections and it nominated officials to supervise them. In addition, the law authorised the Ministry officials to audit the records of the incumbent executives, and thus deprived the general assemblies of the only possible means to exercise a check on their executives.
SYRIA

(a) Trade Union Membership

Despite the uncertainties which confronted trade unions in Syria during the early 1960's, trade unionism grew continuously throughout this period. Table 3.5 shows that between 1965 and 1973, trade union membership increased continuously, but that it fell in 1974. However, the rate of increase fluctuated from year to year. This fluctuation in the rate of the growth of membership is probably attributable to fluctuations in the labour force employed in industry and other sectors where trade unions are active. For example, the percentage of employment in industry out of total employment was 11%, 9% and 12% in 1962, 1968 and 1974, respectively. In construction it was 7%, 4% and 6% in these three years respectively.(1) The decline in total membership in 1974 is mainly attributable to calling up the reserves for national service during the October War, 1973. The annual decline in the number of central unions and union branches is due to amalgamations between unions in similar occupations.

The density of union membership as in the case of Iraq and Egypt, differed widely among various economic sectors. Table 3.6 shows

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Central Unions</th>
<th>No. of Union Branches</th>
<th>Trade Union Membership (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>59</td>
<td>368</td>
<td>80</td>
</tr>
<tr>
<td>1966</td>
<td>52</td>
<td>332</td>
<td>89</td>
</tr>
<tr>
<td>1967</td>
<td>40</td>
<td>215</td>
<td>99</td>
</tr>
<tr>
<td>1968</td>
<td>32</td>
<td>198</td>
<td>100</td>
</tr>
<tr>
<td>1969</td>
<td>25</td>
<td>160</td>
<td>116</td>
</tr>
<tr>
<td>1970</td>
<td>25</td>
<td>165</td>
<td>145</td>
</tr>
<tr>
<td>1971</td>
<td>23</td>
<td>166</td>
<td>163</td>
</tr>
<tr>
<td>1972</td>
<td>23</td>
<td>163</td>
<td>172</td>
</tr>
<tr>
<td>1973</td>
<td>23</td>
<td>167</td>
<td>199</td>
</tr>
<tr>
<td>1974</td>
<td>22</td>
<td>160</td>
<td>185</td>
</tr>
</tbody>
</table>

TABLE 3.6

Density of Trade Union Membership in the Different Economic Sectors in Syria in 1968 and 1974

<table>
<thead>
<tr>
<th>Sector</th>
<th>1968</th>
<th>1974</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>1,139</td>
<td>1,014</td>
</tr>
<tr>
<td>Mining, Oil and Industry</td>
<td>21</td>
<td>13</td>
</tr>
<tr>
<td>Construction and Building</td>
<td>78</td>
<td>61</td>
</tr>
<tr>
<td>Transport and Communication</td>
<td>21</td>
<td>17</td>
</tr>
<tr>
<td>Government and Public Services</td>
<td>191</td>
<td>1,396</td>
</tr>
<tr>
<td>Total</td>
<td>2,469</td>
<td>1,813</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Sector</th>
<th>No. of Unions</th>
<th>No. of Employed (000's)</th>
<th>Union Membership (000's)</th>
<th>No. of Employed (000's) expressed as a % of Total</th>
<th>No. of Employed (000's) expressed as a % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1968</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


* Figures exclude agriculture.
that unlike Iraq and Egypt, agricultural workers are not unionised in Syria. This is because since 1964, peasants are organised in separate co-operative associations which are totally different from proper trade unions in their method of organisation and in their activities. The Table also shows that the highest density of union membership is in Transport and Communication. Industry and Mining comes in the second place, while, as in the case of Iraq and Egypt, trade, and services and government have the lowest density. This is mainly because the majority of employees in the last two sectors are not unionisable by law. The Table also shows that the density of union membership has almost doubled between 1968 and 1974, owing to a combination of decline in total employment and increase in union membership.

The distribution of union membership also differs by geographical location. Again, as is the case in Iraq and Egypt, the large urban centres account for the highest level of unionisation. The three large cities of Damascus, Aleppo and Hums accounted for 61% of total union membership in 1974. Damascus alone had about 51,000 union members (i.e. 28% of total union membership) in 1974, union membership in Aleppo during that year amounted to about 41,000 (i.e. 22% of total membership). (1) This high concentration of union

membership in the major urban centres corresponds with the high
degrees of industrial concentration and consequently the high level
of employment in these centres.

(b) The Present Formal Structure of Trade Unions

As I have pointed out earlier, the provisions of the Labour Code on
trade unions have been subjected to frequent changes. At present,
the Syrian trade union structure is based on the Trade Union Act 81/1968. It resembles to some extent the Iraqi structure, but with
more emphasis on industrial unions.

As shown in Chart 3.3, the structure is relatively more complicated
than those of Iraq and Egypt. The shop stewards committees are at
the bottom of the organisation. Like Iraq, the committees report
to the union branches which are affiliated to the "central unions"
at national level and the local federation at provincial level.
The union branches have a separate legal entity, but within the
complexity of the central authority of the GFTUS they have lost
their separate entity.
An additional organisational level in the Syrian trade union movement is that of the "industrial federations". Unlike Iraq and Egypt, central unions do not directly affiliate to the GFTUS, but to industrial federations combining similar trades. Industrial and...
local federations are the direct affiliates of the GFTUS. The purpose of this additional level has been to develop specialisation of union-activities and to reduce the bulk of GFTUS activities so that it concentrates only on policy-making. In practice, however, the GFTUS continues to exercise central authority over the subordinate organisations. Thus, the extra organisational level has further exacerbated an existing communications problem.

In my discussions with various unionists within the Syrian trade union movement, I have found that only the Executive Bureau of the GFTUS feels positively satisfied with the present structure. Nevertheless, the Executive admits that it suffers from lack of co-ordination due to a conflict of authority between central unions and local federations. However, the question of eliminating one of the two organisations was dismissed. This is because, as GFTUS sees it, eliminating local federations would minimise the co-ordination problem but would lead to inter-union disputes at the local level, while eliminating central unions would create a problem of how to deal with nationwide issues. (1) Although the first argument seems valid, the second could be rejected on the grounds that the industrial federations could take over completely. This would also eliminate another co-ordinating problem, as the present functional relationship between central unions and their industrial federations is vague and overlapping.

(1) Information based on discussions with members of the Executive Bureau of the GFTUS held in early June 1976.
In fact, the present structure is criticized by some lower organizations on the grounds that it does not provide for co-ordination and should be changed to clear the confusion of overlapping authority between central unions and local federations. However, no clear alternative is being offered, and it seems that each organizational level would wish that any change should enhance its position or at least preserve it.

The multiple source of authority has disturbed the flow of communications, particularly downwards. Information and instruction received by union branches are contradictory and conflicting. GFTUS' communiques reach a branch more quickly through local federations than through central unions. The latter receive them directly through the GFTUS. In such cases, information and communications are often subject to different interpretation. This, in turn, has reflected on the performance of union branches and has led to GFTUS frequently by-passing lower organizations and directly communicating with union branches. On the other hand, the latter are increasingly encouraged by the GFTUS to by-pass their superior levels, (1) in order to maintain through the branches GFTUS' hold over the shop floor. Therefore, one is inclined to suggest that the present complicated organisation seems appropriate for a centralized authority structure. It needs to be simplified to avoid overlapping

(1) During my field research I observed members of the Executive Bureau of the GFTUS making telephone calls to branch executives' members through which they transmit directives which should be transferred via the industrial federations and central unions.
of authority and defective communications. However, if it is to be maintained, it will not, apparently, be effective unless authority is clearly delegated to lower levels, so as to make it practically a centralised organisation.

However, GFTUS seems happy with the present structure because it preserves the Federation's dominant authority over lower organisations. The Federation sees the present structure as "unifying the trade union movement". (1) But, as explained earlier, lower organisations do not share this view and would like to see a much more flexible structure. This entails a possible area of conflict within the leadership (i.e. between higher and lower organisations). Such conflict is still confined at present to verbal expression of views and has not yet (to the best of my knowledge) developed into a real challenge of the central authority of the GFTUS.

The present procedure of trade union management is almost entirely arranged in conformity with the provisions of the Trade Union Act 84/1968. To a large extent it resembles that of the Iraqi trade unions. Except for the GFTUS' Executive Bureau, all officials are to be elected by general meetings held annually. In the case of the GFTUS, its Executive Bureau is to be elected by the Congress which is held tri-annually (in the case of Iraq, the Executive Bureau is elected by the

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General Assembly). At each organisational level (except for shop stewards committees) there is to be a controlling body (council) elected by the general meeting. Members of the executives are to be elected from among council members who get the largest number of votes; additionally, they retain their council membership. The numbers of executive and council members are entirely stipulated by the law, as are the conditions required for elections. The councils are to meet periodically to review the activities and evaluate the performance of their executives. They are also authorised to withdraw support from the members of their executives (collectively or individually) through a vote of no confidence in cases specified by the law. However, due to the composition of the councils, where the members of the executives constitute one-third, the councils cannot effectively exercise control over the executives. This is because the latter usually need a few extra votes in addition to their own to ensure a vote of confidence.

It might seem that the present procedure provides for internal democracy; this, however, is not sufficiently exercised. Elections of executives provide the only democratic means to take part in trade union government. It is more frequently exercised at lower levels than in Iraq and Egypt, as general meetings and elections are held annually. Thus, union executives are, in theory, subjected to possible annual change. Following the same theoretical assumption, administrative efficiency might suffer and professionalism in trade

(1) The vote of no confidence is authorised in cases where members of executives violate the provisions of the Trade Union Act and the internal constitutions, or when their personal conduct as trade union leaders is questionable.
unions could be very low. In practice, however, due to the centralised authority of the GFTUS, the latter has become able to manipulate lower organisations. Thus, lower executives, to a large extent, derive their de facto authority from the Federation rather than from their electorate. Because elections are held on a "list", rather than an individual, basis, office holders need to be sponsored by the GFTUS' list to ensure their re-elections, and this, rather than their performance in the general meetings, determines their actual conduct in standing for re-election.

Consequently, concern about efficiency does not seem particularly important, not because office holders are subjected to frequent change, but because the relationship between lower union officials and their superior leaders is based on loyalty rather than performance appraisal. This, in turn, has developed a bureaucratic phenomenon in the trade union movement, and the GFTUS agrees with this view. (1) Bureaucracy in trade unions, as the Webbs hypothesised, is linked with "centralised administration" so as to ensure a "uniform policy". (2) This might seem to be the case in the Syrian trade union movement where authority is largely centralised in the GFTUS. In practice, the bureaucratic behaviour of union officials is a result of their "secured" positions (as far as they remain loyal to their leadership) within the framework of the relationship between the trade union movement and the present

(1) See Al-Ishtiraki (The Socialist) (Organ of GFTUS), No. 575 (February 2, 1975), p.3. (In Arabic).

political system. Bureaucracy in this case is not, however, combined with efficiency. For example, only five changes among the personnel holding office in the nine industrial federations took place during the election years 1971-1974. (1)

COMPARISON OF TRADE UNION MEMBERSHIP AND STRUCTURE
IN THE THREE COUNTRIES

Under the nationalist systems in the three countries, trade unions have undergone a substantial growth in membership. This is attributable to two factors: encouragement of trade unionism by the state, which steadily passed labour laws in favour of trade unions; and the considerable increase in the size of the industrial labour force as a result of economic and industrial development.

However, despite the growth in unionisation during this period, the density of trade union membership is still small. Table 3.7 shows that in 1974, the total density of trade union membership was 23% in Iraq. In Syria, the density was only 11% in 1974, and in Egypt it was 13% in 1975. This is mainly because only those workers who are covered by the provision of the labour codes are entitled to join trade unions and these constitute not more than one-third of the total labour force in each of the three countries. This also explains why the density of union membership is high in the sectors where a large number of employees are covered by the labour codes, such as industry and transport. Meanwhile, the density is very low in the sectors where most of the employees are either treated as civil servants (such as in services) or are covered by other regulations of employment (such as in agriculture). Thus, if one excludes agriculture, for example, the total density of trade union membership more than doubles in Iraq and Syria and almost doubles in Egypt.
### Density of Trade Union Membership in the Different Economic Sectors in Iraq and Syria in 1975

<table>
<thead>
<tr>
<th>Sector</th>
<th>Egypt</th>
<th>Syria</th>
<th>Iraq</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>1,097</td>
<td>111</td>
<td>1,359</td>
</tr>
<tr>
<td>Industry and Oil</td>
<td>270</td>
<td>45</td>
<td>1,359</td>
</tr>
<tr>
<td>Transport and Communication</td>
<td>153</td>
<td>82</td>
<td>270</td>
</tr>
<tr>
<td>Construction and Building</td>
<td>93</td>
<td>70</td>
<td>270</td>
</tr>
<tr>
<td>Commerce and Industry</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
<tr>
<td>Industry and Oil</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
<tr>
<td>Transport and Communication</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
<tr>
<td>Construction and Building</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
<tr>
<td>Commerce and Industry</td>
<td>1,571</td>
<td>13</td>
<td>270</td>
</tr>
</tbody>
</table>

### Notes

1. The above figures on union membership are as on June 10, 1975. Meanwhile complete union membership figures of 1975 are not available on Iraq and Syria.
2. Figures on union membership are considered as on June 10, 1975 (they are considered by the GPTUI as the 1974 figures).
3. Syrian Agricultural workers are only organised in co-operatives and thus cannot be considered as properly unionised.
4. The above figures on union membership are distributed only by provinces and this would not facilitate the above analysis.

### Sources

Adopted from Tables 3.2, 3.4 and 3.6 of this chapter.
The present trade union structures in the three countries are chiefly determined by legislation. The law permits the formation of nationwide industrial unions and their affiliation to one general federation. The law also classifies the industries in which these unions are to operate, and this restricts the number of central unions. In all the three countries, provincial unions become branches of the central unions, but they also are affiliated to local federations which, in turn, are affiliates of the general federations. Thus, these branches are incorporated in the overall structure of a unified and centrally controlled trade union movement.

There are some variations among the three trade union movements as regards the type of authority structures and channels of communications. In Iraq, amalgamations at a central level are frequently encouraged so that unions are covering wider economic activities than a specific industry. This provides a more unified trade union movement and avoids problems of inter-union disputes. However, owing to the complexity of organisation, such problems, though reduced, have not yet been completely overcome. In Egypt, a similar structure to that of Iraq is encouraged, and it aims at increasing the efficiency of the organisation and enhancing the central authority of the EFL. But, on the other hand, this has created an inter-union authority conflict and has developed bureaucratic practices among the leadership. In Syria, on the other hand, the structure is made more complicated than in the other two countries by affiliating central unions to industrial federations which directly report to the GFTUS. This is
meant to ensure decentralisation and specialisation, but, in practice it has complicated inter-union communications. Meanwhile, as it is not accompanied by sufficient delegation of authority, the structure has indirectly affected the efficiency of lower organisations and enhanced the authority of the GFTUS.

The procedures of managing trade unions, like their structures, are largely determined by legislation. This indicates the increasing role of the state in shaping industrial relations structure. There is a great deal of similarity between the method of administering trade unions in the three countries. Each organisational level is governed by an elected body (except for local federations and union branches in Egypt). The difference is in the type of electorate, composition of delegates and the method of checking and controlling executives.

In Iraq, all delegates to the conferences and the GFTUI Congress are elected by their constituent members. In addition to electing their executives, conferences elect councils to meet periodically and review the performance of their executives. For the same purpose, the conferences themselves are also transferred to annual general assemblies. The composition of the councils, however, also includes executives' members. Thus, the effectiveness of their control over the executives is to a degree reduced by the executives. In Egypt, however, executives are elected by their general assemblies. The composition of the latter varied at each organisational level in accordance with the size of union membership. These are the only
union bodies which exercise control over their executives. Because they meet less frequently, compared to the Iraqi councils and assemblies, control over their leadership is less effective. In Syria, a similar procedure to that of Iraq is followed. However, elections (except for the GFTUS' Executive Bureau) is held annually. In theory, this means that rank-and-file members frequently exercise the right to change their leadership, while preventing the development of professional trade union leadership. In practice, however, GFTUS exercises firm authority in determining the election list and consequently the lower levels of leadership.

An illustrative summary of trade union membership and structure under the present nationalist systems in the three countries is given on the following page.
### Trade Union Membership

<table>
<thead>
<tr>
<th>Country</th>
<th>Trade Union Membership</th>
</tr>
</thead>
</table>
| IRAQ (1952-76) | 1. Trade unions underwent substantial growth in membership because of the encouragement of trade unions by the state and because of expansion in employment.  
2. Density of union membership varies among different economic sectors. It is very high in sectors such as in oil and industry where employees are covered by the provisions of the Labour Code and thus are entitled to join trade unions. It is very low in sectors where the majority of employees are covered by other legislation and thus are not entitled to join trade unions, such as in agriculture; because these comprise 8% of total number of employees, total density of union membership is small.  
3. Membership is highly concentrated in large cities where employment is concentrated. |
| EGYPT (1952-76) | 1. Trade unions underwent substantial growth in membership because of the encouragement of trade unions by the state and because of expansion in employment.  
2. Density of union membership varies among different economic sectors. It is high in sectors where employees are covered by the provisions of the Labour Code and thus are entitled to join trade unions, such as in transport and industry. It is very low in sectors where employees are covered by other legislation such as in commerce, or have the choice to join collective associations, such as in agriculture. Because employees of the last two categories constitute about 1/5 of total employees, total density of union membership is very small.  
3. Membership is highly concentrated in large cities where employment is concentrated. |
| SYRIA (1958-76) | 1. Trade unions underwent substantial growth in membership because of the encouragement of trade unions by the state.  
2. Density of union membership varies among different economic sectors. It is high in sectors such as in industry where employees are covered by the provisions of the Labour Code and thus are entitled to join trade unions. It is very low in sectors where the majority of employees are covered by other legislation and thus are not entitled to join trade unions, such as in services. Agricultural workers are not entitled to join trade unions.  
3. Membership is highly concentrated in large cities where employment is concentrated. |

### Formal Structure

<table>
<thead>
<tr>
<th>Topic</th>
<th>IRAQ (1952-76)</th>
<th>EGYPT (1952-76)</th>
<th>SYRIA (1958-76)</th>
</tr>
</thead>
</table>
| 1. Present trade union structure is chiefly determined by legislation.  
2. Large central industrially-based organisations, affiliated to one nationwide general federation which exercises central authority over subordinate organisations. Because of frequent amalgamations at a central level unions often cover more than one industry each.  
3. Formal and informal communications are encouraged.  
4. Managed by elected officials who are controlled by union assemblies and periodically held councils. | 1. Present trade union structure is chiefly determined by legislation.  
2. Large central industrially-based organisations, affiliated to one nationwide general federation which exercises central authority over subordinate organisations.  
3. Formal vertical communications are usually delayed and interrupted. By-passing intermediate levels is a usual phenomenon.  
4. Managed by a combination of elected officials and officials appointed by the general federation and controlled by biannual assemblies. | 1. Present trade union structure is chiefly determined by legislation.  
2. Large central industrially-based organisations, affiliated to one nationwide general federation. The overall structure is more complicated than in Iraq and Egypt, but the general federation also exercises central authority over subordinate organisations.  
3. By-passing of formal channels of communications is frequently used in upward and downward communications.  
4. Managed by elected officials who are controlled by periodically held councils. |
This Chapter discusses the development of the role of employers and of employers' associations in Iraq, Egypt and Syria. In dealing with employers' associations, the investigation is limited to those involved directly in industrial relations, such as the federations and chambers of industries. Associations which promote employers' business interests only and do not represent them in (or deal with) industrial relations affairs, such as the merchants and automobile owners associations are excluded.

IRAQ

(a) Employers Under the British Mandate (1920-1932)

During the Ottoman rule, the chambers of commerce in the three large cities, Baghdad, Mosul and Basra, were acting as associations of commercial and industrial employers. The number of non-handicraft industries was small, mainly in export-processing and usually controlled by foreign firms. The chambers of commerce promoted the commercial interests of their members and did not deal with employer-labour relations.(1)

Under the British mandate and as a result of the expansion in public services and the emergence of some modern industries, the industrial labour force began to grow, and trade unions began to emerge. By the end of the Mandate, the industrial labour force was still small in size and the trade union movement was still in an early stage of development. In this situation, Iraqi employers in the modern industries felt that there was no need for them to establish an employers' organisation. They were protected by legislation and by their social status. They could meet informally at any time and, being few in number, could easily decide on a course of action. In the few strikes which occurred employers left the matter to government authorities who, they knew, would intervene on their behalf.\(^1\) In the handicraft industries, on the other hand, the master-servant relations were governed by social, religious and kinship customs, but these industries were declining at that stage.

(b) **Employers Under the Monarchy (1932-1952)**

During the early years of the Monarchy, no change took place in the position of trade unions or in the status of employers which might have required a review of the employers' strategy. Until the end of the Second World War, industrial disputes were very few and insignificant. They were handled mainly within the individual firms.

In cases where firms were unable to deal with the disputes, the Ministry of Social Affairs used to come into the picture, nominally as a conciliator, but actually acted as a negotiator who sided with the employers.

After the Second World War, a new industrial elite emerged from among the old mercantile group. Motivated by profit opportunities this elite embarked on a speedy industrialisation programme, although it was confronted by a rather indifferent or even discouraging government. The government which relied mainly on the support of landowners and tribal sheikhs, was reluctant to alienate them by encouraging an industrial programme which might lead to strengthening the working-class - a class which the government feared could be a source of political agitation. The new industrial elite, in pursuing the goal of industrialisation, began to realise that changes in existing management-labour relations were required if better cooperation with organised labour and industrial growth and prosperity were to be achieved. Better cooperation would make it possible for employers and workers to participate, in accordance with their roles, in the process of developing national industries. As discussed earlier, these approaches were welcomed by trade unionists who considered these industrialists as their "periodical allies in the struggle against the ruling oligarchy". (1) Other employers of that period were classified by trade unions into two categories: (2)

(1) "Abd Al-Jabbar, T., op. cit., p.86. See also Chapter 2 of this thesis.
(2) Ibid., pp.87-88.
1. Foreign employers: these were usually prepared to co-operate with the government and with government agencies in dealing with labour affairs. They were very much aware of the importance of the role of labour in their firms, and therefore introduced better working and employment conditions. They were, however, frightened of labour's political orientation, and thus strongly opposed to organised labour. They dealt firmly with worker protests, and requested police intervention to suppress strikes on more than one occasion. The task of dealing directly with labour relations was kept in the hand of foreign managerial staff; this employment policy was probably adopted because of apprehension that Iraqi managers might be lenient with labour and not committed to company policy.

The Iraq Petroleum Company (IPC), the Bata Shoe Company, the Wimpey Construction Company and Caterpillar-Iraq were an example of this type of employer. (1) Foreign employers tended to recruit unskilled labour on a tribal and religious basis. For example, the IPC consulted tribal and religious leaders about the recruitment of unskilled labour for work on pipelines to make sure of their support. (2) By doing this the Company hoped that the tribal loyalty of unskilled workers would prevent their involvement in collective action.

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(1) A list of these foreign firms, of the number of strikes which took place in the firms during the post-War period of the Monarchy and a description of companies' attitudes to strikes, are presented in Al-Habib, M.M., A Study of the Social, Political, Economic and Cultural Institutions and the Labor Movement in the Middle East, pp. 786-787.

(2) The IPC also sought the support of the tribal and religious leaders by providing the pipeline areas with some welfare and educational facilities which were desperately needed. See Kinoh, E.A., "Social Effects of the Oil Industry in Iraq", International Labour Review, Vol. 75, No. 3 (March 1957), p. 197.
2. **Small employers**: these were still influenced by the traditional management-labour relations of the handicraft industries. They were not liked by trade unionists because of their paternalistic approach and of their firm reliance on government.

The foreign employers and the small employers did not change their industrial relations practices and showed no interest in the formation of an employers' association. The new industrial elite, on the other hand, concluded that the promotion of their business interests would require them to deal collectively with the government. In the late 1940's, therefore, they began to campaign for the establishment of an employers' organisation; but their efforts failed because of lack of co-operation from the small and foreign employers.

During the 1950's changes in the economic situation led to the government's adoption of economic planning, and included the initiation of a few industrial projects; this strengthened the position of the new industrial elite indirectly. Also, the elite began to be represented politically by a recognised opposition party, the "National Democratic Party". Hadid, the Deputy Chairman of the party was a prominent industrialist and a founder of the Iraqi Federation of Industries (IFI). Khaddouri, who became later the President of IFI, was a member of the Executive Committee of the Party.

The formation of a political organisation was important for dealing with a government which, it was felt, would never abandon its
reliance on the feudal sheikhs, although it might tolerate some industrial development. The combination of political pressure and the new economic situation eventually made it possible for the industrial elite to establish an "industrial" association. Thus in August 1956, a Law was promulgated for the formation of the Iraqi Federation of Industries (IFI) "to accelerate the process of industrialisation and to promote and protect industries" but also "to represent employers in dealing with matters related to industrial relations affairs". The Federation played only a minor role in industrial relations affairs during the period between its formation and the 1958 revolution because of setbacks in the development of trade unionism. This minor role was one of arbitrator in a number of disputes which arose during that period.

(c) Employers Under the Nationalist System (1958-1976)

After the revolution, the IFI was to begin with quiet and apprehensive in dealing with the emerging new unionism. Although it tried to maintain the alliance with the trade unions which had been developed under the previous regime. However, once it was properly established the GFTUI (General Federation of Trade Unions, Iraq) brought this alliance to an end because the circumstances which had made

the alliance necessary no longer existed. Under the revolutionary regime, the GFTUI criticised employers because of their "exploitation of the toil of the working-class to accumulate higher profits". (1) In response, the IFI felt that it needed to change its strategies to defend its interests. To do so, it sought the support of the political machinery represented by Prime Minister Qassem. On November 27, 1959, a delegation of the IFI met the Prime Minister. The delegation was headed by Sulaiman Fattah, the President of IFI, and included Hadid, the Minister of Finance who, from among his Cabinet colleagues, was the closest to Qassem. The delegates, while stressing their concern to develop Iraqi industry, pointed out that "a substantial decline in production had been witnessed as a result of industrial unrest and labour disputes". (2) They demanded that the government should intervene and put an end to such a situation. They reminded the Prime Minister of a memorandum which they had submitted to him early in February 1959. In that memorandum they had stressed their support for the formation of trade unions as a sign of healthy industrial relations and had suggested that workers who were directed by a certain political group (ICP) were to be blamed for recent industrial unrest and for frequent strikes. They also pointed out that the IFI was in principle not against pay increases but that these "should not be given emotionally for political gains without concern for the financial state or production

(1) See Akhajadoor, A., op. cit., p.15.

difficulties of industries". (1)

This move by the IFI further angered trade unions, and represented the end of the alliance between the two groups.

The 1960 IFI elections brought to the presidency of IFI, Saffar, the representative of the textile industries and a member of the Executive Committee of the National Democratic Party - the Party which had offered unqualified support for the government. Prior to this, in March 1959, the Director of IFI, Shaibani, had become a Minister of Planning. In January 1960 he was succeeded by Jamil, another National Democrat, as Director of the Federation. Thus, by the early 1960's when the trade union movement's relations with the government were clouded with frictions, IFI influence over the government seemed very strong.

At the beginning of 1960 the IFI changed its tactics concerning trade unions. Industrial action was no longer tolerated, and employers were encouraged to deal with the rival underground movement so as to weaken the formal trade union leadership. (2) This policy was not totally successful because the underground trade unionists (although keen to challenge the official trade union leadership of the UP) showed little enthusiasm for accepting support for their


cause from employers. They knew that they ought to be seen by their supporters as adopting a harder attitude to employers than the official trade union leadership.

Upon Saffar's death in October 1960, the IFI acted shrewdly and elected Khaddouri, the representative of the soft drink industries, as President; as a member of the Executive Committee of the National Democratic Party he was acceptable to the government. Jadir, the new representative of the textile industries who had distinguished himself as a nationalist, was elected Vice President. He thus was in a good position to deal with unions controlled by the nationalist political opposition with which he was on friendly terms.

After the nationalisation measures of 1961, the public sector had the same number of seats on the IFI Board as the private sector. Nevertheless the representatives of the public sector on the Board were able to enforce their will because the public sector controlled the majority of the large firms. These public sector representatives who lacked managerial experience and were drawn from the army and civil service, developed a hostile attitude to trade unions and to worker demands for better terms. (1) Their attitude influenced the

(1) This type of manager was accustomed to firm discipline and expected unquestioned obedience from his employees. They were entrusted to run the nationalised firms and implement the new labour legislation and participation measures which on the whole enhanced the practice of labour-management joint regulations - a practice introduced under the 1958 Labour Law. These managers never wholeheartedly accepted the new role assigned to labour, and until their gradual replacement in the late 1960's, they continually tried to manipulate trade unions. For further details, see Baya', M.H., "Waqi' Al-jihaz Al-idari Fi' 1-'Iraq Wa Mafhoom Al-wathifa Al-idaria" (The State of Iraqi Management and the Concept of the Managerial Job), Business Administration (Iraqi Management Association Magazine), No.7 (March-June, 1970), pp.18-20.
IFI's industrial relations policy and the stand taken by the Federation in various disputes and other central issues related to labour affairs.

The IFI now argued that disputes caused by issues related to wages and changes in working regulations were "caused by unjustified demands". (1) It called for the government to be "less lenient and more firm in applying the law", and also blamed the government for being responsible for the occurrence of strikes. This was because the government did not take any action against illegal strikes and because its agencies usually intervened on behalf of workers. (2)

Further expansion of the public sector and the change of government in 1968 (when the Ba’th Party came to power) resulted in gradual replacement of top management of the public enterprises by socialist managers who came from lower middle-class origin and who were fully committed to the government's labour policy. This and the fact that the government had become the largest employer, made a change in the role, composition and structure of the IFI necessary. In 1973, a new IFI Law was promulgated and a new internal constitution was introduced which rearranged the structure of the Federation.

The representation of the public sector was expanded and the Ministry

(1) See Al-Sina'i (The Industrialist) (Organ of IFI), Vol.9, No.3 (September 1968), p.123. (In Arabic).

of Industry was given administrative authority over the Federation's policy-making decisions. The co-ordination of the activities and interests of the two different sectors, however, turned out to be a difficult task. The majority of the private employers represented medium and small-sized firms which were wholly or mostly owned by them. These employers were motivated by their commercial interests in deciding on the Federation's policy. The public sector's representatives, as government employees, held different views and were fully committed to the policy set by the government agency which employed them, namely the Ministry of Industry. To these managers, according to Al-Sinai, workers were colleagues who had different job responsibilities that matched with their abilities, skills and qualifications but who also had a leading role to play in developing the national industry. (1)

To deal with these conflicting views a new IFI law was promulgated in May 1975. This laid down that the Federation was to represent only the private firms and the mixed firms (i.e. those jointly owned by the government and private employers). (2) In dealing with industrial relations the management of the public enterprises were now to be represented by their respective Industrial Organisations. (3)

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(3) An "Industrial Organisation" includes a number of state-owned companies.
The new Law was not put into effect until August 1976, and it is too early to assess its effects on industrial relations.
(a) **Employers Under the British Administration (1882-1922)**

Most of the employers in Egypt during the British administration were foreigners. From the start, this group attempted to limit the authority of workers and to prevent the establishment of trade unions. Their strategies included replacing workers, seeking the help of the police in breaking up strikes, and resisting worker demands. Only one company concluded an agreement with workers during this period. This was in 1919 when the Cairo Tram Company accepted most of the workers' demands after the Prime Minister had intervened in the dispute.(1)

The newly emerging national industrialists tried in 1911 to form a federation which would promote industrial development but the British administration, because of its anti-nationalist policy did not give permission to form such a federation. During the first World War, the national industrialists became involved in the War Commission which was formed to deal with wartime shortages and industrial problems.(2) However, it was not until Egypt established its independence in 1922 that the national industrialists were able to form a federation.

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(1) See 'Izzal-Din, A., *op. cit.*, p.27.
During the British administration Egyptian nationals controlled but a small portion of recently established modern plants. During and after the First World War, the number of plants owned by Egyptian nationals began to increase, particularly after the establishment of the Misr (Egypt) Bank in 1920. Their efforts to form a federation finally succeeded and in 1922 the Federation of Egyptian Industries (FEI) was formed. The group of employers who formed the Misr Bank and the FEI were drawn from the Egyptian aristocracy and from upper middle-class businessmen, many of whom were influential politicians and ex-government officials. Some of them had led, or had participated in, the national movement during the 1919 revolution, had national aspirations, and hoped for the country's political and economic independence; notable among them was Talat Harb, the founder of the Misr Bank.

Once independence was achieved, these industrialists were satisfied with the protective measures set out by the government to promote local industries. Gradually, throughout the 1930's many of the traditional aristocrats, politicians and landowners, motivated by profit, started to invest their wealth in industry. (1) These groups joined and dominated the FEI during the 1930's and early 1940's. By 1945, the Harb group of nationally-inspired industrialists totally

(1) A study of the Egyptian Management conducted in 1967, shows that by the late 1930's and throughout the 1940's, almost all prime ministers, many of the ministers, members of the Senate and of the Royal Family had invested in the Misr Bank group and other firms. Some of these persons became chairman and/or directors of between 10 to 20 companies. See Kassem, M.S., The New Management Elite in Egypt, (Ph.D. Thesis, New York University, 1967), p.72.
disappeared. During this period, Abboud, a dynamic industrialist, emerged as leader of the FEI and embarked on diversified industrial activities. The fear that organised labour would be a threat to employer authority and interest provoked FEI to take a firm stand to prevent or limit the strengthening of the trade unions' position.(1)

During the Second World War the moderate pro-trade union attitude of the Wafd government was strongly opposed by the FEI. FEI member influence in part of the administrative machinery and the indirect support of the Royal Palace, made it possible for the FEI to prevent the introduction of many labour laws and to delay the passage of trade union legislation. The Trade Union Act 1912, which was passed by the Wafd government, had many limitations and was severely opposed by some FEI members on the grounds that Egyptian workers had not yet achieved a level of "literacy" to understand and appreciate the right of trade union recognition.(2) After the War, when the ban on strikes was lifted, many FEI affiliated firms, including those of Abboud, relied on the police in breaking up strikes, particularly during the 1946-1948 industrial unrest.(3)

The FEI was the prime promoter of Egyptian manufacturing industry

(2) Ibid., p.40.
throughout this period. In addition to industrial investment, it carried out research and feasibility studies and campaigned for the establishment of industrial chambers to concentrate on specialised industries. In response to this campaign, the Chambers of Industries Law of 1947(1) set up separate chambers within the FEI, each promoting a different sector of industry. Through these specialised chambers, the FEI contributed considerably to the growth of industrial employment in Egypt.

As a reaction to the Trade Union Act 1942 which permitted labour organisation in commerce and finance as well as in industry, employers in the commercial and financial sector began to realise that they ought to form an employers' organisation to enable them to deal with trade unions. Between 1945 and 1952, therefore, employers' associations were founded in the banking and insurance industries. Compared to the FEI, which was mainly confined to manufacturing industry, these organisations played only a minor role in representing their members in industrial relations affairs.

As stated earlier, the FEI was mainly controlled by large Egyptian employers of whom the majority were members of the ruling aristocracy. Most of the small-sized firms in the manufacturing industry remained outside the Federation. Many of these firms were not obliged by law to be unionised because they employed less than fifty workers.

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As trade union influence did not reach these firms, employers' authority in making industrial relations rules was hardly ever challenged. Paternal concern for dependent workers was the employers' guide in their relations with workers. (1)

The majority of the foreign firms chose not to join the FEI, probably because they viewed it as a federation confined to Egyptian employers — as was the aim when the FEI was established in 1922. These foreign firms shared anti-union views with the FEI — views which they had held since the early days of trade unionism under the British occupation. The views of the foreign employers were inspired by their fear that organised labour was politically oriented. (2)

Yet, unlike the FEI, once the Trade Union Act of 1942 was passed, many of the foreign firms complied with its provisions and recognised trade unions. To normalise their relations with unions, some of these firms, such as the Royal Dutch Shell Company, concluded collective agreements with the unions and involved union officials in various work place committees. (3)

This change of attitude by foreign employers was probably motivated

(1) See Kassem, M.S., op. cit., p. 65. Some of the large Egyptian firms also sought to enlist the loyalties of their workers by various paternalistic measures, such as company housing and canteens. For details see Harbison, F.H., "Management in Modern Egypt", in Harbison, F.H. and Myers, C.A., Management in the Industrial World: an international comparison (McGraw-Hill, New York, 1959), p. 164.

(2) See Tomiche, F.J., op. cit., p. 22.

(3) The Shell Company in particular was the focus of attack by the pro-trade union newspapers and magazines as a privileged foreign concern, despite the Company's efforts to normalise relations with trade unions and introduce advanced working conditions. However, the number of strikes declined impressively throughout the 1940's; there had been only two strikes between 1942-1950 compared to eight strikes between 1938-1941. For further details, see Nekheili, S.M., op. cit., pp. 323-325.
by their desire not to oppose the host government's legislation (i.e. the new law on trade unions) but also probably because they realised that trade unionism was spreading rapidly, and that they could no longer oppose it if they wished to avoid industrial unrest, especially, since foreign, they were the focus of labour protest.

(c) **Employers Under the Nationalist System (1952-1976)**

During the early years of the new regime, employers' associations were not directly affected by government measures. However, because of their connection with the old regime, the property of many large employers was sequestrated. The government did not consider sequestration as being taken against Egyptian industrialists but rather against certain corrupt elements who collaborated with the previous regime. (1)

Apart from this measure, private enterprise was protected and encouraged during the early period of the revolution. This policy was confirmed under the 1956 Constitution by a guarantee. Yet the same Constitution made it clear that the government's sympathy was on the side of labour in their relations with employers, by laying down the principle of the "protection of the masses and the

unprivileged classes against the exploitation by the landowners and the capitalist classes". (1)

After the revolution, employers realised fairly soon that the change of political system would eventually lead to a decline in their privileges. This became more apparent with the enactment of the Trade Union Act 1952. This not only made it an offence for any employer to refuse to recognise trade unions, but it also compelled him legally to negotiate working and employment conditions and to conclude collective agreements with worker representatives. (2)

Such explicit legal provisions forced employers to initiate changes in their relations with unions, while the collapse of their political influence deprived them of an effective means of maintaining and strengthening their position vis-à-vis trade unions.

In spite of this decline in their authority and in spite of being forced to submit to worker demands, employers rarely changed their overall labour policies. Only a few organisations developed relatively well-formulated or explicitly-stated labour policies. FEI policies in particular were "reactions" to the growth of trade unionism, and resulted in attempts to weaken trade unions. There were a few attempts to control unions through corrupting their leadership. For example, in 1957, an investigation by the

(1) Quoted by Mansour, M.B., op. cit., p.190.

government's Labour Inspectorate took place concerning an accusation made by the Cairo Textile Union that the management of the Nile Textile Company, one of the largest in Cairo, had reached certain "informal agreements" with two members of the company's union representatives. As a result of this investigation, the personnel manager of the company and the two union officials involved were advised to resign.(1)

With the increasing size of the public sector, particularly after the nationalisation measures of 1961 and 1963, state-owned organisations gradually began to dominate the FBI and its Board of Directors. The managers of these organisations were quite different from private sector employers in their attitude to trade unions. Being government employees, they were generally chosen from among people loyal to the regime who became members of the ASU and were expected to follow the guidelines for labour policy as laid down by the government.(2) These managers have come from lower-middle class origin, and (as a study dealing with the managerial elite in Egypt revealed) shared with the government and trade unions the same hatred of the old regime.(3) The majority of this type of manager were members of the Wafd Party before the revolution. They found themselves

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(1) See Amin, M.F., op. cit., pp.116-117.
(2) See United Arab Republic (Information Agency), The National Charter, p.126.
(3) See Kassm, M.S., op. cit., p.259.
thereafter in agreement with the ideology of the new regime and thus expressed readiness to co-operate with it. (1) This group of managers was ready to co-operate with trade unions. However, conflict developed between them and trade unions after the introduction of worker participation schemes in 1961. The strength of the trade unions, and their demands for union participation in selecting worker representatives on the boards of directors, (2) left the managers of the public enterprises with an insecure feeling regarding their authority in running their firms. (3) They began to stress a kind of constitutional management-labour relationship rather than viewing trade unions as "partners". (4) However, because of trade union pressure, the present government does not yet seem prepared to abandon the notion of "partnership".

The decline in the size and influence of the private sector, as well as the expansion of the public sector, have made the FEI less effective as an organisation for protecting employer interests in

(1) Idem.

(2) The Egyptian Worker-Directors Act 114/1961 was vague about the right of union officials to be elected for the board membership, it also required that worker-directors be elected by all eligible workers in the firm, thus unions have no clearly established role in determining workers' representation on the board. Unions' effort to change this situation has been up to now fruitless. For further details see Chapter 7 of this thesis.

(3) Although management authority still prevails, it is continuously challenged by trade unions who interpret the notion of "partnership" as "to be consulted on all aspects of management-labour relations", see Khalid, M., op. cit., pp.6 and 290.

dealing with labour. The nationalisation measures resulted in a reorganisation of the structure and operation of the new state-owned enterprises, which stressed, among other things, the importance of company management in dealing with industrial relations. Industry-wide matters of industrial relations, including the role of the FEI, declined as a result. Gradually, FEI activities have been mainly confined to industrial research and publications. Although the private sector has been revived in recent years, the role of the FEI in industrial relations is still limited to expressing views and to making suggestions on legislation, employment and cases of industrial dispute. (1) This (present) situation may be so for two main reasons. Firstly, the management of the public enterprises it seems prefer to deal directly with industrial relations affairs at company level. Secondly, it seems the government would like to see the present situation continue because it is afraid that a shift to nationwide negotiations could result in strengthening the central authority of the FEI, which might encourage the FEI to make a firmer stand at the central level.

(1) Information supplied on May 14, 1976 by Dr. Ahmed Tawfiq, Director General of FEI.
SYRIA

(a) Employers Under the French Mandate (1920-1946)

During the French Mandate, the small handicraft firms in Syria were mainly governed by the guild system. After the disappearance of the guilds, firms which were usually owned by one person or one family and managed by the owner or the owners, maintained many of the paternalistic characteristics of guilds.(1)

Modern industry grew up slowly but gradually. Some of the artisans of the handicraft industries mechanised their production but the main initiative for modernisation came from the old mercantile group which was transformed into a dynamic industrial elite. At the beginning, and in order to promote industrial investment, this group had to work through the chambers of commerce which had been founded under the Ottoman rule. In the mid 1930's, it became clear to a group of Damascus industrialists that their chamber of commerce was unable to pursue a different economic activity from that for which it was originally established. In 1935, therefore, these industrialists formed the "Damascus Chamber of Industry" (DCI) to "promote industrial investment and look after the affairs of its members! (2) No reference was made to dealing with industrial relations affairs

(1) See Kassm, M.R., op. cit., p.38.

or representing the members in dealing with trade unions (and it seems that at that stage the founders felt no need for this).

In 1936, Alleppo industrialists followed their Damascus colleagues and formed their own Chamber of Industry. (1) The reason behind the formation of a city-chamber rather than a nationwide organisation was that, in the absence of specific legislation allowing employers to organise, they had to make their application in accordance with the Ottoman Law of Association which only permitted the formation of district associations. Whereas trade unions were able to form a nationwide federation once the Guild Code was repealed, there was no specific legislation to allow the formation of employers' associations, probably because (unlike trade unions) employers had not expressed an interest in such legislation. However, in practice the DCI acted as a representative of industrialists in other districts and hence emerged as a nationwide, rather than a district, organisation.

As management-labour-state relations developed, the chambers began to find that they had to involve themselves in industrial relations affairs. They began to intervene as direct representatives of their members, by offering advice to the latter and by making the necessary contacts with government agencies on behalf of their members.

The first clear change in attitude was demonstrated by the DCI's reaction to the trade union conference held in March 1938. The

(1) Idem.
conference resulted in the formation of a trade union federation. It demanded, among other things, wage increases, minimum wage fixing, paid holidays and other improvements in employment and working conditions. The DCI reacted furiously by opposing vigorously any radical changes in the rules regulating conditions of employment; it urged the government to act "with great prudence". (1) This hint was ignored by the government which wanted to preserve industrial peace during the critical pre-War period and realised that some of the main worker demands had to be met.

In 1911, the Hums Chamber was formed, followed in 1913 by the Hamma Chamber, and in 1918 by the Latakia Chamber, and the chambers' involvement in industrial relations activities increased considerably with industrial expansion and the growth of trade unionism.

As in Egypt, foreign firms chose not to join the chambers of industries. These firms, compared to Egypt, were small in number and concentrated mainly in oil pipelines (IPC-Syria), power generation, construction and trade. They relied on foreign managers or well-trained immigrants (i.e., Greeks, Italians and Armenians) to run their firms. These firms recognised the fact that they were politically the centre of labour protest, and thus developed a rather cautious approach in their relations with trade unions. IPC (Syria) in particular, which was the largest foreign concern in the country, had encouraged informal arrangements between management and trade unions, such as the establishment of suggestion committees, the

(1) Petran, T., op. cit., p.73.
provision of educational and welfare services and consultation with unions on matters related to social and religious anniversaries. (1) This policy was totally in contrast with that followed by the same company in Iraq, where the political situation was different. In Iraq, IPC consulted religious and tribal leaders on the provision of educational and welfare services and refused to permit the formation of trade unions in the company.

Unfortunately, no statistical data or reports are available regarding the effect of this approach by foreign firms in Syria on management-labour relations. The incidence of strikes could not be used as an indication because strikes were banned during the War period. (2) However, factors such as the relatively higher wages, and the increasing tendency by workers to seek employment in foreign firms, (3) indicate that management-labour relations were in a healthier position in these firms than in the nationally-owned companies.

Nevertheless, a recent account by the GFTUS claims that foreign employers during that period followed a policy of "favouring workers' demands only to avoid the anger of the working-class against the collaboration of the management of these firms with

(1) See Lenczowski, G., op. cit., p.276.
(2) Despite the ban on strikes during the Second World War, a handful of strikes took place in nationally-owned firms, but no strike was reported in foreign firms.
the French administration". (1) Hanna also suggests that foreign firms had on many occasions collaborated with the French administration on issues related to labour. (2) However, neither the GFTUS' claim nor Hanna's clarify the nature and extent of such collaboration. But one is inclined to suggest that as trade unions were usually suspicious of foreign employers, the latter were bound to seek the provision of the administration's protection, while at the same time they had to be much more flexible in dealing with workers' demands than the national employers, in order to avoid worker protest.

(b) Employers Under the Traditional System (1946-1958)

Under the traditional regime, the private industrial sector received all possible encouragement from the government and was largely given a free hand in formulating the country's industrial policy. Modern industry expanded gradually and employers enjoyed a privileged position. The DCI in particular was very influential in determining the government's industrial policies and was often consulted by the Minister of National Economy on issues related to both local and foreign investments. (3)

(1) See General Federation of Trade Unions, Syria, *op. cit.*, p.33.
Two important points should be noted:

1. Trade unions, except under the Shishakli regime, received encouragement throughout this period, or at least some governments adopted a neutral attitude towards trade union-employer relations.

2. While the government encouraged the private sector, the extent to which the government gave in to the employers' influence varied with the type of government in power. During the parliamentary period 1946 to 1949 (i.e. before the start of the series of coups) the government was very much under the influence of the industrial elite represented mainly by the DOI and the Aleppo Chamber of Industry. The influence of employers could be seen in the pressure they exerted on government as regarded its industrial policy and the regulation of management-labour relations.

In the industrial context, the government accepted the chambers' recommendations for tariff protection and started negotiations to bring to an end the Customs Union with Lebanon. (1) With regard to industrial relations affairs, employers were the major formulators of the Labour Code of 1946, which recognised collective bargaining and established compulsory arbitration boards. (2) In contrast with pre-Second World War employers, the post-War period, employers began to develop a semi-constitutional approach to dealing with trade unions, and began to appreciate that unions were there to stay. They expressed a readiness to negotiate employment and working conditions

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(1) This Union was established under the French Mandate and aimed to encourage the dumping policy which I referred to in Chapter 1 of this thesis.

(2) Allouni, A., op. cit., pp.72-73.
as long as their authority to establish basic work place rules
(such as the right of hiring and firing and of establishing work
procedures) was unquestioned, (1) a situation which was generally
accepted by trade unions though not wholeheartedly.

The same type of employer-union relationship was pursued, with
slight modifications, during the parliamentary period 1954 to 1958.
The only change was that the ABSP was very influential inside the
government and was able to bring pressure on the government to adopt
a more favourable labour policy. The general characteristics of a
semi-constitutional management-labour relations alliance, however,
remained dominant throughout this period. The employers' dominance
in establishing certain work place rules also remained intact.
In certain individual cases, because of political pressure, employers
submitted to "excessive" union demands for participation in recruit¬
ment and redundancy procedures (which employers had retained in their
hand after consultation with their chambers and with the Ministry of
National Economy). (2) For example, in 1956, the Textile Union of
Damascus after intervention by the Ministry of National Economy,
agreed to call off a strike in a major textile plant in Damascus on
condition that management would not lay off twenty workers and would
consult the union about future redundancies. (3)

(2) This is because in 1953, a new Act for the Chambers of Industries
was passed according to which employers could consult their
chambers before approaching the Ministry of National Economy.
During the period of coup d'etats (1949-51) no specific change took place as regarded employer-union-government relationships, but, occasionally, declarations were made by military leaders expressing the intention to make radical changes. Such declarations annoyed the chambers which welcomed the collapse of these regimes enthusiastically.

It was under the Shishakli regime that employers, represented by the DCI, enjoyed a very favourable position. They constituted the social basis of this regime and often determined its orientations. Mamoun Kuzbari, the Chairman of the Khumasia Company (the largest industrial complex in Syria) (1) became one of the Shishakli's protégés, his legal adviser and, in 1953, Speaker of his Parliament. Under the DCI, and particularly on Kuzbari's advice, Shishakli pursued a pro-West policy and strengthened Syria's economic relations with the West. Under his influence, a special Act for the Chambers of Industries was passed. The Act regulated the activities of the chambers and reorganised relations between them.

Although the Law maintained the separate city chambers, the DCI was authorised to represent them in cases of a central nature or on a written authorisation by them in each separate case. The purpose was, in the words of employers, "to ease co-ordination and maintain

(1) Mamoun Kuzbari was also the Legal Adviser of the DCI during the 1950's. He then became Syria's Prime Minister during the early Separatist rule in 1961.
flexibility within various chambers". (1) More importantly, the new law authorised employers, who were members of the chambers, to refer to their chambers and consult them in matters related to recruitment and redundancy of unskilled workers before approaching the Ministry of National Economy. This provision did not bring any practical change in the authority of the employers but it did give them a legal right which, in theory, could not be waived in future negotiations. As mentioned already, employers were forced on some occasions to waive this provision because of union pressure and government intervention.

This explicit bias towards employers by the state, which was new, provoked the antagonism of trade unions who had already suffered under the Shishakli's dictatorship, and a number of strikes took place, based on the accusation that employers were collaborating with the government to change and abolish the relatively equal rights of trade unions. These actions were quickly and severely suppressed by the government and industrial peace was restored. (2)

The employers' reaction represented by the DCI was that as far as they were concerned there had been no change in the basis of their

(1) Nabulsi, H.M.S., op. cit., p.363. The reason for maintaining separate district chambers during this period was probably due to a political conflict which had developed between the Aleppo group affiliated to the People's Party and the Damascus group affiliated to the National Bloc.

relations with the unions. The Law regulating the chambers' activities was an inevitable progressive step to help the promotion of Syrian industry and had nothing to do with the "rights" of trade unions or of any other group. (1) This argument was of a defensive nature as the Act was promulgated by a government known to be pro-employer and hostile to trade unions, and its provisions aimed to strengthening the employers' legal position vis-a-vis trade unions.

Throughout the period from 1954 to 1958 numerous efforts were made by trade unions to change this provision in the Chambers Act but they all failed.

During the period of the traditional regimes, foreign firms continued to provide better employment and working conditions than their Syrian counterparts. They also maintained their friendly attitudes towards trade unions. Nevertheless, trade unions, who were largely controlled by the nationalist political groups (particularly during the period 1954–1958), intensified their attack against foreign firms and demanded an end to their privileged positions, as these firms, apart from the main provisions of the Labour Code of 1946, established their own employment rules. Having lost government protection many of these firms sought protection through the chambers of industries and subsequently joined them (as the IPC-Syria and the French "Damasous Electricity Authority" did). (2) The IPC (Syria) in

(1) See Nabulsi, H.M.S., op. cit., p.363.
(2) See Ibid., p.87.
particular maintained close co-operation with the DCI by providing training facilities in the field of labour relations (as well as in other managerial fields) to Syrian managers in national DCI's members firms. (1)

(o) Employers Under the Nationalist Regimes (1958-1976)

After the formation of the UAR in 1958, the industrial activities and the influence in industrial relations affairs of the chambers of industries began to decline.

This first became apparent when the Labour Code 1959 was enacted. The new Code repealed the 1946 Labour Code which had established a semi-constitutional status of management-labour relations, in which employers played a dominant role. The new Code gave the government certain rights hitherto either jointly exercised by employers and unions, or exclusively by employers. For example, the fixing of minimum wages of unskilled labour under the new Code was to be decided exclusively by the Ministry of Labour, and many of the workplace rules were replaced by ministerial directives. The Code, to the advantage of employers, (and drawing on Egyptian experience) introduced a detailed disciplinary procedure to be unilaterally applied by employers without consultation with trade unions. This

measure brought severe criticism from trade unions. (1)

The enactment of the Social Insurance Act 1959 represented another blow regarding the authority of employers in Syria. This Act compulsory required employers to introduce Social Security schemes, and no longer gave them scope for discretion with regard to the introduction of schemes and with regard to the employers' maximum contribution.

The biggest blow to the chambers and individual employers came through the socialist laws of 1961. Among other things, these laws fully nationalised twenty-four large industrial firms (including the Khumasia complex) and partially nationalised thirty-seven others. In the nationalised firms the Laws introduced schemes of worker-directors, profit-sharing and joint consultation. In the long run these acts aimed to strengthen the trade union position vis-a-vis employers and to increase their role in the process of decision-making in industry. Although employers regained their influence and the nationalised firms were reinstated to their original owners, under the separatist rule the old position of the employers was never fully regained. The government did not dare to repeal the acts of worker participation nor were the employers able (in the face of a militant trade union movement) to retain their authority to establish certain work place rules. Their period of triumph was short and with the ABSP in control in March 1963, there began a new era of

(1) See Chapter 2 of this thesis.
government intervention in economic activities and of expansion of the public sector.

The state gradually became the major employer, and the chambers' role in industrial relations affairs declined sharply. In 1967, the Law of the Chambers of Industries was amended to limit their activities and membership to private enterprises. (1) This meant that all nationalised and other state-owned industrial firms had to withdraw from the chambers. This affected 158 firms representing almost all large and medium-sized enterprises in Syria. Although these firms represented less than 50% of industrial production and about 25% of the labour force employed in manufacturing industry in 1967, (2) the majority of the remaining firms were small-sized establishments, mainly employing less than fifty workers. In these firms, management-labour relations were (and still are) less complicated and were largely (and still are) governed by paternalism. This has limited the potential role that the chambers might have played in formulating industrial relations policies.

The expansion of the public sector resulted in the recruitment of socialist managers who generally came from middle-class origins and whose loyalty to the regime was a considerable factor in selecting

The socialist managers could not ideologically see eye to eye with the management of the private sector within the framework of the chambers as employers' organisations. Instead of controlling the chambers, as was the case in Iraq and Egypt, the public sector managers chose to boycott them. Being employed by the state, they were largely governed by the regulations of the Ministry of Industry and restricted by the state's labour policy. As individual managers, they found increasingly when dealing with trade unions that they were facing unified and powerful organisations. As a result they began to bring pressure on the government to found an organisation for public sector management. At the beginning these managers viewed workers as their colleagues on the other side of the production line who differed from them only in the amount and type of responsibility which they exercised. This view was not shared by trade unions. The latter continued to stress the "class struggle" and "class difference" in formulating their attitude towards the management of the public sector. They made a distinction between the government as an owner of the public sector and the management of the public enterprises as government employees. To trade unions the public sector is owned by the state and thus it is "directly in the people's ownership".

Therefore, it is the responsibility of workers and unions to increase

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(1) The majority of these managers had either very limited or no managerial experience prior to their assumption of the top management positions in the public sector. An unpublished report by the Syrian Management Development and Productivity Centre points out that by 1974, 30% of the top management jobs in the manufacturing public sector were occupied by people who assumed managerial post for the first time, another 15% were chosen from among junior civil servants and 8% had academic experience before taking a top managerial post, the rest had limited experience at junior and middle-management levels. See Syrian Arab Republic (Ministry of Industry-Management Development and Productivity Centre), Taqrir 'An Tatwur Al-idara Al-sina'a Fi Suriya, (Report on the Development of the Syrian Industrial Management) (Unpublished), (Damascus, 1975), p.8. (In Arabic).
production in order to protect and develop the public sector. The managers in this sector, being government employees, are bound to "develop bureaucratic tendencies in running their firms, and to have bourgeois aspirations that conflict with the interests of the working-class". (1) These differences in the attitudes between trade unions and the management of the public sector inevitably brought management into daily conflict with trade unions. For example, management welcomed the GFTUS' move towards increasing production and allocating a "month for production", but at the same time, union demands for participation in production planning were resisted by many of the public sector directors. They considered them as "irresponsible demands which did not take into account technical requirements for the process of planning production". (2) These conflicting views held by the management of the public sector points to management's lack of experience, particularly with regard to the complexity of management-labour relations in the Syrian industry. Trade unions, irrespective of their political affiliation, had developed a class-consciousness within the Syrian labour movement; labour demands and the solidarity of the working-class came first. Management might be accepted politically by trade unions but they remained a group of a different class and had different interests. For the sake of the national economy, unions might try not to clash with them. However, they wanted to bargain with them and if necessary they would fight against them. (3)

(1) General Federation of Trade Unions, Syria, A Plan of Action for the GFTUS' Eighteenth Session, p.11.
(2) Quoted by Al-Ishiraki, (The Socialist), (Organ of GFTUS), No.632 (April 6, 1976), p.8. (In Arabic).
(3) Idem.
In 1967, under the pressure from the Syrian public sector management, the state enterprises were excluded from the chambers' rules and a new law established three federations for the management of the public sector, namely:

1. The Federation of the Textile Industry.
2. The Federation of the Foodstuff Industry.
3. The Federation of the Engineering Industry.

Each of these three federations comprises a board of seven directors, who are elected by affiliated companies' directors from among themselves. Workers' representatives to the companies boards are neither allowed to stand for the federations' posts, nor to participate in the elections, thereby stressing that the federations were and are exclusively employers' organisations. In practice, one would expect, therefore, that company-directors as government employees (i.e. employed by the Ministry of Industry) would be influenced by the Ministry's preferences as to who should stand for the federation boards. In addition to creating a conflict of interests within the boards, the inclusion of worker-directors would probably result in a refusal to endorse the Ministry's candidates if the worker-directors did not agree with the nominations.

The federations, in addition to representing the management of the public sector in dealing with industry-wide industrial relations matters, are responsible for sectoral industrial planning, subject to the approval of the Ministry of Industry. They are also
responsible for advising the Ministry on various affairs related to
the government's industrialisation policy and for implementing the
Ministry's industrial programme. Public enterprise managers are
required by law to be members of their federations. (1)

Since 1968, the federations began to negotiate about mutual matters
at the Industrial level with the GFTUS, and by the end of 1974, nine
industry-wide collective agreements had been concluded. During the
same period they were also involved, as representatives of their
member companies, in nineteen arbitration cases of an industry-wide
nature at Labour Court hearings. (2)


(2) Ibid., p.76.
COMPARISON OF THE DEVELOPMENT OF THE ROLE OF EMPLOYERS AND OF EMPLOYERS' ASSOCIATIONS IN THE THREE COUNTRIES

Up to the end of the foreign administrations, i.e., in Iraq up to 1932 and in Egypt up to 1922, the state acted on behalf of employers in dealing with labour protest and trade unions were too weak to provoke a reaction from employers. Therefore no employers' organisations were formed. In Syria, the French Mandate lasted until after the Second World War and in the latter part of the period industry grew more rapidly, and employers felt a need for organisations to deal collectively with the French authorities who were hostile to industrialisation. As management-labour-state relations developed in Syria, these organisations eventually had to involve themselves in industrial relations affairs, mainly adopting a hostile attitude to the growing trade union movement. In Iraq and Egypt, foreign employers dominated the few modern industries which had emerged. These employers, particularly in Egypt, attempted to limit the authority of workers and to prevent the establishment of trade unions. Like their national counterparts, they relied on government intervention to deal with worker protest. In Syria, on the other hand, foreign firms were very few in number, and developed a rather cautious attitude in their relations with trade unions. This attitude was inspired by the fact that these companies became the focus of attack by the developing trade union movement.

Despite the gradual growth of modern industries, the majority of firms during the period of foreign administrations in the three countries
were small-sized, and the handicraft industries, although they were declining, remained dominant. In these small-sized establishments, management-labour relations were mainly of a paterno-listic nature, resulting from a mixture of social and religious customs.

Under the traditional regimes, the case for having an employer organisation became apparent because of the industrial growth which was brought about mainly by War conditions. In Egypt, the Federation of Egyptian Industries (FEI) emerged as a result of the new national drive which was developed during and after the First World War. In Iraq, the establishment of the Iraqi Federation of Industries (IFI) followed the emergence of the new industrial elite during and after the Second World War.

In Egypt and Syria, employers' associations gave utmost priority to industrial relations activities, as a response to the growth of trade unionism, although their tactics were different. The FEI opposed trade unions and refused to recognise the unions for fear of interference with their authority. In Syria, the chambers of industries developed a semi-constitutional approach to dealing with trade unions, and began to appreciate that unions were there to stay. In Iraq, where trade unions were very weak and national employers themselves were in conflict with the ruling oligarchy, the IFI did not give priority to industrial relations activities until after the revolution, when the situation had changed.
Under the traditional regimes the policies adopted by foreign employers in the three countries, also changed in accordance with the changes in the governments' labour policies. In Iraq, where they had the state's backing, they did not tolerate trade unionism, and like the government, feared the political inspiration behind the trade union movement. In Egypt and Syria, where the law forced them to recognise trade unions, they recognised trade unions and tried to soften relations with them, though not very successfully (particularly in Syria).

Under the nationalist regimes(1) the importance of employers' associations in dealing with industrial relations matters has declined because of the nationalisation measures and the growth of the public sector. The management of public enterprises, which came from lower middle-class origin and adopted socialist ideology, began to take the lead in dealing with industrial relations affairs. There were some local variations in each country. In Iraq, the IFI acquired a prominent role during the early days of the revolution because of its pre-revolution campaign for the industrialisation of the country and its opposition of the economic policy of the monarchist regime. Although the IFI role declined and although its work has been confined to the private and mixed sectors, it still plays an important role in dealing with trade unions in these sectors as the sole legal representative of employers.

(1) As most of the foreign concerns were nationalised in the three countries, the few remaining foreign firms had little role to play in industrial relations, and were completely subject to the state's labour legislation.
In Egypt, in contrast with Iraq, the FEI's role was a restricted one after the revolution. As far as industrial relations were concerned the FEI was confined to only advisory and legal services. This was mainly due to the employers' opposition to the revolution and to their connection with the previous regime. The growth of the public sector provided the management of state-owned enterprises with an enhanced authority to deal with industrial relations affairs at company-level without involving the FEI.

In Syria, the ideological conflict between private employers and the management of the public enterprises and the latter's need to deal with unified and powerful trade unions and their pressure to have a separate employers' organisation, resulted in restructuring the chambers of industries so as they now only represented private employers, and in the formation of three industrial federations established within the Ministry of Industry to represent the management of public enterprises.

The main features of the development of the role of employers and of employers' associations are summarised on the separate page which follows.
The Development of the Role of Employers and of Employers' Associations in Iraq, Egypt and Syria

<table>
<thead>
<tr>
<th>Country</th>
<th>IRAQ</th>
<th>EGYPT</th>
<th>SYRIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political System</td>
<td>(1920-1932)</td>
<td>(1882-1922)</td>
<td>(1920-1945)</td>
</tr>
<tr>
<td>Foreign Administrations</td>
<td>Employers (foreign and national) in the newly emerged modern industry opposed trade unionism and relied on government to deal with worker protest. The majority of firms were small-sized and adopted a paternalistic approach to management-labour relations. No employers' associations were founded.</td>
<td>Foreign employers controlled most of the newly emerged modern firms who tried to limit workers authority and relied on government intervention to deal with worker protest. Handicraft industries and small-sized firms were dominant and adopted a paternalistic approach to management-labour relations. No employers' associations were founded.</td>
<td>In the emerging modern industry, employers' associations emerged in response to the need to promote industry, confined to Syrian employers and organised on provincial basis. Later were forced to pay attention to industrial relations and opposed trade unionism. Foreign employers adopted a cautious attitude to trade unions. Handicraft industries and small-sized firms adopted a paternalistic approach to management-labour relations.</td>
</tr>
<tr>
<td>Traditional Systems (monarchists in Iraq and Egypt and republican in Syria)</td>
<td>(1922-1925)</td>
<td>Modern Egyptian employers grew steadily from among the ruling aristocracy, formed a nationwide federation and opposed trade unionism for fear of intervention with their authority. Small employers continued their paternalistic approach. Foreign firms, at the beginning continued their anti-union stand, but then were forced to accept the legal recognition of trade unions.</td>
<td>Modern Syrian employers developed a semi-constitutional approach to industrial relations but their dominant authority remained intact. Their associations continued as provincial organisations, and the DCI was authorised to represent them in nationwide matters. Foreign employers joined the association and sought peace with unions, while small employers continued their paternalistic approach.</td>
</tr>
<tr>
<td>(1958-1976)</td>
<td>The industrial elite and its federation acquired a prominent position during the early stage, and played an important role in dealing with trade unions and in the process of industrialisation. Recently membership of the federation was restricted to the private and mixed sectors. The nationalisation measures resulted in the disappearance of almost all foreign firms, and in the appointment of socialist managers who believe in the state's labour policy to the management of the public enterprises.</td>
<td>The role of private employers declined and the employers' federation was confined to an advisory role in industrial relations, but recently it has been reviving slowly. The nationalisation measures resulted in the disappearance of almost all foreign firms, brought loyal socialist managers to the management of public sector. The management of the public sector became dominant in determining industrial relations affairs at company level.</td>
<td>The role of private employers and their chambers declined. The nationalisation measures resulted in the disappearance of almost all foreign firms, brought socialist managers to run the dominant public sector, and resulted in an ideological conflict between them and private employers. As a result in 1967, the chambers were confined to private employers, and three industrial federations were formed to represent the management of public enterprises. The federations are entirely influenced by the state's industrial relations policy.</td>
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The purpose of this chapter is to investigate the changes in the labour policies of the three countries under the different governments, and to examine the effect of these changes on the development of industrial relations in Iraq, Egypt and Syria.

IRAQ

(a) The British Mandate (1920–1932)

Owing to the weakness of the labour movement during this period, the government did not intervene in management-labour relations, except to suppress the few incidents of strikes which took place during the later years of the British Mandate. For the same reason, only a few ad hoc regulations were issued throughout the period, and these were mainly concerned with general rules related to employment in government and industry. However, when strikes increased in number and became more disruptive, the government passed the Strike Act No. 70 of 1932. This Act did not prohibit strikes, but restricted the circumstances in which they were deemed legal. It also
outlawed picketing and sympathy strikes. (1)

(b) The Monarchy (1932-1958)

The government under the monarchy in general adopted a policy which was hostile to the labour movement. It attempted to control labour activities, to discourage and when necessary suppress trade unions, and to encourage the dominance of the employers' authority in establishing work place rules. The pursuance of this policy was motivated by a mixture of a paternalistic approach to management-labour relations, and a fear that organised labour would become the centre of political exploitation by the radical opposition.

Labour Legislation. Following national and international pressure for the enactment of comprehensive labour legislation, (2) the first Labour Law No. 72 was passed in 1936; and was amended by Law No. 36 of 1942 and supplemented by a number of ministerial regulations and instructions, and as a whole represented the essence of the state's labour policy during the monarchy.

Perhaps the major significance of the Labour Law No. 72 of 1936 has


(2) See Chapter 2 of this thesis.
been that it was the first major labour legislation to be passed in the Arab World. Its enactment paved the way for similar legislation in other Arab countries. The Law dealt with conditions and hours of work; compensation for death, injury and diseases; the formation of trade unions; employment of children and women, government inspection, as well as a variety of miscellaneous matters. However, the Law only covered workers employed in industrial undertakings and it excluded agricultural workers, government employees and workers engaged in organisations belonging to the commercial sector.(1)

The most important part of the Law was Chapter Four, Articles 23-29, giving workers the right to organise. Trade union objectives were held to be the protection of the members' economic interests and the improvement of their educational, social and physical well-being. The establishment of trade unions was put under the supervision of the Minister of the Interior (later the Minister of Social Affairs). The Minister was empowered to give or refuse permission to workers who applied for trade union organisation. In case of refusal, the right of appeal to the Cabinet was allowed. The decision of the Cabinet in this matter was final. The Law spelled out the procedures which should be adhered to by workers. The base of a union must be 20 workers in similar jobs. The founders must be of good character and have no criminal convictions. The government was given the power to supervise union elections; the aim of this provision was to ensure

government control over trade union executives and to exclude undesirable members from trade union leadership. Government regulations and control of trade unions affairs was extended to inspection whenever it was deemed necessary. The Law also authorised the Minister of the Interior to cancel the union's licence on several grounds, the most frequently used ones being those of breach of public security or the safety of the state.

Despite the theoretical opportunities for legal operation of trade unions, only one union had been granted a licence by 1944.(1)

The Law, however, did not regulate wage fixing, industrial disputes, compensation for industrial accidents other than injury and diseases, and compensation for layoffs or unemployment. Because of these weaknesses and of worker pressure, the Law was amended in 1942 to introduce provisions concerning minimum wage fixing, settlement of disputes and industrial safety measures. The 1942 amendment authorised the Ministry of Social Affairs to issue detailed regulations regarding the settlement of disputes, but the first of these regulations were not issued until 1954. The Ministry was also authorised to set minimum wages for various categories of workers and, in this case, the use of the regulations was delayed until 1953.

The Labour Law No. 72 of 1936 was repealed by Labour Law No. 1 of 1958, but this Law was not put into effect until after the revolution.

(1) See Chapter 2 of this thesis.
The government also introduced in 1956, a Social Security Act which was very limited in its coverage and in the amounts of compensation which it provided. This Act too was not put properly into practice until after the revolution.

**Rule-Making.** During the period of the monarchy industrial relations rule-making was mainly dominated by the government. Employers were allowed to establish some important work-place rules such as those relating to recruitment, dismissal and remuneration. Some more detailed work regulation was exercised by the Ministry of Social Affairs as the main governmental agency, but these rules applied mainly to the nationally-owned firms. Foreign concerns, particularly oil companies were allowed to establish separate rules but had to apply the main provisions of Labour Law No. 72 of 1936. Workers or their representatives had little authority to influence employment and work regulations.

Among the important provisions made by the government during this period which affirmed its leading role in establishing rules, were the Wage Fixing regulations of 1953 and the Conciliation and Arbitration Regulations of 1954. The two sets of regulations were made under the provisions of the 1942 amendment to the Labour Law.

Although the Labour Law, as amended in 1942, authorised the Minister of Social Affairs to issue regulations related to minimum wage fixing, in practice the fixing of minimum wages was the prerogative
of employers until 1953. In most of the cases employers set minimum wages on an arbitrary basis without specific standard regulations. In 1953, the government issued wage fixing regulations which set minimum wages for different categories of unskilled workers.(1) These regulations aimed to put an end to the arbitrary policies of employers, and, in practice, the effect was that they enhanced government control over management-labour relations.

The Conciliation and Arbitration Regulations laid down a procedure for handling industrial disputes. This procedure required that disputes be reported by one or both parties to the Minister of Social Affairs who would endeavour to settle them by conciliation. If he failed, he would refer the dispute with the consent of the parties concerned to an arbitrator or a board of arbitration representing both parties as well as the government. The arbitration award would be final and enforceable.(2) The regulations required that in cases where disputes were settled by conciliation or arbitration, written agreements had to be drawn up. However, employers usually did not honour such agreements once the situation returned to normal.

In addition, the regulations stipulated that strikes and lockouts should be treated as illegal unless the Minister had been notified.

(1) See Government of Iraq (Ministry of the Interior), Al-Wasai' Al-'Iraqia (The Official Gazette), No. 3333 (dated December 17, 1953).

fourteen days ahead of their occurrence of the proposed date and of the reason for the strike or lockout. This provision aimed to give the government ample time to prevent the occurrence of strikes whether by persuasion or force. To avoid government intervention, however, and in breach of the law, almost all strikes which took place between 1954 and 1958 did not give prior notice.

(c) The Nationalist System (1958-1976)

The revolution brought a complete change in the state's industrial relations policy. In conformity with its policy of intervention in economic activities and developing a socialist society, the state assumed a more positive and dominant role in management-labour relations. Its intervention in shaping the structure of the industrial relations system is witnessed through labour legislation, through various governmental agencies and through participation in tripartite bodies consisting of trade unions, government and employers.

Labour Legislation. Shortly before the revolution, as already mentioned, the monarchist government had enacted the new Labour Law No. 1 of 1958.(1) This Law, however, was not put into effect until after the revolution. The Law, which was amended several times thereafter, represented the essence of the nationalist government's labour

policy until 1970. In that year the Law was repealed and replaced by the present Labour Code No. 151 of 1970.

Though not a perfect answer to the complexity of labour problems, the Labour Law of 1958 was an improvement over the 1936 Act. The coverage was extended to workers in commercial and financial establishments and to blue collar government employees. The Law, however, did not cover agricultural workers, but these were given better employment and working conditions, including the right to organise, under the Agrarian Reform Act of 1958.

The Labour Law of 1958 also set up procedures for minimum wage determination, extended the types and benefits awarded to workers as a result of occupational diseases and dismissal; regulated some working conditions; established comprehensive rules for labour inspection; regulated the work of the employment agencies; (1) introduced compulsory joint consultation at plant level; and set up procedures for the settlement of disputes. The procedures for handling disputes laid down by this Law, however, did not differ from the Conciliation and Arbitration Regulations of 1954.

Most importantly, the Labour Law of 1958 recognised the right to the establishment of employers' and workers' organisations. The

(1) Employment Agencies were established as governmental bodies in 1946. However, they were ineffective. The Labour Law No. 1 of 1958 had also failed to make them effective, and thus under the present Code they are a tripartite agency - The Labour Establishment of Employment.
Minister of Social Affairs (and since 1963 the Minister of Labour and Social Affairs) was empowered to issue regulations stipulating the procedures for trade union government and for the structure of trade union organisation. These procedures, which were passed in late 1958, allowed the Ministry to supervise union elections and, if necessary, to amalgamate unions in similar industries. The Ministry thereafter often used this power to bring pressure on unions which challenged its authority.

With the expansion in the state's socialist policy that occurred during the late 1960's, and the development of trade union and management ideologies, it was deemed necessary to introduce a new and much more comprehensive labour code. Therefore, Labour Code No. 151 of 1970, which replaced the Labour Law No. 1 of 1958, was put into effect on the first of January 1971. It has been amended several times since. The code and its amendments represent the most advanced labour legislation in the Arab World. For instance, its coverage and the rights given to workers, are more progressive than the Egyptian Labour Code of 1959 and subsequent labour legislation in Egypt and Syria.

The Code comprises the following eighteen chapters: Basic Principles; Definition and General Provisions; The Contract of Employment; Wages and Wage Fixing; Hours of Work, Rest, Vacation Leave and Public Holidays; Employment of Women and Young Persons; Work in Mines and Quarries; General Industrial Safety and Preventive Measures; Collective Agreements; Joint Organisation of Work on Projects and
Undertakings; Industrial Disputes and Lawful Strikes; Labour Inspection; Special Provisions Respecting Working in the Public Sector; Labour Courts; The Labour Establishment for Employment, Training and Rehabilitation; Trade Union Organisation; Incentive and Sanctions; and Transitional and Miscellaneous Provisions.(1)

The provisions of the Code have wide implications for industrial relations. These provisions have strengthened the leading role of the state, although they aimed to strengthen the position of labour, and particularly of trade unions.

The 1970 Labour Code introduced the principle of joint regulation of certain rules which were hitherto either established by the state or by employers unilaterally. However, the state, under the provisions of the Code, retains the dominant authority in establishing most of the national, as well as many of the work place rules. Most importantly, the Code implicitly left collective bargaining as a voluntary arrangement but laid down that collective agreements were to become legally binding.(2)

The principles laid down by the Code involve fundamental changes in the state's labour policy to match the emphasis given to socialism. In this respect, the Code considers "work" as a natural right which


(2) The provisions of the Code on collective agreements are to be discussed in Chapter 6 of this thesis.
must be provided to every citizen who is able and willing to perform it, under conditions and opportunities equal to all without distinction.

Article One of the Code asserts:

"Work is the characteristic which distinguishes human activity. It is the source of all production, wealth, civilisation and prosperity. It is therefore the individual's natural right and his sacred duty."(1)

Compared to previous legislation, therefore, the Code made it the state's responsibility to find suitable employment for all able and willing citizens. Accordingly, the Labour Establishment for Employment founded under the Code was to act as a tripartite agency supervised by the government to fulfil this task. It is not a labour exchange bureau as was the case with the employment agencies which were established under the previous law.

Furthermore, the Code safeguarded the freedom of trade union organisation. The government undertook to provide all the moral and material guarantees which enable the trade union movement to pursue its functions and carry out its tasks. However, the functions which were to be pursued by trade unions were stipulated by the Code itself, and thus the trade unions' freedom to pursue their functions is practically limited to those stipulated by the Code. The Code also stipulated provisions for trade union organisation and structure and the basic principles of their management. In this regard, it might seem as if the state took on the responsibility for establishing trade union

internal rules. But in practice this was not the case, as union representatives were an influential party on the committee which drafted the Bill for the Code. The Bill was discussed by the GFTUI which suggested many amendments, including those related to trade union structure and management. Nevertheless, it seemed likely that to leave the structure and governmental procedure of trade unions to rigid legal provisions would create considerable organisational problems, as has happened. Such problems could probably be overcome if governing bodies of the trade unions were allowed to deal with them. From the trade unions' point of view, based on their past experience, it seems that to give a statutory form to their structure and to the main governmental procedure would protect them from future ministerial intervention, making undesirable changes.

Until 1970, employers, except for being constrained by legislation and in a few cases by collective agreements, were free to set the conditions of employment with or without a written contract. The Labour Code No. 151 of 1970 makes it compulsory for all employers to agree a written contract with their employees. The contract must specify clearly the type of job, hours of work, the amount and method of payment of wages, and the rights and duties of the workers. It also has to make reference to other regulations governing employment, and has to

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(1) See General Federation of Trade Unions, Iraq, Munagashat Nashro Qanoon Al-'amal Al-muqtarah (Discussion on the Labour Bill), GFTUI, Baghdad, 1969, (In Arabic).

(2) The formal structure of trade unions was discussed in Chapter 3 of this thesis.

specify that the worker is free to join or not to join trade unions. (1) The provisions of the Code represent the minimum rights and benefits offered to workers, but where establishments offer better regulations than these must apply, (2) and the provisions of the contract should clearly state which better provisions are applied.

In this regard, it seems the Code has protected and safeguarded the individual employee from non-contractual employment and/or unfair contracts. Nevertheless, the question remains whether it is possible for employers to manipulate the contract or give different interpretations to its clauses. In this context, the labour courts are empowered to interpret the clauses of any contract, but this applies only when one of the two parties concerned files a complaint to the court about the abuse of the contract by the other.

Finally, the Code expanded the number and activities of the governmental agencies which are empowered to supervise its application and which implement the state's labour policy. Some of these bodies are of a tripartite nature as their responsibilities are shared by unions and employers.

From 1956 to 1969, three social security acts were passed. (3) Although each of them was more advanced than the other in coverage and

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(1) Under the Code, the closed shop is illegal and workers are free to join or not to join trade unions.


(3) These were: Law No. 27 of 1956, Law No. 140 of 1964 and Law No. 112 of 1969.
in the extent of benefits, many categories of workers were not covered and the benefits were limited. The GFTUI severely criticised the deficiencies of the acts and campaigned for comprehensive legislation which would cover all workers and extend benefits to include retirement and old age pensions and other major aspects of social security.(1)

The Labour Code No. 151 of 1970 stipulated that all workers covered by its provisions are automatically covered by the social security legislation.(2) This made the application of the earlier Social Security Act (Law No. 112 of 1969) much more complicated and necessitated an enactment of new legislation to match the requirement of the Labour Code No. 151 of 1970 and to conform with the state's policy of social justice and the welfare of the masses. Accordingly, in 1971 a comprehensive Act was promulgated (The Workers' Pension and Social Security Act No. 39 of 1971).(3) The new Act authorised the Organisation of Workers' Pensions and Social Security to supervise its application. The Organisation is technically attached to the Ministry of Labour, but it is financially and administratively independent. It is managed by a board of directors which includes representatives of the government, the GFTUI and the IFI.

The Act introduced the principle of life pensions to male workers


who have completed thirty years of service and to female workers who have completed twenty-five years of service. If a male worker has attained the age of sixty (in the case of a female worker, the age of fifty-five) and has been insured for a period of service not less than twenty years, then he (or she) is eligible for a life pension. If a worker dies, then a survivor’s pension is payable to his (or her) dependants, regardless of his (or her) length of service or the amount of contribution paid on his (or her) behalf.

In addition, the Act introduced comprehensive provisions regarding sickness benefits; long service benefits; accident and disability benefits; and social and welfare benefits. All or most of these types of benefits were already included under the previous laws but with far less coverage and advantages. More importantly, the Act made the labour courts the judicial bodies which arbitrate in cases arising from its application and appeals against their decisions can only be made to the High Labour Court whose decisions are final.

Statutory joint consultation was introduced under the Labour Law of 1958 and then expanded under the present Labour Code. In addition, two other forms of worker participation were legally introduced as a result of the nationalisation measures of 1964, namely: The Worker-Directors Act and the Profit-Sharing Act. Both Acts which were thereafter subjected to amendments and changes, were introduced on the Egyptian model. The application of these Acts, and the attitudes of unions and employers towards them are to be discussed in Chapter 7 of this study.
Governmental Agencies. Under the Labour Law No. 1 of 1958, various governmental agencies were created to implement the state's industrial relations policy. These agencies were modified and further extended in accordance with the provisions of the present Labour Code No. 151, of 1970. The main agency in this respect is the Ministry of Labour and Social Affairs. The Ministry was founded originally in 1941 as a welfare institution entrusted, among other things, to supervise the implementation of the Labour Law. In 1963, it was renamed the Ministry of Labour and Social Affairs, and in 1972 was reorganised to include two main divisions: Social affairs and Labour.

The labour division is subdivided into four sections: the ministerial headquarters; the general directorate; the tripartite agencies; and the labour courts. The tripartite agencies and the labour courts are technically supervised by the Ministry but both are administratively, financially and judicially independent. Three general directorates are responsible for carrying out the government's labour policy. These are: The General Directorate of Labour, the General Directorate of Planning and the Labour Inspectorate. (1) The General Directorate of Labour is responsible for implementing the Labour Code and other governmental labour regulations. The Directorate of Planning is the section which sets the Ministry's overall plan and follows-up the departmental implementation. The Labour Inspectorate is not officially

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independent from the Ministry's jurisdiction, but under the present Labour Code No. 151 of 1970, it carries out its functions jointly with trade unions.

The Labour Inspectorate investigates the application of the provisions of the labour legislation through unscheduled inspections. It seems that the Inspectorate has been effective in enforcing labour regulations. Table 5.1 shows that while the number of visits to firms by inspectors increased gradually between 1966 and 1972, the number of violations of labour regulations by employers which were recorded by the inspectors gradually declined between the two years. The decline is particularly noticeable between 1971-1972 following the application of the present Labour Code No. 151 of 1970 (which came into force on 1st January, 1971). This is probably because the Code has introduced heavy fines against employers who violate labour regulations; however, the GFTUI claims that this decline in the number of recorded violations has resulted from the involvement of trade union officials in inspection. (1) Although the number of visits to firms by inspectors has declined in 1973 and 1974, and the numbers of recorded violations have increased compared to those of 1971-1972, the level of violations remained below that of pre 1971.

Tripartite Agencies. Under the provisions of the Labour Code No. 151 of 1970, a number of tripartite agencies were created. The

**TABLE 5.1**

Labour Inspection and Cases of Violation of Labour Regulations in Iraq, 1966-1974

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Visits to Factories (000's)</th>
<th>No. of Recorded Violations(1) (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>15.0</td>
<td>1.8</td>
</tr>
<tr>
<td>1967</td>
<td>15.0</td>
<td>1.6</td>
</tr>
<tr>
<td>1968</td>
<td>16.0</td>
<td>1.4</td>
</tr>
<tr>
<td>1969</td>
<td>18.0</td>
<td>1.4</td>
</tr>
<tr>
<td>1970</td>
<td>23.0</td>
<td>1.4</td>
</tr>
<tr>
<td>1971</td>
<td>28.0</td>
<td>0.7</td>
</tr>
<tr>
<td>1972</td>
<td>34.0</td>
<td>0.6</td>
</tr>
<tr>
<td>1973</td>
<td>28.0</td>
<td>1.1</td>
</tr>
<tr>
<td>1974</td>
<td>23.0</td>
<td>0.9</td>
</tr>
</tbody>
</table>

(1) A recorded violation means that the offence requires a Labour Court prosecution. The number of recorded violations is out of the total number of visits.

determination of the policies, as well as the administration of these agencies, are jointly shared between government, trade unions and employers. These organisations are: the Organisation of Workers' Pension and Social Security; the Labour Establishment for Employment, Vocational Training and Rehabilitation; and the Establishment of Workers' Education; and the Wage Fixing Board.

The main aim of the Labour Establishment for Employment, Vocational Training and Rehabilitation, as stated by the Code, is to "free work from the domination of market monopoly, and to enable every citizen willing to work to obtain employment honourably as a natural right guaranteed by the law". (1) Other aims include the training of persons wishing to learn a trade or occupation and wishing to practice the same; increasing and improving the experience of employed persons; providing vocational rehabilitation for disabled workers and enabling them to recover their working capacity.

The main activities of the Establishment of Workers' Education are to educate workers of various levels; to combat illiteracy among workers; to conduct research on labour problems and to publish literature related to labour affairs. The Labour Establishment of Employment and the Establishment of Workers' Education operate at national as well as local levels.

The Wage Fixing Board has replaced the ineffective statutory wage fixing regulations. The new Board is responsible for a periodical

review of minimum wages of various categories of skills.

**Rule-Making.** Although the state remains the party which establishes the main rules of industrial relations, a considerable change has been witnessed towards sharing the establishment of national rules with trade unions and employers. This became obvious with the creating of the tripartite agencies which have been discussed above. The trend towards establishing joint union-management rules has increased throughout the period, particularly with the development of collective bargaining. This change is due to the stronger position of trade unions which are now able to negotiate job regulation on an equal footing with employers. But it is also a result of the state labour policy which encourages trade unionism and favours labour as a critical group needed for industrialisation. Even so, the basic national industrial relations rules are still completely regulated by the state's legislative machinery. In addition, many of these rules are supplemented by instructions setting procedures for work place implementation.
During the early period of the British occupation, when there had been no labour organisation, as was the case in Iraq, the government did not intervene in management-labour relations, except for providing protection through the police to employers and workers who did not participate in strikes, and for enacting a series of licensing rules. However, two important measures were taken by the government during this period, which immensely influenced the development of industrial relations in Egypt. As I have discussed in Chapter 1, these were the abolition of the corvee (forced labour) and the guild system in 1890.

After 1900, the increase in the number and violence of strikes led the government to intervene frequently in management-labour relations, mainly through the police.

Under pressure from the Nationalist Party, the government passed several laws from 1904 to 1908, which dealt with the prevention of hazardous conditions in factories, the employment of children in cotton processing establishments and the provision of pensions for government employees. (1)

The government attempted to weaken the position of trade unions by

(1) See Amin, M.F., op. cit., p.80.
various means. A law dealing with unemployed individuals did not provide solutions to the problem of unemployment; rather it called for the imprisonment of unemployed individuals if they joined trade unions. Intervention in strikes increased during the period from 1908 to 1911, and during the 1919 revolution. It was officially estimated that more than a thousand persons were killed during the revolution.\(^{(1)}\)

Violent strikes in 1919 induced the government to take more positive measures for dealing with industrial disputes, and so the Cabinet issued a decree which established a central conciliation committee. The chairman and one member of the committee were British officials; there was also a representative of the employers, but no worker representative.

(b) The Monarchy (1922–1952)

The Wafd government, which assumed office after independence, became concerned with labour problems. In 1924, the central conciliation committee was abolished, and regional conciliation committees were established in the provinces. These committees could only recommend a proposed solution to a problem and had no power to enforce their recommendations. The recommendations were often ignored, especially

\(^{(1)}\) See 'Izz al-Din, A., op. cit., p.20.
by employers. In 1930, the Directorate of Labour was established and attached to the Ministry of the Interior, its main function being that of controlling strikes.

**Labour Legislation.** In 1931, the government decided to request assistance from the ILO in the form of sending an advisory commission to Egypt to study working and employment conditions and to make any necessary recommendations for the establishment of an appropriate labour administration. A commission which became known as the Butler Commission because it was headed by H.B. Butler, the then Deputy Director of the ILO, arrived in Egypt and made the first comprehensive survey of employment and working conditions. The commission recommended the establishment of a directorate of labour which was to be completely independent from the police and the Ministry of the Interior. The commission also recommended the establishment of an advisory labour council, and the immediate enactment of a labour code concerning the employment of women and children, compensation for industrial accidents, health and safety, hours of work, weekly rest periods, contracts of employment, unemployment benefits and industrial disputes.(1)

In 1933, the government accepted four of the Butler Commission's recommendations. The Directorate of Labour was transferred to the Ministry of Commerce and Industry (later to the Ministry of Social

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Affairs) and an advisory labour council was established. The council was supposed to suggest labour legislation and advise the government with regard to its labour policy, but it remained ineffective. Only four laws were enacted between 1933 and 1936. These were related to the employment of children in industry; the minimum requirements for the employment of women in industry and commerce; the hours of work for males in specific industries; and compensation for industrial accidents. These laws, however, were poorly administered and only partially enforced. (1)

When the Wafd government was brought to power with the help of the British in 1942, it passed a number of labour laws. Of particular importance among these was the Trade Union Act 1942, which gave legal recognition to trade unions. (2) The passage of this Act and other labour laws was an indication of the Wafd's acceptance of the trade union movement, and the Wafd's adoption of a social reform programme. Nevertheless, the Trade Union Act brought strict government control over the trade union movement, and specifically forbade agricultural workers and government employees from organising trade unions. In addition, the Law limited the financial activities of trade unions, for they were not permitted to invest their funds in any commercial or industrial ventures. Also, trade unions were required to spend at least 25% of their annual budget on social welfare or health programmes for their members.

(2) See Chapter 2 of this thesis
The Trade Union Act 1942 also established strict control over the activities of trade unions; for instance, they were forbidden to engage in political or religious activities. The police and the Directorate of Labour had to be notified in advance of the meetings of every general assembly, and trade unions were also required to keep records of their membership, minutes of meetings and accounts in books bearing the seal of the Ministry of Social Affairs. Government labour inspectors had the authority to inspect these records at any time without advance notice.

The Act prevented the establishment of a general federation for trade unions. Workers in the same industry were permitted to establish trade unions in various parts of the country but not at a centralised level. Thus, the law prevented the existence of a unified leadership of the trade union movement.

In spite of the limitations laid down in the Trade Union Act 1942, it was (as discussed earlier) received with enthusiasm by workers and with anger by employers. It represented a progressive step by the Wafd government which had national aspirations and which introduced reform programmes. The need for industrial peace during the War period was another determining factor in the passage of the Act. Like Iraq, where in 1942 the Labour Law of 1935 was amended, and in Syria where the French authority passed a few legislative decrees, worker co-operation in operating the production machinery without interruption was an important factor in the passage of the Act.
Rule-Making. Until 1942, the rules relating to the employment relationship were mostly established by employers, except for the laws which were passed in accordance with the Butler recommendations. The increasing pressure of worker and labour problems on the one hand, and the Wafd's desire to obtain the support of labour in its conflict with the Palace and the aristocracy on the other, induced the Wafd government to initiate a series of labour laws. The government started to share rule-making with employers, and gradually increased its authority in controlling the rules established by employers or jointly between them and trade unions.

In 1942, a law was passed which made it compulsory for companies to provide accident insurance. Three other important laws were later passed by the government. These were the Contract of Employment Act of 1944; the Conciliation and Arbitration Acts of 1948; and the Collective Agreements Act of 1950.

The Contract of Employment Act of 1944, which was passed by the Wafd government, constituted the core of the Egyptian labour policy until 1952. It dealt with wages and allowances; overtime and holidays; assignment of work; disciplinary measures; social welfare and health programmes; and layoffs and discharges. The Act covered workers employed in industrial and commercial establishments which employed more than five employees. (1)

(1) For further details on the Contract of Employment Act of 1944, see Murad, M.H., op. cit., pp. 66-68.
The provisions of the Contract of Employment Act provided detailed procedures for work place rules related to stipulated issues. In addition to authorising the government to share with employers the establishment of work place rules, the Act provided legal protection for workers regarding employment and working conditions. In pursuance of this policy, two other acts were passed in 1950 which provided for compensation for accidents and diseases resulting from work conditions; and a social insurance law was passed in the same year.(1)

The Conciliation and Arbitration Act of 1948 established a compulsory dispute procedure, while the Collective Agreements Act of 1950 required that all collective agreements be investigated by the Labour Office and the government was given authority to reject agreements reached between unions and employers within thirty days. Furthermore, a summary of the agreement must be published in the official newspaper.(2)

(c) The Nationalist System (1952-1976)

Since the revolution, the influence of the Egyptian government in the industrial relations sphere has been increasing through legislation,

(1) Ibid., pp.71-72.

(2) For further details on the Collective Agreements Act of 1950, see Ibid., pp.69-70; and for a summary of the Conciliation and Arbitration Act of 1948, see Harbison, F.H. and Ibrahim, I.A., op. cit., p.173.
through direct intervention by specialised agencies, and through participation with employers and trade unions in tripartite agencies.

Labour Legislation. The new Trade Union Act 1952 was passed, as already mentioned in Chapter 2, soon after the revolutionary regime assumed power in 1952. The new Act gave agricultural workers the right to form trade unions, permitted the establishment of a nationwide federation and promoted the trade union closed shop and the check off of union dues.

The Act, however, banned strikes and prohibited trade unions from engaging in political and religious activities. In addition, trade unions were required to allocate one-third of their annual budget to social, welfare and health activities. The Law also prohibited government employees, members of the armed forces and the police from organising in trade unions.

As has been discussed in Chapter 2, the aim of the Act was to strengthen trade unions and the Act has greatly influenced the growth of union membership.

The increase of government intervention in economic activities and the adoption of socialism resulted in new state-management-labour relations. Labour and management were now viewed as "partners" in pursuing the new economic order. This necessitated a further change in state labour policy to match the new situation. Accordingly, in 1959 the comprehensive Labour Code No. 91 of 1952 was promulgated.
As I have pointed out earlier, this Code, along with ministerial decrees, constitutes the present industrial relations policy in Egypt. Part of the Code aimed to strengthen trade unions further. The Code also dealt with other major aspects of management-labour relations, namely: organisation of the work place; conciliation and arbitration in industrial disputes; apprenticeship and vocational training of labour; labour inspection and judicial police; and disciplinary measures and penalties.

However, the most important feature of the Code, in my view, is in respect to trade unions. In accordance with its provisions, the numerous small-sized trade unions which existed had to be wound up and the organisational structure of the trade union movement was to be based on large industrial unions composed of persons engaged in a given trade, craft or occupation over the whole country. Called "general unions", (1) the large scale organisations could set up union branches in each province, and shop steward committees in establishments employing fifty and more workers.

The change in the organisational structure of the trade union movement aimed to create a more unified trade union movement with national leadership which would have effective control over local unions and shop steward committees. The Code, therefore, transformed the concentration of power from the plant unions to national level.

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(1) The term "general unions" in this context means "central unions" which are industrially-based. Thus, it has a different meaning to what are called "general trade unions" in Britain.
As the power of public enterprise management in dealing with industrial relations affairs at company level increased, the new trade union organisation created a communication gap between general unions and their local branches, resulting from the central authority of general unions which usually negotiated directly with company management.

To deal with this problem the provisions of the Code were amended in 1964 by Presidential Decree No. 62. This amendment of the Code was discussed in detail in Chapter 2 of this thesis while dealing with the development of trade unionism in Egypt.

In dealing with other aspects of management-labour relations, the Code provided comprehensive provisions and created various governmental agencies to supervise, either unilaterally or jointly with unions and employers, the application of the Code. These provisions and their impact on industrial relations are to be dealt with later in this chapter.

In early 1976 new labour and trade union laws were enacted but they have not yet been put into effect because of the opposition from trade unions regarding some of the clauses of the two laws. The new labour code deals with employment conditions; apprenticeship and vocational training; collective agreements; joint consultation; wage fixing; industrial disputes; labour inspection; and disciplinary measures. The new Code is somewhat similar to the Iraqi Labour Code No. 151 of 1970, but in contrast to the Iraqi Code, it has introduced
new limitations on the right of unions to conclude collective agreements and has reduced unions' (and employers') participation in the tripartite agencies. The new trade union act aims to increase the government's authority in determining trade union structure, and for this reason is being criticised by trade unions. (1)

In the pursuance of its policy to ensure social justice and welfare of the masses, and in order to further enhance the position of labour, the government combined the Labour Code with the Social Insurance Act No. 92 of 1959. Prior to the promulgation of this Act, only a small number of firms were covered by the provisions of the Social Insurance Act of 1950, and the benefits available to workers were very limited. However, some employers had voluntarily introduced social security schemes in their firms. These employers themselves laid down the provisions of contribution and entitlement to the schemes.

The Social Insurance Act No. 92 of 1959, as amended in 1961, (2) introduced a comprehensive compulsory scheme of social security applicable to all firms covered by the provisions of the Labour Code. The Act also set down the amounts of the employers' and of the workers' contributions, the benefit entitlements, and the procedures for application for benefits. The main provisions of the Act as amended in 1961, were the following:

1 - Payment of full or partial pension in cases of industrial injuries, retirement for old age, permanent disability, and for

(1) See Chapter 2 of this thesis.

(2) For the text of the original Act, see International Labour Office, (Legislative Series, 1959-UAR 2), Law No. 92 to promulgate the Social Insurance Code, (Geneva, 1960).
survivors in case of death.

2 - Compensation for long service (i.e. less than that required for pension entitlement), for minor injuries, and for other disadvantageous hazards.

3 - Health and unemployment insurance.

4 - Welfare, social and educational services (such as maternity allowances, leave, housing loans, and child nurseries).

The Law authorised the Social Insurance Administration as a governmental agency to supervise the application of the Law. Similar to the Iraqi Act of 1971 (which was probably influenced by the Egyptian Act), the labour courts in Egypt, established under the provisions of the Labour Code No. 91 of 1959, were authorised to interpret the provisions of the Social Insurance Act and handle individual disputes arising from its implementation. However, unlike Iraq where the government is not represented in the labour courts, the Egyptian labour courts are dominated by government representatives. This means that the government is indirectly entrusted with the authority to make the essential decisions related to social security. This Act represented a revolutionary advance in social security, not only in the UAR but also in comparison with existing similar legislation in other Arab countries.
In the package of the socialist measures of 1961, and consistent with the concept of "partnership", the government introduced two statutory schemes of worker participation in the management of industrial undertakings, namely: worker-directors and profit-sharing. The application of these schemes was later on extended to cover establishments in sectors other than industry, such as commerce, finance, transport and co-operatives. A third statutory scheme of participation has been already in operation in accordance with the provisions of the Labour Code No. 91 of 1959. Section III (Chapter 1) of the Code provided for the formation, procedure and functions of joint consultative committees in firms employing fifty or more workers. The application of this section of the Code, as well as the worker-directors and profit-sharing acts are to be discussed later in Chapter 7 of this thesis.

Governmental Agencies. The Ministry of Labour, established in 1961, is the main agency in charge of the implementation of the national industrial relations policy. The Ministry was reorganised in 1962, 1964 and 1968. In 1971, the Ministry of Labour was divided into two Ministries: the Ministry of Social Insurance, which supervises the application of the Social Insurance Act and the regulations supplementing it; and the Ministry of Manpower, which supervises the application of the Labour Code and various labour regulations, except for those related to social insurance. Presidential Decree No. 8 of 1971 specified the main functions of the Ministry of Manpower and its various departments. (1) Accordingly, the Ministry has included the

(1) For the Text of this Decree, see Arab Republic of Egypt (Ministry of Manpower), Annual Book of Labour 1970/71, pp. 8-10.
Labour Inspectorate, the Central Agency for Management Training; The Establishment of Workers' Education, the Establishment of Manpower; the Labour Courts; and seventeen other specialised departments.

The Labour Inspectorate investigates the application of the provisions of labour legislation through periodic and unscheduled inspections carried out by government inspectors. In contrast to Iraq, trade unions in Egypt do not participate in inspections. The Inspectorate has been effective in enforcing industrial safety regulations. Table 5.2 shows that while the number of visits by labour officials with regard to industrial safety measures increased from about 23,000 in 1970 to about 28,000 in 1975, the total number of violations of safety regulations by employers as recorded by labour inspectors out of total number of visits declined from about 550 in 1970 to about 390 in 1975.

It appears that inspection with regard to compliance with labour laws was less effective than inspection of industrial safety measures. The Table shows that the percentage of recorded violations to total visits had increased, although slightly, between 1970 and 1975.

Other governmental agencies such as the Agency for Management Training and the Establishment of Workers' Education are responsible for planning and supervising the activities of various governmental and private institutions of managerial, technical and vocational skills development. The Manpower Establishment acts as an employment agency through which employers have to hire their unskilled, semi-skilled,
<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Visits to Factories (000's)</th>
<th>No. of Recorded Violations (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>23.0</td>
<td>0.55</td>
</tr>
<tr>
<td>1972</td>
<td>24.0</td>
<td>0.46</td>
</tr>
<tr>
<td>1973</td>
<td>26.0</td>
<td>0.42</td>
</tr>
<tr>
<td>1975</td>
<td>28.0</td>
<td>0.39</td>
</tr>
</tbody>
</table>

B - Employers Violations of Labour Regulations as Revealed through Periodic Inspections by Officials of the Ministry of Manpower

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Visits to Factories (000's)</th>
<th>No. of Recorded Violations (000's)</th>
<th>(2) as % of (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>52.0</td>
<td>1.3</td>
<td>2.5</td>
</tr>
<tr>
<td>1972</td>
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<tr>
<td>1973</td>
<td>55.0</td>
<td>1.8</td>
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<tr>
<td>1975</td>
<td>57.0</td>
<td>1.9</td>
<td>3.3</td>
</tr>
</tbody>
</table>

(1) Total numbers of recorded violations are not available for the years 1971 and 1974.

and certain categories of skilled labour. Both employers and trade unions are represented on the board of the Establishment, but the majority of the seats, as well as the chairmanship of the board, are retained by government representatives.

**Tripartite Agencies:** In addition to the increasing role of government in unilaterally establishing and administering rules related to industrial relations, it has created tripartite agencies to realise its concept of "partnership". Through these agencies, the government shares with employers and trade unions the process of making national rules, as well as work place rules.

Among the main agencies in this regard are the labour courts. These courts were created under the provisions of the Labour Code No. 91 of 1959 to act as compulsory conciliation and arbitration bodies and to interpret collective agreements and various provisions of labour laws. Their decisions are final and there is no right of appeal, whereas in Iraq an appeal can be made to the High Labour Court whose decisions are final. (1)

Other tripartite agencies include the Advisory Labour Council; the Supreme Council for Co-ordination of Labour Services; The Consultative Committee on Manpower Planning; the Supreme Council for Industrial Safety; the Supreme Council for Health Insurance; the National Centre

(1) The activities of the labour courts are to be discussed in the section on industrial disputes in Chapter 7 of this thesis.
for Industrial Safety Research; the Supreme Committee for Industrial Progress and Vocational Training and the Joint Committee for Wage Fixing. (1)

Most of these bodies operate at national level, but a few of them, such as the Consultative Committee on Manpower Planning and the Wage Fixing Committee, also operate at district level. In all cases the representation of employers and trade unions is proportionately lower than that of the government. Most of these establishments are of an advisory nature confined to recommendations and suggestions while the final decision rests with the Minister of Manpower or the Minister of Social Insurance, each in accordance with his authority. It is expected that the Minister concerned will give serious consideration to these recommendations. (2) This does not change the fact that the government, by holding the majority of representation, retains control over the activities of these bodies.

Unilateral Government Rules. Since 1952, the government has enacted various rules which regulate different aspects of employment relationships. These rules were either incorporated into the basic labour laws or issued separately through presidential and ministerial decrees. They have two main characteristics, namely: the high

(1) For an account of the activities, procedures of work and methods of representation of these agencies, see Barsoum, F.F., Ishtirak Al-ummal Wa Ashab Al-'amal Fi Al-takhtit (Participation of Workers and Employers in Planning) (Unpublished Survey), (EFL, Cairo, 1972), pp. 44-71 (In Arabic).

(2) See Ibid., p.43.
degree of detail and the similarity of rules which apply to the majority of workers. The rules established by the government cover recruitment, promotion, wages, holidays, disciplinary measures, dismissal procedures, hours of work, industrial safety, compensation for work accidents and diseases, pensions, health insurances, and settlement of disputes.

In 1961, a Presidential Decree (No. 606 of 1961) was enacted which extended the application of the rules regulating employment in governmental departments to all employees of the public sector.(1) In 1962, new rules governing all employees in the public sector were promulgated by Presidential Decree No. 3546 of 1962.(2) Subsequent amendments were made to the law and it was finally replaced by Law No. 61 of 1971.(3) This Law involved detailed rules, including a salary scale, to be applied to all employees of public enterprises. This confirms that the extent of government intervention in industrial relations activities is not limited to national aspects of employment, but also covers work place aspects.


(2) For the Text of Presidential Decree No. 3546 of 1962, see Ibid., pp.33-38.

(3) For the Text of Law, see Arab Republic of Egypt (Ministry of Manpower), Annual Book of Labour 1970/71, pp.14-20.
SYRIA

(a) **The French Mandate (1920-1946)**

During the early period of the French administration, management-labour relations in Syria were largely regulated by the guild system. The guild associations bound together skilled and unskilled workers, as well as employers engaged in the same occupation. The guild system had its legal basis in the Ottoman Code of the Guilds. However, with the increase of foreign imports and the emergence of the factory system, the guilds began to disintegrate and gradually declined.

The hard economic conditions of the urbanised labour force and the absence of protection owing to the decline of the guild system led to worker solidarity in establishing trade unions. The rapid advances of the labour movement which followed alerted the French who reacted quickly by enacting **Legislative Decree No. 152 of 1935**. This Decree had abolished the Ottoman Code of the Guilds but placed many restrictions on trade union functions.

The political and economic changes brought about by the outbreak of the Second World War and the pressure brought by trade unions forced the French authority to make some concessions to workers. For
instance, the trade union federation through its president, Subhi Khatib, succeeded in negotiating the enactment of a few labour laws. Legislative Decree No. 276 A.S., passed in July 1942, gave dismissed workers the right to claim an indemnity at the rate of one month's wages for each year prior to the dismissal. Another Legislative Decree, No. 268 A.S. of November 1942, regulated the fixing of wages and provided for the setting-up of rate-fixing boards.(1)

In 1943, two other legislative decrees were passed; these paved the way for the later promulgation of the Labour Code. Legislative Decree No. 18 of July 1943, provided for the establishment of private employment bonuses and the regulation of activities of such offices. The second Decree, No. 137 of July 1943, related to indemnities payable to employees in lieu of notice, and to widows in case of the death of the husband, and outlined the provisions for the computation of these payments. In addition, the French High Commissioner issued in March 1943, a Decree, No. 10h F.C. which provided compensation in cases of termination of service, and industrial accidents.(2)

Although these decrees had paved the way for the passage into law of a labour code, they made few improvements to labour conditions or the legal position of trade unions, and the latter continued to campaign for the enactment of a labour code. However, it was not

(2) Ibid., p.160.
until after the termination of the French Mandate that the enactment of a labour code was given any effective consideration.

(b) The Traditional System (1946-1958)

Labour Legislation. The new independent government, which was anxious to win the support of various political and social groups including workers, adopted a semi-constitutional policy regarding management-labour relations. Among its early measures was the passing of Labour Code No. 279 of 1946. Although the application of this Code encountered difficulties, and was also subjected to frequent changes, it remained the basic legal document which formulated the government's labour policy during this period.

At the time of its enactment, the Labour Code No. 279 of 1946 was probably the most progressive labour legislation in the Arab countries of the Middle East. Borrowing heavily from Western concepts of labour rights and organisation, it covered almost the entire field of management-labour relations, and fulfilled many labour aspirations. The Code regulated wages and hours of work, prescribed holidays, determined sick leave and sick pay, specified restrictions on the employment of children, and defined the structure, government and organisation of trade unions and their federations. Finally, it provided for the setting up of a Directorate of Labour and Social
Welfare to supervise the enforcement of the Code's provisions. This Directorate became the Ministry of Social Affairs and Labour in 1958.(1)

The enactment of the Code, however, was motivated by both political and economic factors. Politically, the new government needed the support of trade unions, and had to prove to them its concern for their major demands. Economically, the country needed a period of industrial peace after independence to embark on economic development, and the co-operation of trade union leaders was essential for this. Despite the enactment of the Code, however, this last objective was not achieved, as economic difficulties and political instability followed and led later to the outbreak of industrial unrest.

The practical application of the Code did not measure up to its promise. Long-established vested interests soon found ways to circumvent its restrictive provisions, and abuses and violations became commonplace. Even the workers who stood to benefit from compliance, offered little help in ensuring its proper application. Despite their efforts, trade unionists failed to develop an awareness of working class identity. This was because the majority of workers were illiterate, employed in small firms, and steeped in tradition. They did not consider themselves oppressed and accepted their hard lot as a manifestation of the will of God. As a result, it did not occur to them to make demands for the sweeping new radical rights that they

were entitled to. This explains why the actual active labour movement was limited to the main large urban centres where the large firms were located. In these firms workers were relatively literate and responded positively to organisation.

Nevertheless, even with the abuses and restricted application, the Code gave to Syrian labour both advantages and stature unequalled at the time in the Arab world.

Despite the difficulties which confronted the application of the 1946 Labour Code and the violent political changes which followed the formation of the independent government, no serious change in the government's labour policy was observed until the early 1950's. During the early 1950's, two events took place which required some changes in, and modifications of, the Labour Code. Firstly, the changing regimes, to fulfil their promises for social and welfare reforms, felt constrained to leave their imprint on legislation. Secondly, workers, owing to trade union campaigns to educate and organise them, became less passive and more demanding.

Early changes in legislation were initiated by the Shishakli regime. Shishakli's excessive reliance on private investors strengthened the role of employers vis-à-vis labour by passing the **Chambers of Industries Act** in 1953. Among other things, this Act affirmed employers' right to establish certain work-place rules which indirectly reduced the rights given to workers under the 1946 Labour Code. (1)

(1) See Chapter 4 of this thesis.
However, in order to minimise worker protest in response to the pro-
employer bias, the Shishakli regime introduced some legislation
which was favourable to workers. A great step forward in favour of
trade unionism was taken in 1952, when the Legislative Decree No. 15
of 1952 laid down that state assistance could be given to funds
established by trade unions to help workers in cases of industrial
accidents and diseases. The Decree also extended the financial
assistance to workers' education, to vocational training, to subsidies
for medical treatment and housing schemes, and to the building of
social centres. In November 1952, another Decree was passed,
Decree No. 138 of 1952, which empowered the Ministry of National
Economy to make decisions concerning the fixing of weekly holidays,
working hours, opening and closing hours, and the allocation of funds
for social assistance to trade unions.(1) Moreover, the 1953
Constitution considered the freedom of association to be a constitu-
tional right for both workers and employers which could not be waived
by any legislation.(2)

Rule-Making. Despite the semi-constitutional approach adopted by the
state regarding management-labour relations on the shop-floor, it
seems from the nature of the laws which were passed that the state
was the major rule-making party during this period. Almost all
nationwide rules were established by the government and administered
by its agencies. However, there were a few cases in which rules

(2) Hallsworth, J.A., op. cit., p. 373.
were laid down jointly by government, unions and employers; this was particularly true in the case of minimum wage fixing and arbitration. Work-place rules in the unionised firms were jointly established between trade unions and employers, except for those related to recruitment and redundancy which remained the prerogative of employers. In the non-unionised firms and almost all small establishments, work-place rules were entirely determined by employers.

(c) The Nationalist Regimes (1958-1976)

In common with Iraq and Egypt under the revolutionary regimes the role of the state in industrial relations affairs has increased considerably in Syria since the unity with Egypt in 1958. The intervention of the state expanded in parallel with the growth of the public sector and the socialist measures taken by the government. The intervention is exemplified by the legislation and the activities of governmental agencies, mainly the Ministry of Social Affairs and Labour. Unlike Iraq and Egypt, the number of tripartite agencies in Syria is limited to the labour courts and the joint committees for wage fixing (both established in accordance with Labour Code No. 91 of 1959). The composition and activities of these two bodies are similar to those of Egypt, as they are based on a similar legal basis. The reason for the absence of national tripartite agencies
in Syria is that more emphasis is given to work-place participation than national and regional participation. Nevertheless, tripartite ad hoc committees are occasionally formed to deal with or make recommendations on issues arising periodically such as the committees on productivity, vocational training, and amendments of certain labour regulations. (1) In all these cases, the work of the committees is advisory, and the final decision rests with the minister concerned.

Labour Legislation. The Labour Code No. 91 of 1959, the Social Insurance Act No. 92 of 1959, and the socialist laws of 1961, passed during the unity between Syria and Egypt, applied to Syria as well as Egypt (they continue to remain in force, although amendments have since been made). There were a few amendments to the Labour Code and the Social Insurance Act, but these were mainly procedural, and have not changed the essence or the content of the laws. However, section four of the Labour Code on trade union organisation was cancelled in 1962, by the Legislative Decree No. 50. Although this section of the Code was later reinstated when the Decree was repealed in 1963, it was again replaced by the Trade Union Act No. 31 of 1964, and subsequently the present Trade Union Act No. 81 of 1968. (2)

The application of the participation laws, as in Egypt, was extended to cover establishments other than those in the industrial sector,

(1) For an account of the formation, composition and work of these committees, see Syrian Arab Republic (Ministry of Social Affairs and Labour), Dalil Al-'amal (Labour Guide), (Government Printing Office, Damascus, 1972), pp.523-533, (In Arabic).

(2) See Chapter 2 of this thesis.
and later some of the provisions of these laws were amended. In addition, the government issued, in 1964, Law No. 55 for Workers Co-Management (i.e. self-management)(1), but as I shall discuss later in Chapter 7, the application of this Law met great practical problems, and it was finally abandoned in 1967 (though it was not officially repealed).

As I have discussed in Chapter 2 of this thesis, the separatist government (1961-1963) repealed section four of the Labour Code No. 91 of 1959 on trade unions and replaced it by Legislative Decree No. 50 of 1962. This Decree provoked strong opposition from trade unions because it aimed at weakening their organisations. Due to this opposition, the Decree was repealed in 1963, and in 1964 the ABSF government enacted the new Trade Union Law No. 31 of 1964.(2) This Law removed some of the restrictions applied to trade unions under the Labour Code. It encouraged the formation of trade unions and provided for a new structure for their organisation. The new union organisation required that union branches should affiliate to central unions at national level and to local federations at regional level. The aim was to combine the advantages of both central and local organisations. In practice, however, this structure led to authority-conflict between central unions and local federations as to which body the union branch should report to and which of the two organisations should exercise disciplinary authority over the

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(2) ILO (Legislative Series, 1964-Syr.1), Legislative Decree No. 31 to promulgate the Act Respecting Trade Unions. (Geneva, 1964).
union branch. The intervention of the GFTUS could not solve the problem due to its inability to control the internal constitutions of its subordinate organisations. This factor together with frequent political changes which affected the activities and organisation of trade unions, necessitated the change of the Trade Union Act of 1964.

The present Trade Union Act No. 84 of 1968(1) was promulgated to replace the 1964 Act. The Law was partly enacted in response to the organisational problem of the trade union movement, but the main policy aim of the state was to try to bring the trade union movement under its control. This policy was based on the belief that trade unions should be encouraged as builders of socialism but that their activities must be supervised and checked by governmental agencies in order to keep them in line with the economic policy of the state.

The Trade Union Act No. 84 of 1968 reorganised the structure of trade unions, reshaped their governing bodies and intervened in the use of their funds. This means that the new Act has indirectly increased government intervention in trade union internal affairs and thus has enabled the government to control the trade union movement.

Under the new Act, union branches were, in theory anyway, given

(1) Government of Syria (Directorate General of Information), Al-Jarida Al-Rasmiga (Official Gazette), No. 30 (July 1968).
separate entities; they could affiliate to local federations and central unions but the former would be a co-ordinating organisation and the latter would only intervene in national matters. In practice, union branches lost their separate entities to their respective local federations and central unions, because the GFTUS failed to co-ordinate the activities of central unions and local federations. As these last two organisations continued to compete with each other over their relations with union branches, and because of the central nature of the authority-structure of the trade union movement as laid down by the new Act, union branches eventually became subordinates to their local federations and central unions. This means that the new Act has failed to solve the organisational dilemmas of the trade union movement.

Despite these drawbacks, the Act has strengthened the position of trade unions. It has encouraged unionisation by offering advantageous benefits to unionised workers and by expanding trade union functions to cover participation in the vocational and technical training of ill-qualified workers and establishment and administration of workers co-operatives

Whereas in Iraq the Establishment of Labour Employment is a tripartite agency and in Egypt both unions and employers are represented on the board of the Manpower Establishment, the regulation of the labour market is entirely determined by the state in Syria and the implementation is carried out by state-owned employment agencies. As supplements to the Labour Code, a series of employment legislation were passed to regulate recruitment, promotion, dismissal procedures and skill
classifications in all public enterprises and in private firms employing more than fifteen workers. These regulations were amended several times and finally brought together in a single document in 1969. (1) These regulations have two main characteristics: they are applicable to all categories of non-managerial employees, and they go into considerable detail leaving very limited room for shop floor manipulation.

According to the Ministry's senior officials, the concentration in the hands of the state of such high authority to deal with employment was based on the case for "protecting workers from the employers' inadequate and unjust employment conditions. (2) The Ministry does admit that the absence of union and employer representation on the governing bodies of the employment agencies is a legal deficiency which needs to be corrected; and yet they argue that unions and employers are consulted on many decisions of the agencies. (3) However, consultation is not the same as participation in making rules regarding conditions.

Governmental Agencies. The Ministry of Social Affairs and Labour in Syria is the main agency which has been entrusted with carrying out

(1) For the full text, see Syrian Arab Republic (Ministry of Social Affairs and Labour), Nitham Al-istikhdam (Employment Regulations), (Government Printing Office, Damascus, 1970). (In Arabic).

(2) Information supplied by Mesara H. Hasson, the Undersecretary of the Ministry of Labour and N. Madani, the Director of Labour.

(3) Ibid.
the government's industrial relations policy. The Ministry was established in 1958 to implement the social and labour policies of the government. As with the Iraqi Ministry of Labour, the Syrian Ministry is at present divided into two undersecretariats: labour and social affairs. The labour undersecretariat is composed of the following six sections: the Directorate of Labour; the Directorate of Legislation and Legal Studies; the Directorate of Labour Statistics; The Labour Inspectorate; the Directorate of Administration and Services; and the Employment Agencies. The Social Insurance Administration is technically attached to the Ministry, though it is financially and administratively independent.

The labour courts are in theory tripartite bodies, and independent of the Ministry of Labour, but, as in Egypt, government representation in these courts is higher than that of unions and employers. The wage fixing committees have similar status to the labour courts in terms of independence and majority government representation. The employment agencies are established on a regional basis with a central office in Damascus. They follow-up the implementation of the state's employment regulations and act as labour exchange bureaux. Other sections of the Ministry are responsible, in accordance with their specialist functions, for implementing various aspects of the government's industrial relations policy.

The Labour Inspectorate in particular supervises the implementation of labour legislation and regulations at plant level. As in Egypt, inspection can only be carried out by government officials in
accordance with the Labour Code, and unlike Iraq, trade unions are not involved in inspection. However, unlike Iraq and Egypt, the Labour Inspectorate in Syria does not seem to be effective in carrying out its functions. Table 5.3 shows that from 1966 to 1974, the annual visits by government inspectors ranged from about 2500 to about 2900 visits. Compared to Iraq (Table 5.1) and Egypt (Table 5.2), this represents a low record of visits. The number of recorded violations fluctuated annually between 1966 and 1974, and it declined gradually between 1971 and 1974. However, because of the low number of inspector visits, the number of recorded violations does not provide a true indication of employers' violations of labour regulations.

Rule-Making. Since 1958, the state has become the prime regulator of industrial relations. This is consistent with the state's socialist policy and its protection of workers as documented in the Syrian Provisional Constitution of 1961, which set forth the following general principles in Article 18:

"The state shall protect labour, safeguard the payment of a just remuneration to workers, fix working hours, provide social insurance, and regulate the right to holidays and rest." (1)

The role of the state in formulating industrial relations rules in Syria has been greater than that of Iraq and Egypt. It has a constitutional basis which cannot be changed unless the Constitution itself is amended.

(1) Quoted by Khareet, M. and Jamal, R., op. cit., p.16.
TABLE 5.3

Labour Inspection and Cases of Violation of Labour Regulations in Syria, 1966-1974

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Visits to factories (000's)</th>
<th>No. of recorded violations (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>2.6</td>
<td>0.19</td>
</tr>
<tr>
<td>1967</td>
<td>2.8</td>
<td>0.19</td>
</tr>
<tr>
<td>1968</td>
<td>2.8</td>
<td>0.20</td>
</tr>
<tr>
<td>1969</td>
<td>2.5</td>
<td>0.20</td>
</tr>
<tr>
<td>1970</td>
<td>2.5</td>
<td>0.26</td>
</tr>
<tr>
<td>1971</td>
<td>2.8</td>
<td>0.29</td>
</tr>
<tr>
<td>1972</td>
<td>2.9</td>
<td>0.20</td>
</tr>
<tr>
<td>1973</td>
<td>2.5</td>
<td>0.12</td>
</tr>
<tr>
<td>1974</td>
<td>2.5</td>
<td>0.16</td>
</tr>
</tbody>
</table>

COMPARISON OF THE ROLE OF THE STATE IN INDUSTRIAL RELATIONS IN THE THREE COUNTRIES

The foreign administrations in Iraq, Egypt and Syria adopted similar industrial relations policies (1) but there were some differences which were mainly caused by differences in the dates of the periods of the foreign administration and in the development of industrialisation in the three countries. In general, during this period, the three countries did not favour trade unionism and backed the authority of employers over labour. In Iraq and Egypt the government suppressed the activities of the infant trade union movement to prevent their growth. In Syria, where the French Mandate continued for a longer period, the government was forced by events to change its attitude to trade unions and to tolerate their activities. This meant that the Syrian government, which was backing the authority of employers over labour, had to pass legislation which required employers to recognise trade unions. In Iraq and Egypt by contrast the state not only backed the authority of employers over labour but stepped in to protect them, by suppressing collective action by workers.

The backing of employers by the state did not extend to the economic sphere that is to fostering industrial expansion. Instead, the foreign administrations in the three countries encouraged an agricultural economy to serve the needs of their home countries. The French authority in Syria, however, was forced by

(1) Paradoxically the French colonial policies were in this case more similar to those of Britain than to the usual French policies which explains the similarity of the early industrial relations developments in the three countries.
wartime needs to change direction and to encourage move towards limited industrialisation.

In Iraq, the size of the industrial labour force was small and the emerging trade union movement was very weak. The state felt no need for labour legislation, and except for a few ad hoc regulations, it was left entirely to employers to establish and administer rules related to industrial relations.

In Egypt too, legislation was very limited and its main aim was to suppress worker protect. However, owing to the persistent demands of the nationalist movement, a few regulations were passed towards the end of the British administration to provide for improved working conditions. As in Iraq, employment rules were generally established and administered by employers.

In Syria, the situation was again different. The government was forced by political and economic events to provide for legal recognition of trade unions and to pass some labour laws. But these were mainly related to social and welfare benefits. Trade unions occasionally participated with employers in establishing some work-place rules but the majority of the rules were established unilaterally by employers.

Under the traditional systems there were clear-cut differences in the industrial relations policy of the governments of the three countries, arising from political circumstances and the composition
of the political elite.

In Iraq, where the tribal sheikhs were the pillar of the monarchist system, the state adopted an unfavourable attitude towards trade unions. The latter were seen as a source of political agitation and were discouraged and severely suppressed, while the authority of employers over labour was backed by the state. But the government discouraged industrial expansion, particularly during the early stage of this period, and this eventually brought employers and trade unions together to oppose the government. The state was the main regulator of industrial relations but legislation was confined to basic labour law supplemented by regulations and ministerial instructions. The labour law and its supplements were very limited in aspects and coverage. Employers were allowed to regulate work-place employment relationships while joint management-labour rules were discouraged.

In Egypt, the conflict between the Royal Palace and government resulted in both sides trying to win the support of various social groups, including trade unions. Trade unionism was theoretically encouraged, but because of the influence of employers, their activities were restricted. The employers were given almost complete authority to deal with labour, and occasionally the government stepped in to provide protection for their interests and used the police to suppress workers' protest. Because of this, the employers' authority in establishing work-place rules was not
challenged for a long time. The wartime and post-War political and economic conditions forced the government to pass a number of laws dealing with many aspects of industrial relations, though these were limited in extent and coverage. These laws laid down that the government should share the regulation of industrial relations affairs with employers, and that there should be in certain cases joint union-employer rule-making.

In Syria, the situation was very different. The independent government, which pursued economic development and needed the support of various political and social groups, encouraged semi-constitutional management-labour relationships. The development of trade unions was encouraged and given constitutional protection. Because the employers' influence was greater, however, government bias towards employers was present in the maintenance of the semi-constitutional relationship. Within this framework wider labour legislation than that of Iraq and Egypt provided for a better coverage of employment groups and employment aspects. The state retained the right to establish basic national rules but, at the work-place, rules were usually established jointly by unions and employers but the employers retained the right to make certain rules unilaterally, such as those related to recruitment and redundancy. Only under union pressure were these practices occasionally modified.

Under the Nationalist Systems, because they were so similar in nature, the industrial relations policies in the three countries have also
been, to a large extent, similar.

The three systems favour labour as a critical group in the process of industrialisation and encourage trade unions as "partners" in economic development. Owing to increasing government intervention in economic activities, the public sector has become dominant. The management of this sector is expected to be guided by the state's labour policy, and private employers are also expected to function within the framework of the state's industrial relations policy, a policy which is being increasingly stressed by legislation. Numerous labour laws have been enacted with two aims: to ensure the welfare of the masses, and also to make the concept of "partnership" effective. There are, however, a few differences in the scope of the legislation in the three countries.

In Iraq, labour laws cover all workers and are extended to include the majority of industrial relations aspects. Other aspects are regulated by either tripartite agencies or jointly by trade unions and employers. This applies particularly to those rules related to the work-place.

In Egypt, labour laws cover the majority of workers and most industrial relations aspects. Tripartite and joint management–union rules are also observed but to a lesser extent than in Iraq.

In Syria, as in Egypt, labour laws cover the majority of workers but
the state exercises a wider role in industrial relations. It has become the prime regulator, and labour laws have been laid down for almost all aspects of industrial relations. For this reason, joint management-union rules are mainly confined to small firms which are not covered by the Labour Code or the Employment Regulations.

The main elements of the role of the state in industrial relations in the three countries are summarised on the next page.
Employers began to place restrictions on employees’ work. The regulation of working conditions, which was usually made by a tripartite management-labor union-regulator joint body, was mainly undertaken by state’s representatives and unions. Legislation at the state level usually backed the employer’s interests, and the state’s labour policies almost always involved the suppression of labour, with the exception of the encouragement of investment in some countries. In the socialist countries the state’s framework of labour policy was within a political context, so to some extent it was not a real labour policy. In Iraq, the state’s labour policy was mostly favourable to employers. The private sector’s advantage was widely recognised, and the public sector was expected to play a supporting role within the framework of the state’s economic development strategy. In many countries, the law was often used in the course of a government’s socialist policy, and the legal framework of labour relations was restricted. There was also a policy of promoting the private sector and encouraging foreign investment. The encouragement of foreign investment in some countries was extensively used as a tool of state intervention in the economy. The government of a few countries either encouraged or forced foreign investment in the private sector. In some countries, very limited regulations were made, and the state has had little effect on industrial relations. Although there were some regulations of some nature, they were mainly made by the unions and industry, which was a joint system. But as a result of the increasing state intervention, their influence became very limited. A deal to promote foreign investment was mainly made by extending the regulation of industrial relations, and the state’s social policy was encouraged by foreign investment. By 1950, the state’s intervention in the economy had become a reality, and the state’s economic development strategy was sometimes thrust on to the unions, but very limited. Most of the state’s economic development strategy was mainly imposed on the unions by management and the regulator. The majority of the nationalised companies were within a socialist environment, and the nationalisation was expected to be the state’s way of expanding state ownership of the economy, and to control the economy. The example of nationalisation in the developing nations was mostly undertaken by the state, which was a government policy. In many developing nations, the state’s intervention in the economy was mainly undertaken by the nationalisation of factories. The government had no match in the case of nationalisation, and the nationalisation limited the scope of the state’s economic intervention. In some countries, the state’s economic development strategy was mainly undertaken by the nationalisation, and the state’s economic intervention was very limited. In some countries, the state’s economic development strategy was mainly undertaken by the nationalisation, and the state’s economic intervention was very limited.
CHAPTER 6

COLLECTIVE BARGAINING AND INDUSTRIAL DISPUTES

Iraq

(a) Collective Bargaining

Under the British Mandate, negotiations which took place as a result of collective action did not take the form of collective bargaining as they were unsystematic and largely disorganised. Management aimed to end disputes without dealing with the causes of the disputes. This state of affairs did not change much under the monarchy. Collective agreements were introduced by foreign firms towards the end of the monarchy to reduce tension among workers and to act as a substitute for trade unionism. "Workers' representatives" in negotiations were chosen by management on seniority and tribal bases instead of being elected by the workers themselves.

A first step towards an agreement between the management of a private company and worker representatives was taken in the late 1950's when the management of the Iraq Petroleum Company (IPC) which had declined to recognise trade unions drew up a written agreement about wages and conditions of employment. It presented it to worker representatives on their Joint Consultative Committee for signature.(1) The aim was to defuse worker protests rather than to introduce proper joint regulation.

Labour Law No. 1 of 1958 which was put into force immediately after the revolution laid down that unions and employers may voluntarily

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and jointly regulate their employment relationship. Once that law had been passed, unions began to demand annual negotiations of wage increases, allowances, fringe benefits and other matters related to employment conditions. At the same time, large firms, realising the change in their positions, yielded to union pressure and thus collective agreements began to spread. Most of these agreements were substantive in nature with no procedural rules governing their application and termination. However, a few agreements also included procedural rules regarding the handling of disputes, the application and termination of the agreement, and the process of negotiations. Notable among these agreements were those of the Rafidain Tobacco Company in 1959 and the IPC’s bi-annual agreement which started in 1961.

In 1970 Labour Code No. 151 replaced Labour Law No. 1. This code was influenced by the Egyptian Code of 1959 and laid down more specific provisions for collective bargaining. It outlined the procedural rules which were to govern negotiations and agreements. This means that, at the present time, collective agreements may be concluded between one or many unions, or between the GFTUI and one or many employers and/or the employers’ organisations. They may be drawn up at plant, company, occupation or industry levels. Once concluded, agreements must be put in writing and made legally binding. The duration of an agreement may not exceed two years and can be terminated before the expiry date if the two parties agree, or if the labour court makes a decision to this effect. The union concerned represents all workers in the plant or industry (whether unionised or not) and the benefits of the agreement extend to all of
them too. The local labour courts are the only competent bodies which are authorised to interpret agreements, and the High Labour Court is the only competent body which is authorised to arbitrate in disputes arising from the application of agreements. (1)

Since the application of the Code there has been a growing tendency towards two-year industry agreements regulating wage increases and employment conditions. Notable among these agreements are those in the oil industry between the General (Central) Union of Oil and Mineral Workers and the Iraqi National Oil Company, the Iraqi Company of Oil Operations (formerly IPC) and the French group of oil companies ERAP (ALF - Iraq).

The process of collective bargaining in Iraq (as well as in Egypt and Syria) differs from that in the industrialised countries. In the three countries the provisions of the collective agreements deal with rule making but not with issues related to the supply of and demand for labour. In other words, the state in the three countries (where there is a shortage of skilled labour and excessive supply of unskilled workers) considers it to be its responsibility to regulate employment and to "free labour from market monopoly" (2) in employing labour, that is, to prevent employers exploiting their market monopoly. Thus, the exchange of labour is entirely controlled by the employment agencies which, in turn, are either totally controlled by the state (as in Syria) or supervised by it (as in Iraq and Egypt).

The Labour Establishment of Employment, Training and Rehabilitation in Iraq takes the responsibility of supplying labour but also indirectly controls the demand for labour. This last function is pursued through: (1) overall manpower planning in co-ordination with the Ministry of Planning, and (2) the supervision of skill training in an attempt to balance the availability of skills with the demand. Although the Labour Establishment has only recently been created, it seems to have been reasonably effective in controlling the process of employment of unskilled labour. The Labour Establishment has been able to achieve this by annulling any recruitment undertaken by firms directly and by taking court proceedings against them. However, the Establishment has not yet been able to control the supply and demand of skilled labour which is still subject to free supply and demand. The Establishment has also not yet been able to fulfill the training needs for skill development, but this task is pursued by tripartite training agencies which are part of the Ministry of Industry. The training provided by these agencies, it is expected, will help the Establishment in gradually controlling the future supply and demand of skilled workers.

In manpower planning the Labour Establishment takes into consideration skill development but provides for employment on social grounds by over-staffing for the surplus of unskilled labourers.

Unlike in Egypt and Syria, collective bargaining in Iraq includes bargaining about wages although basic minimum wages are determined by the tripartite Wage Fixing Board. This is because the Labour Code allows for the possibility of establishing better conditions
than those laid down by statutory regulations or bodies. Thus, wage negotiations are not uncommon in Iraq but, as stated earlier, the outcome of pay negotiations and the bargaining power of the parties are not necessarily related to the state of the labour market.

Collective bargaining in Iraq is strongly influenced by political factors. The government tends to favour trade unions and considers them to be essential contributors to economic development. This attitude is a determining factor in the power relationship which affects collective bargaining. This does not mean that workers are unable to use the strike weapon but there is not much necessity for them to use it at the present time.

The fixing of minimum wages by the tripartite Board is used as an instrument of income re-distribution as well as an economic and social development policy. Wage rates are related to education, skills and efforts rather than productivity. Firms cannot legally cut the labour force when wage rates are increased, so how do they react? In my experience (looking at manufacturing industries) in a situation where wage rates have been increased, management tries to increase efficiency, sales and output in order to reduce labour costs per unit of output. In this context, therefore, the cost/benefit rewards theory which determines bargaining power as suggested by Somers(1) is not applicable to the Iraqi situation (neither to the Syrian or the Egyptian where almost similar situations exist.)

Because wage rates are based on factors related to the relative importance of the job, job evaluation schemes (mainly point-rating schemes) have been introduced since 1968. In a survey I carried out in 1972 for the National Centre for Consultancy and Management Development, I found that most employers try to use job evaluation as an alternative to wage negotiations. This has angered unions whose first reaction was to call for a freezing of the schemes or a halt to their expansion. But later unions themselves began to use the schemes of job evaluation as a bargaining process by negotiating the relaxation of job-grade classifications. In the Baghdad Iron Tubes Company, for example, union representatives demanded that a higher grade must be given to certain unskilled jobs, such as porters and cleaners, as a quid pro quo for the acceptance of the salary structure which was proposed by management.

However, in determining the level of wages, trade unions in Iraq do not take account of the employers' ability to pay or the profitability of the project. They try to achieve uniformity for unskilled workers in the same industry. This is not the case with skilled workers where wages, as pointed out earlier, are more influenced by supply and demand. Trade unions also tend to

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(2) I was involved in an advisory capacity in the design of the job evaluation scheme for this company.

discourage the payment of different sized annual pay increases to daily paid workers which means inefficient workers get the same rise as efficient ones. They also try to achieve higher real wages through negotiating larger pay increases. Because unions are deeply involved in the politics of the socialist-inspired state, they tend to exert pressure on the government in order to influence income distribution. In this context, wage bargaining is different from some developing countries where the government is not a wage leader, such as Kenya for example, where a recent paper indicates that ability to pay proved to be "the most consistent determinant of inter-industry wage differences". (1)

The conduct of Iraqi unions seems to be based on their realisation that collective bargaining has little effect on income re-distribution and only enables them to secure incomes required for basic needs.

Nevertheless, union power to influence wage rates seems to have increased as a result of the enactment of the Labour Code of 1970 and the Social Security Act of 1971. This, in turn, indirectly indicates the influence of the state in enhancing the power of trade unions through progressive legislation, and consequently the bargaining power of unions vis-a-vis employers. Under the 1970 Code, all workers in the firm or industry are covered by the provisions of the collective agreements irrespective of being or

not being union members. This means that union influence has extended to include firms hitherto not unionised: it is also enhanced because the union now bargain on behalf of all workers. For example, only three industry-wide agreements covering about 25,000 were concluded between 1968-1970, while twenty industry-wide agreements covering about 150,000 were concluded between 1971 and mid 1974. (1)

Wages and their supplements (i.e. overtime and allowances) make up the bulk of the provisions of collective agreements. The agreements, however, also regulate certain aspects of work procedures, social and medical facilities as well as disciplinary measures. The inclusion of disciplinary measures in the agreements indicates management concern with regard to ensuring prior union approval to measures which might represent an aspect of potential disputes. It also indicates the unions' concern to participate in making rules which might have an adverse effect on employees.

In spite of the absence of any legal restriction on shop floor negotiations, agreements are usually concluded at industry or inter-regional company levels. This is due to the central nature of the trade union organisation and the sensitivity of the process of bargaining from the union point of view.

(1) See GPTUI, Report to the Fourth Congress 1974, p.68.
(b) **Collective Bargaining**

The Trade Union Act of 1942 laid down that employers should recognise trade unions and should negotiate terms and conditions of employment with trade unions. In spite of this Act, employers refused to recognise trade unions, and very few collective agreements were concluded; these were mainly in the oil industry where the privileged foreign companies (Esso and Shell) chose to normalise their relations with unions. (1)

The Collective Agreements Law of 1950 laid down the procedures and elements of collective bargaining(2) which were to be adopted. As a result of this law and of the change in the political system in 1952, collective agreements increased in number. The majority were company agreements covering either a single subject (mainly wages) or a few related issues (such as wages, allowances and overtime). A few industry-wide agreements were also concluded which concerned a variety of issues related to both economic and social matters.

The Labour Code 91 of 1959 which is at present in force, laid down detailed procedures and requirements of collective agreements. A collective agreement can be concluded between a union or a group of unions and one or more employers. If the agreement is concluded


(2) A summary of this Law was given in Chapter 5 of this thesis.
between an employer and more than one union, the unions involved are required to represent workers in the same industry or craft, or in industries of related activities. The Code also requires that a collective agreement be in writing, and approved by the general meeting of the union. In addition, the agreement has to be registered with the Ministry of Labour (Manpower). According to the Labour Code, a collective agreement can be concluded between the employer and the union for a minimum period of three years, and if neither the employer nor the union have requested the termination of the collective agreement, it will remain in force for another year, or for a period specified by the parties. On the other hand, the collective agreement could be considered as terminated at the end of the originally specified period if either party made such a request three months before the date of termination. In addition, provisions of a collective agreement apply to all workers of the enterprise or industry which concluded the agreement if at least half of the workers are union members at the time of concluding the agreement, and if it provides more favourable benefits than those provided under individual contracts of employment. Furthermore, individual workers, the union(s), or the employer(s) can apply to the labour court to make a decision about the enforcement of a collective agreement.

Collective bargaining in Egyptian industry is not as common as in Iraq and Syria. This is mainly because, in practice, strikes are controlled by the Government and because the Government have introduced many detailed rules related to employment and working conditions.
Although collective agreements in Egypt are mainly concluded at company level, shop stewards committees have little effect on the bargaining process. The Internal Constitution of the EFL (Egyptian Federation of Labour) has prevented shop stewards from negotiating collective agreements unless authorised by their branch. In practice, even union branches have to consult their central unions and refer every detail to them before concluding an agreement.

This is another reflection of the dominance of the central machinery in the Egyptian trade union organisation. The EFL does not particularly like the present arrangement because it indicates the influence of public sector management who are negotiating at company level. The FIE (Federation of Egyptian Employers) also does not like the present arrangement; it would like industrial relations matters to be centralised so that issues of national concern may be dealt with at that higher level and the EFL agrees with this view.

However, it must be noted that company-level negotiations do not necessarily mean shop floor negotiations. This may be illustrated in the case of multi-plant organisations (in the public sector) where negotiations between management and unions cover all the plants of the said company. In a few cases where plants of such companies are extended to various geographical locations, the agreement has a nation-wide nature and usually the central union takes over active negotiations. In most cases public sector companies are located in a single province. In these cases a problem arises within the trade union organisation as to whether the local federation should be consulted or not, and this has been a subject of inter-union organisational conflict.
The importance of collective bargaining as a means of regulating employment and working relationships is much smaller than in Iraq. This is attributable to the fact that in Iraq all workers are covered by the process of collective bargaining. While in Egypt all the workers employed in a factory where half of the workers in the plant or industry are unionised are legally covered by the terms of the agreement, in practice this type of situation is rare and this means that in most companies only unionised workers are covered by the terms of collective agreements in Egypt.

As in Iraq, the supply of unskilled labour is regulated by a tripartite body supervised by the government because of the excessive number of unskilled labourers seeking employment. This surplus labour stems from population pressures and a high rate of rural immigration to industrial centres. This problem has been tackled by over-staffing in public services and the public sector, and has resulted in a very high level of disguised unemployment.

As in Iraq, the employment of skilled labour is not regulated in this way but is allowed to be determined by the forces of supply and demand in the labour market. Trade union membership among skilled workers, however, is very low(1) in contrast with the situation in Iraq.

For instance, in 1975, in the Nasr Textile Organisation (which controls the textile industry in the public sector) only 406 out of 6,255 workers (6.5%) categorised as "skilled workers" were union members.

The EFL blames managerial tactics (which include managerial fringe benefits and inter-company upgrading to supervisory level) as the reason of the union's failure to attract skilled employees. (1)

Wage rates are largely determined outside collective bargaining although earnings other than wage rates are covered by collective agreements.

In Egypt, government employment regulations include job classifications and salary structures in the public sector. The private sector is not covered by these regulations, and wages may be negotiated jointly by unions and management. In the public sector wage determination is based on arbitrary cost of living standards; in the private sector, efforts are made to relate wages to productivity. Incentive schemes based on piece rates and work study are very common in these industries.

In Egypt the bargaining power of the trade unions derives mainly from government support based on the notion of "partnership". At present, the unions negotiate with company managements in both the public and private sector. Management at this level, particularly in the public sector, has acquired a powerful position derived from government backing based on the notion of "partnership", namely that unions and management are partners with the government in fostering industrialisation. This situation has prevented Egyptian unions from developing a strong bargaining position vis-a-vis management.

(1) Idem.
This may have given an impetus to their campaign to move bargaining to the industrial level.

Company-level negotiations are usually subject to government intervention through the ASU unit. Since the latter has acquired a powerful political influence over both management and unions, it determines the course of negotiations in the majority of cases by exerting pressures informally on the two sides. The managers of the public sector, being government appointees, normally implement the state's industrial relations policy which the ASU (Arab Socialist Union) Unit in the plant monitors. Trade union officials have also to co-operate with ASU unit in the plant in order to keep their jobs. But, unlike the managers of the public sector, they do not seem satisfied with the intervention of the ASU unit in management-union negotiations. (1) This is another factor why unions aim at shifting bargaining to the central level where the ASU organisations have totally different political objectives, and thus it would be improbable that they might intervene in collective bargaining.

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(1) Al-'Amal (Labour), Vol. 13, No. 143 (September 1975), p.16.
Syria

(c) Collective Bargaining

The origins of collective bargaining in Syria can be traced back to the beginning of the Second World War. The concessions then made by the French administration to the trade union movement as a result of the political situation led to the conclusion of a few company arrangements dealing mostly with wages. (1)

The Labour Code of 1946 recognised collective bargaining as a voluntary process but made collective agreements legally binding on both parties and this gradually led to an annual process of negotiations. In these, the threat of a strike was the main weapon available to the trade unions in negotiations while the small number of skilled trade union members and the large supply of unskilled workers gave the employers a powerful position in negotiations.

The Labour Code 91 of 1959 (which was passed during the period of Syria's unity with Egypt and applied to both countries simultaneously) regulated the process of concluding agreements on a basis entirely similar to those in Egypt (see p. 272-3). The existence of centrally based employers' organisations for public sector management, the tendency towards negotiating industry-wide agreements, as in Iraq, has increased since the late 1960's.

(1) See Nabulsi, H.M.S., op. cit., p. 67.
The importance of collective bargaining in Syria lies in the political power of trade unions rather than in their control of the labour market, as they are favoured by government.

Collective bargaining as a process of determining employment conditions is limited by two factors:
(1) It is extended only to workers who are covered by the Labour Code, that is about one-third of the total labour force. Agricultural workers are totally excluded.
(2) Collective agreements cover only unionised workers in the plants or industry concerned unless more than half of the total number of employees are trade union members. This means that collective agreements in practice seem to cover only a minority of the labour force.

The rules for employment conditions are mainly unilaterally stipulated by government. This minimises the scope of collective bargaining because wages of skilled employees are determined by government regulation while minimum wage rates are determined by the tripartite Wage Fixing Committees. While trade unions and employers are consulted about wage determination it would seem that such consultation does not involve them in the process of making the decisions. This means that collective agreements do not set wage rates but they do deal with wage supplements which affect total earnings. These include: incentive bonuses, overtime payments, payments for holidays, dangerous work, etc. In addition, agreements cover fringe benefits, social, medical and educational services.
Negotiations take place mainly at industrial level. In cases where negotiations take place at company or shop floor level, central unions, through their branches, intervene by giving orders to shop stewards. The main concern of the central unions is that negotiations do not take place in factories which are covered by industry-wide agreements; also that the subject matter of negotiations has often not been dealt with in the industrial agreement. This intervention, which indicates the centralised nature of trade union organisation, can give rise to inter-union conflict between local federations and central unions as to who should give orders to shop stewards or union branches in local negotiations.

Employers try to include two important issues in collective bargaining: production and discipline. They want to be able to take disciplinary measures against employees who do not fulfil the standard rate of production either through ignorance or illiteracy, or wilfully. These employees, on their part, try to put pressure on management to relax some of the work standards. Workers are frequently absent from work in order to attend social and religious functions. To deal with this behaviour, management emphasise that collective agreements should include an undertaking by unions to accept strict disciplinary measures against these workers, and to relate wage supplements to productivity. (1) Recently, therefore, some employers have negotiated productivity agreements instead of ordinary collective agreements.

Incentive schemes are usually based on work study. However, as a Report by the ILO indicates, the standard rate of an employee's daily or hourly production has to be set in such a way that it meets the minimum wage rate conditions. In practice (as wage-rates per day are mainly determined by the government) there are no penalties on workers producing less than the standard rate, and they receive their basic wages in full. Because incentive bonuses are individually calculated, the loss of production has to be borne by employers and is not made up by production from workers producing at more than the standard rate. (1) Although employers can enforce legal penalties against low-producing workers (such as wage reduction or withholding increments), they are usually forced by the informal intervention of the Ministry of Labour to arrive at terms acceptable to both parties and to avoid industry-wide disputes. This type of intervention may have fostered the tendency to conclude industry-wide agreements. It would seem that the government finds it difficult to exert pressure at company level, but because it controls the management of the public sector and the trade union central organisation, it is more successful at industry level.

The setting of minimum wages by the tripartite Wage Fixing Committee (which is dominated by government representatives) and the determination of the wage structure by the government is based on the classification of skills by the Ministry of Labour. Even in cases

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where employees are on piece rates, a skill definition by the
Ministry determines the rate of each piece which means that the
rate is not related to productivity. The application of work
study together with incentive schemes thus serves the sole function
of regulating above standard payments, and not the basic piece rate
prices. Unions, it seems, have endeavoured to put pressure on
government to relax the definition of skills so that more and more
categories of workers can be upgraded to higher scales.

Overall there would appear to exist a "give" and "take" relationship
between unions and government within the notion of "partnership".
That is, in order to ensure union loyalty and avoid any challenge
to government control, the government gives concessions to unions
in matters important to the latter's influence over workers, such
as wages, though the government maintains the authority to make
the decisions on these matters.
Comparison of Collective Bargaining in the Three Countries

Collective bargaining as a method of regulating employment is new to the scene of industrial relations in Iraq, Egypt and Syria. Under the foreign administrations the weakness of trade unions and the small size of the industrial labour force meant that there was little scope for collective bargaining. Systematic negotiations to determine work place rules jointly began to emerge under the traditional systems. However, the development of collective bargaining and the factors affecting it differed in each of the three countries.

In Iraq, where the government severely opposed trade unions and restricted their activities, employers retained the authority of making unilateral work-place rules while national industrial relations rules were laid down by the government. Collective agreements were introduced by foreign firms towards the end of the traditional regime to reduce tension among workers and to act as a substitute for trade unionism. "Workers' representatives" in negotiations were chosen by management on seniority and tribal bases instead of being elected by the workers themselves.

In Egypt the situation was very different. The industrial labour force was growing rapidly in line with industrialisation, and trade unionism gained solid ground among the working class. Trade unions benefited from the political conflict between the Palace and the government who both sought their support. Thus, trade unions' recognition and their right to joint job regulation were given a legal basis in the Trade Union Act of 1942 and the Collective
Agreements Act of 1950. Employers who were powerful because of their role in the industrial development of the private sector, tried to maintain their authority. They saw the development of trade unions as a threat to their existence. Their attitude affected the position of trade unions adversely and the bargaining power of the unions remained relatively weak throughout this period.

In Syria the position of the trade union movement was even more favourable than in Egypt. The political instability combined with the semi-constitutional management-labour relations strengthened the bargaining power of unions vis-a-vis management. The strike weapon was often used during this period without fear of violent suppression by government whereas it could not be used similarly in Iraq or Egypt. However, the difficult economic situation, the surplus of unskilled labour, and the division within the trade union movement itself, resulted in weakening union bargaining power and restricted their authority in establishing work-place rules.

The nationalist systems in the three countries adopted somewhat similar approaches to collective bargaining. The state, in pursuance of its socialist objectives, undertook to secure employment for every person able and willing to work. Except for skilled labour, this meant, in practice, that the supply and demand of labour was to be free of the market monopoly and would not be subject to management and union regulation of wage rates and other terms of employment. To achieve this objective, a combination of intensive programmes of development with open employment were pursued. Employment in this context was provided
on social grounds (i.e. over-staffing) but also because of economic necessity.

In dealing with these problems, however, emphasis was placed on different aspects in each country related to their different economic and social circumstances. In Iraq, which is much better off than the other two countries, industrial programmes are more intensive and this enables Iraq to provide a higher level of employment necessitated by economic factors. In Syria and Egypt, particularly in the latter where there is population pressure, over-staffing as a means to deal with unemployment is still very high.

In all three countries the state has undertaken to promote the welfare of the masses. Wages are therefore determined by government agencies (jointly with management and labour) instead of being allowed to be determined by collective bargaining. (1)

In Iraq the tripartite Wage Fixing Board is authorised to fix and review minimum basic wage rates periodically. Wage increases and differentials, however, are left to joint regulation by managements and unions. This regulation is slowly being transferred into systematic collective bargaining. In the case of minimum wages, the Labour Code permitted the employers and unions to negotiate higher rates than those fixed by the Wage Fixing Board. The bargaining power of both parties related to wage matters is based less on economic factors than on political factors, namely the influence of the government's labour policy and progressive labour legislation.

(1) H.A. Clegg in his book Trade Unionism Under Collective Bargaining, (Blackwell, Oxford, 1976) puts forward a theory of trade unionism based on the assumption that collective bargaining is the main method by which unions try to achieve their economic objectives. He applies the theory to the developed countries and it is possible that it may become applicable to Arab socialist countries at a later stage.
The situation is similar in Egypt and Syria and it explains why unions have successfully insisted that collective agreements should be legally binding on both parties and have to be registered officially with the government. In Egypt and Syria, however, though minimum wages are determined by the tripartite committees, wage scales and differentials are largely determined by government regulation, which is more wide ranging in Syria than in Egypt. The surplus of unskilled labour is much higher in these two countries than in Iraq. Thus, statutory regulations is deemed necessary because trade unions are in too weak a position to bargain for uniform wages for unskilled labour. The Syrian trade unions, it seems, were more successful than their Egyptian colleagues in securing government intervention to relax job classifications which allowed job up-grading providing higher wage rates.

In the three countries, earnings other than wages, as well as social and welfare conditions, fall within the scope of collective bargaining. In Iraq and Syria, where unions mainly negotiate with employers' organisations, bargaining has largely taken place at industrial and regional levels. In Egypt, however, historical developments resulted in concentrating the decision making process in the hands of the management of the public enterprises at company level. Thus, despite the wish of the unions (as well as FEI) to move negotiations to a central level, they have been forced to bargain at company level.

The main features of the development are summarised on the separate page which follows.
## Collective Bargaining in Iraq, Egypt and Syria

<table>
<thead>
<tr>
<th>Political System</th>
<th>Iraq (1922-52)</th>
<th>Egypt (1882-1922)</th>
<th>Syria (1920-56)</th>
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<tbody>
<tr>
<td><strong>Foreign Administrations</strong></td>
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<tr>
<td><strong>Traditional Systems</strong></td>
<td>1. Employers retained their power of making workplace rules unilaterally. National industrial relations rules laid down by the government. 2. Late in the period, collective agreements were introduced by foreign firms to reduce tension among workers and to act as a substitute for trade unionism. Workers' representatives in negotiations were chosen by management and not elected by workers.</td>
<td>1. Union right to joint job regulation recognised by the law but resisted by employers. 2. The employers' negative attitude affected union bargaining power adversely. A few agreements were concluded with unions, mainly by foreign firms which recognised trade unions.</td>
<td>1. Political instability combined with the semi-legal management-labour relations strengthened the bargaining power of union vis-a-vis management. Strikes were used by workers to improve the bargaining position of unions. 2. The difficult economic situation, the surplus of unskilled labour and the division within the trade union movement resulted in weakening the unions' bargaining position. 3. A number of company agreements were concluded, regulating wages and working conditions.</td>
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<tr>
<td><strong>Nationalist Systems</strong></td>
<td>1. The law recognised collective bargaining as a voluntary process and declared that collective agreements were legally binding. Procedural rules for agreements were laid down by law. 2. The supply of and demand for unskilled labour is regulated by the government. It is not subject to management-union regulation of wage rates and terms of employment. 3. The bargaining power of the parties is based on the influence of the government's labour policy and progressive labour legislation. 4. Collective agreements are normally industry-wide, and unions represent all workers engaged in the industry. The agreements cover wages, working conditions and employment regulations.</td>
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Iraq

(d) Industrial Disputes

During the British Mandate, when the trade union movement was in its early stages and still weak, there were no formal procedures for handling disputes.

Strikes were mainly about poor economic conditions and they were usually directed either against the mandatory government (for instance, the general strike of 1931) or against the foreign concerns (for instance, the Railway and the Baghdad Electricity Company strikes of 1927, 1930 and 1931). This suggests that the strikes were influenced by nationalist feelings. The frequency of strikes began to increase during the early 1930's, the government therefore passed the Strike Act of 1932 forbidding sympathy strikes and picketing.

During the period of the monarchy, collective action took the form of worker protests through strikes, sit-ins or violent demonstrations. Until 1954 there were no legal provisions for handling disputes. But in 1954 due to increasing political pressure the government issued the Conciliation and Arbitration Regulations. These provided for compulsory procedures of conciliation and required that fourteen days' notice must be given to the Ministry of Social Affairs prior to any collective action. (1)

(1) The Conciliation and Arbitration Regulations of 1954 have been discussed in Chapter 5 of this thesis.
Prior to the licensing of trade unions during the last years of the Second World War, trade unions were very weak and largely organised underground. On the whole, they chose to pursue their activities peacefully and concentrated on gaining political sympathy and support. A handful of strikes and sit-ins took place, but these were generally poorly organised and easily suppressed. Once trade unions had obtained licences, they began to direct their protests chiefly against the government and foreign firms, taking advantage of the political instability and the poor economic and social conditions of the workers. They justified their attacks on the government on the grounds that it was responsible for these conditions as well as because of its anti-union stand. Their attacks on foreign firms were based on the collaboration of these firms with the government and their refusal to recognise trade unions.

The change in the state's labour policy brought about by the revolution resulted in a new government outlook towards industrial disputes and workers' protest. It also resulted in changes in union and employer tactics as regards collective action.

Although the new dispute procedure introduced under Labour Law 1/1958 did not vary much from the 1954 Regulations, the state became more tolerant of worker protest, whether legal or illegal, official or unofficial. State intervention now favoured labour and was used mainly to put pressure on employers to give in to worker demands.
While legal notice had to be given prior to calling a strike, strikes have not been prohibited under the 1958 Law or the present Labour Code. This was probably because the influence of political groups had made it impossible to impose a legal ban on collective action taken by workers.\(^{(1)}\) In spite of this, the majority of strikes were illegal, that is workers did not give the required notice. Some strikes were also unofficial, that is, as defined by Knowles, "not recognised by the executive committee of a union".\(^{(2)}\) These were mainly led by workers representing political factions opposing that of the union leadership.

During the post-revolution period union tactics changed. No longer were their actions aimed against the government but against Iraqi employers with whom alliance ended as a consequence of the revolution.

Strikes in the pre-revolution period tended to occur suddenly; in the early post-revolution period they became less violent but more frequent, and were mainly the result of lack of success in negotiations. In 1964 to 1968, the incidence of strikes increased further; for instance, the IFI reported that during 1967 alone, 33 strikes took place.\(^{(3)}\) The majority of these strikes were of

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\(^{(1)}\) Legget, C.J., op. cit., p.193.


short duration, lasting between one to three days. This was mainly attributable to the speedy intervention by the government which put political pressure on employers to settle the disputes with the unions. Most of these strikes started unofficially (and illegally) but unions soon had to recognise them in order to maintain their control on the shop-floor.

Accurate data on the number and length of strikes or workers involved and working days lost are not available. As far as the available data go, they suggest that strike activity was very high in the construction industry. In 1969 for example, out of a total of 1020 workers reported as having been involved in strikes, 924 were construction workers. A loss of 148,000 work hours resulted. In 1970, out of a total of 1,124 workers involved in strikes, 1090 workers were from the construction industry, causing a loss of 107,306 work hours. The nature of the construction industry (i.e. that it is based on contract work) and the absence of a fixed wage system were probably the main reasons for the industry’s strike proneness.

During the post-revolution period employers changed their tactics vis-à-vis collective action. They could no longer rely on government support and had to handle disputes by themselves. This meant they had to resort either to the legal procedure as provided by the Labour Law or to establish joint dispute procedures.

with unions, provided that these procedures did not contradict the law. Some employers, mainly in foreign and large Iraqi firms, realised the change in their position vis-a-vis unions, and unhesitatingly established such procedures and maintained good co-operation with unions. However, the majority of employers in the medium and small-sized firms who were still viewing relations with workers in a paternalistic manner, usually gave in temporarily to workers’ demands, under government pressure, only to abrogate the agreement they had concluded once things returned to normal.

In a few cases these employers resorted to lock-outs as a counter-action to strikes. Thus, the 1960’s witnessed, for instance, the lock-out of the Baghdad Metallic Company in 1962 and the lock-out of the Dijla (Tigirs) Shoe Company in 1965. In the first case, in 1962, the owner-manager of the Baghdad Metallic Company whose small firm was suffering financially and facing a period of slack business, declined to submit to the union’s demand for wage increases and a reduction of working hours. In response, the union took official strike action coupled with a sit-in. Subsequently, the owner, without giving legal notice, locked-out his firm and declared his intention to close down. The union, accordingly, in consultation with the Ministry of Labour, took over the running of the firm exercising a sort of worker self-management. This situation continued for a few months until the dispute was settled after lengthy negotiations between the union, IFI and the Ministry’s officials.
The Dijla Shoe Company was a family business which, since 1959 had very bad industrial relations. A family conflict had affected the running of the firm and reflected on relations with workers. Frequent strikes took place between 1959 and 1965. In 1965 an unofficial strike took place after a management decision not to renew an agreement on social benefits that had been reached three years earlier. Management, accordingly, gave notice of a lock-out which was implemented effectively. Although the workers' action was unofficial, the GFTUI supported them and agreed that the strike was the only effective weapon against the employer. The Ministry of Labour which, declaring the strike illegal, considered the workers' demands to be legitimate. The dispute was then settled in favour of the workers through informal consultations between the Ministry, GFTUI and IFI.

As regards the setting up of disputes machinery, the Iraqi Labour Code No. 151 of 1970 which is now in force failed to distinguish between collective and individual disputes. This also holds for the Labour Code No. 91 of 1959 which applied to Egypt and Syria. Legal experts have suggested that this implicitly meant that any dispute involving more than one worker was a collective dispute. (1) The Egyptian and Syrian Ministries of Labour have taken this implication into consideration in classifying disputes, and so have

The Iraqi Labour Code's definition of a collective dispute is as follows:

"Labour dispute means any collective difference of opinion arising between the management or employer on the one hand and the workers on the other, associated in one or more projects or undertakings or within the scope of one or more occupation, trade or industry, concerning the application of this Code, the regulations thereunder, or any collective agreement or contract of employment". (1)

If such a dispute arises then both employer(s) (or management of public enterprises) and the union concerned should each, on their own initiative, inform the Ministry of Labour and the GFTUI simultaneously of the existence of the dispute. The Minister should then act as a conciliator contacting employers (or management of the public enterprises) and their associations, and the President of GFTUI should act as a mediator by contacting the trade union concerned. If within three days their efforts are successful, then an agreement would be signed between both parties to the dispute and would be witnessed by the representatives of the Ministry and the GFTUI.

If this machinery fails, then the dispute should be referred to the High Labour Court which should meet within 48 hours to settle the dispute. The High Labour Court is obliged to make a decision

within a week and its award is final. All parties must abide by and execute it.

If within three days one party refuses to abide by the award of the High Labour Court, problems arise. If the managerial side in the public sector refuses to accept, then they would be exposed to the penalty of expulsion from the service and be charged with misuse of authority. Alternatively, if the union (or the shop stewards committee) refuse to accept the award, then the executive of the union responsible would be exposed to possible dissolution and law suits.

If the party refusing to abide by the Court's award is a private employer, then the workers involved are entitled to cease work, proceed to a sit-in, or declare a strike. If the employer does not retreat within two days of the workers' collective action, the Ministry of Labour in co-operation with GFTUI and the workers can take over the firm (or firms) which would be managed by officials from the Ministry in co-operation with the workers. The new administration would immediately execute the decision of the High Labour Court and compensate the workers for the losses and damages incurred as a result of the action of the employer whose personal assets would be liable for the amount of compensation.

The members of the Labour Courts have a judicial immunity provided for members of the judiciary branch of the Republic with their measures and awards being as effective as those of ordinary courts.
These courts were composed of:

(a) the Labour Courts in the provinces, and
(b) the High Labour Court.

In both cases, the court was presided over by a judicial judge and composed of equal representatives of unions and employers. Thus, these Labour Courts, unlike those of Egypt and Syria, enjoyed complete independence from government intervention. This reflected positively on their awards which, in a few cases, were unfavourable to government departments.(1) Except in some minor cases relating to individual claims, the awards of the Labour Courts in the provinces were subject to appeal to the High Labour Court. The High Labour Court, whose awards were final, in addition to being a court of appeal, acted as a compulsory arbitration body in industrial disputes.

However, time spent in appointing court members and providing court facilities has prevented the courts from functioning prior to June 1971.(2) By July of that year, the Baghdad court alone had about 12,000 cases which had not yet been dealt with out of which

(1) An important example of such an award is to be found in the case of the President of GFTUI v. the Ministries of the Interior and of Finance (1971). A disagreement had arisen as to the right of certain categories of workers, employed by the Ministry of the Interior, to join unions. The GFTUI presented the case to the Baghdad Labour Court, which on September 18, 1971 awarded (Award No. 336/AMAL/1971) that government 'employees' (that is, those not categorised as 'officials' or 'civil servants') were covered by the provisions of the Labour Code No. 151 of 1970, and were thus entitled to join trade unions. The Ministries appealed to the High Labour Court, but the decision was upheld.

about 11,000 cases had accumulated since 1966. Cases were heard at a rate of 25 to 50 per day (1) and there was a gradual improvement in the functioning of the courts despite the pressure of work.

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Egypt
(e) Industrial Disputes

As in Iraq, no systematic dispute procedures existed in Egypt during the period of the British occupation, particularly in the early years, apart from the Central Conciliation Committee set up in 1919. This situation may be attributed to the weakness of organised labour and the infrequency of workers taking collective action.

During the last years of the occupation, induced by the nationalist movement, worker protest began to increase and became more violent. It was concerned with poor economic conditions but began to be politically motivated and to be directed against both foreign firms and the foreign administration. The rise in the cost of living during the First World War and the outbreak of the 1919 revolution led to the formulation of a new worker strategy. Thus, the pattern of strikes changed and they began to be closely co-ordinated with strikes in other sectors of the country. The strikes were more violent and of much longer duration than previous ones; they revealed a considerable solidarity among workers of various industries. These strikes induced the government to take more positive measures for dealing with labour disputes, and so the Cabinet established in 1919 a central conciliation committee which did not include worker representatives. This committee, however, was ineffective and was dissolved in 1924 and replaced by provincial committees in 1924. These new committees also did not include worker representatives, and this led, in practice, to the refusal of workers to refer matters to the committees which were accused
of being biased towards employers. (1)

As I have mentioned in Chapter 5, there was no significant change in the state's labour policy during the monarchy until the Second World War. Employers relied on the police to provide protection against worker protest, and the state continued to follow the British authority's policy of suppressing strikes violently.

The Trade Union Act of 1942 required that employers should arrange to settle disputes jointly with unions. Nevertheless, the angry reaction of FEI to the Act resulted in the majority of employers refusing to admit that the unions had a right to dispute matters related to employment and working conditions. After the Second World War (with the Wafd government out of office) employers again resorted to calling in the police to help them break up strikes.

During the post-War period, worker protest took a new direction. Protest was much more politically motivated due to the active infiltration among workers of political groups both of the left and the right, notable among them being the Communist Party and the Moslem Brothers. Another change was that strikes took place mainly against Egyptian establishments, chiefly textiles, tobacco and sugar; an indication of the deep hostilities between unions and employers because of the employers' continued refusal to recognise trade unions. This contrasts with the situation in Iraq and Syria who showed much less hostility towards national employers, because

(1) See Chapter 5 of this thesis.
in Iraq the government's policy of restricting freedom of association brought the national employers and unions closer together, and in Syria there existed semi-constitutional management-labour relations.

The hostile employer-trade union relationships in Egypt which have just been described, induced the government to enact the Conciliation and Arbitration Act of 1948, an important step forward in labour relations as there had been practically no formal dispute procedure hitherto. The Act established a compulsory disputes procedure. According to this procedure, conciliation and arbitration boards were created comprising representatives of the government, unions and employers. Once the dispute had been referred to conciliation or arbitration, strikes and lock-outs were forbidden. (1)

The nationalist regime in Egypt did not tolerate worker protest although it viewed workers as "partners in the process of development". While the pluralistic nature of the industrial society in Iraq and Syria led to a tolerance of collective action, in Egypt collective industrial action was considered to be inconsistent with the notion of partnership and the strategic role of labour in economic development. Thus, the national government, from the start, played a large role in the settlement of disputes, mainly through compulsory arbitration. The workers' right to strike was banned.

Although strikes were forbidden, there were frequent incidents of labour unrest during the 1950's and early 1960's. Some of these

incidents were undoubtedly motivated by political factors, namely the opposition of various political groups (both of the left and the right) to the new regime during the early stages. The government dealt severely and abruptly with these strikes. For instance, it did not hesitate to hang Mustafa Khamis, the leader of the violent strike at Kafr El-Dawar in December 1953.(1)

Employers, realising the change in their position, gradually submitted to government pressure to accept the compulsory machinery of settling disputes. The management of the public sector, as government appointees, adopted the compulsory dispute procedure as soon as it was introduced.

 Strikes, in recent years, have occurred less frequently and have usually been settled quickly. This may be due to the effect of the state's intolerant attitude to strikes and some improvement in the social and economic conditions of the workers.(2)

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(2) Recently, the Cairo Public Transport workers went on half-day strikes for two days (18-19 September 1976) demanding a wage increase and an extra one-month wage to be paid before the Moslem feast. The Attorney-General took immediate legal action against the leaders of the strikes, although negotiations to end the actions peacefully were in progress. (Reported by *Al-Thawra* (Daily Newspaper of Baghdad), No. 2494, September 20, 1976, p.1.) The recent violent demonstrations in Cairo and Alexandria (in which at least eight people were killed and more than 100 others were injured and which took place between 18-19 January 1977), although provoked by the increase in the price of food and involved many segments of the population, were mainly led by workers from the Hilwan industrial suburb near Cairo and from Alexandria. (Reported in *The Times* (of London), No. 59,912, January 20, 1977, pp. 1 and 7.)
The Labour Code and Ministerial Decrees 159/1959 and 134/1964(1) established the procedures for the settlement of disputes. The Labour Code, which is in force at present, laid down that disputes must be referred to the Labour Office in whose jurisdiction the firm is located, by either of the parties. If the dispute involves a firm which employs less than 50 workers, the Labour Office is authorised to make a decision to settle the dispute within two weeks from the date it is referred. Disputes which involve firms employing 50 or more workers are to be referred directly to the Conciliation Committee. Conciliation Committees are to be established in the provinces. Each committee is composed of six members, as follows:

1. the President of the Labour Court in the province, as a chairman of the committee;
2. the Director of the Labour Office in whose jurisdiction the firm was located;
3. the employer or his representative;
4. a representative of the trade union or workers who were party to the dispute;
5. a representative of the employers' association (i.e. FEI), or a businessman to be chosen by the employer who had no direct relation to the dispute;
6. a representative of another trade union which had no direct relation to the dispute and who was to accompany the workers or the union representative.(2)

The Conciliation Committee has to make a decision within 20 days from the date it receives the application for dispute settlement.

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(2) Egyptian Labour Code No. 91 of 1959, Article 194.
If the dispute is not settled it is referred to the Labour Court which acts as a Compulsory Arbitration Board. To begin with, the Labour Court (one existed in each province) was composed of five members, as follows:

1. a judge of one of the chambers of the Court of Appeal, who would preside over the Court;
2. a representative of the Ministry of Labour;
3. a representative of either the Ministry of Industry or the Ministry of Economy;
4. a representative of the FEI;
5. a representative of trade unions to be nominated by the EFL.(1)

The division of the Ministry of Labour into two ministries in 1971 led to an increase in the composition of the Court by one member, as each of the Ministries of Manpower and Social Insurance were to be represented in the Court. The addition of the representative of the Ministries of Industry or Economy meant that the government representative would be in a dominant position in the Court.

The Court's decision is final and has to be considered as judgment awarded by the Court of Appeal. While conciliation and arbitration procedures are in progress, strikes and lock-outs are prohibited. This means, in practice, that collective actions are banned as the whole procedure is compulsory.

In addition to collective disputes (i.e. disputes involving more than one worker), labour offices have to refer individual disputes to the Labour Court, in cases where these offices failed to reach a settlement.

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(1) Ibid., Article 198.
Syria

(f) **Industrial Disputes**

During the French Mandate it was left entirely to employers to establish procedural rules related to disputes because these rules usually deprive workers of the right to take collective action and subject strikers to severe disciplinary measures, such as a reduction in wages and dismissal. Employers did not hesitate to call on the government for help to deal with worker protest. In September 1937, for instance, the management of the Damascus Knitting Mill found that it could not deal with a strike by threatening to take disciplinary measures and therefore asked for government protection to stop the strike.(1)

In spite of their weak position, unions repeatedly protested against the ways in which employers dealt with disputes. The Trade Union Conference of 1936 demanded, among other things, that a joint committee to deal with disputes should be formed. The government ignored this demand until the new political and economic situation brought about by the Second World War forced it to seek union co-operation. Although strikes were banned during the war, the government issued a decree to form a tripartite arbitration committee, but this committee did not come into being until 1946 when a new Labour Code was enacted.

During the early stages of the French Mandate, strikes were largely caused by economic factors, namely low wages and harsh employment.

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and working conditions. As time went on, the increasing influence of the nationalist movement and of political infiltration into the labour movement led to the co-ordination of worker protests with those of the nationalist movement and directed against the French administration.

When the mandate came to an end, the policy of semi-constitutional management-labour relations adopted under the new "traditional" type government led to the enactment of the Labour Code of 1946 which laid down a compulsory procedure for handling disputes. Conciliation and arbitration boards were formed on a provincial basis in which unions, employers and the state were equally represented. The developing semi-constitutional relationships of management and unions had already led to the establishment of informal joint disputes procedures in many organisations. The parties were allowed, under the Labour Code, to use their informal arrangements without declaring the dispute official and thereby rendering themselves liable to the compulsory arrangement.

In the early stages of independence (i.e. between 1946 and 1949) collective action by workers was a familiar phenomenon in Syria (as pointed out earlier in Chapter 2). Political instability and inflation were the main factors which led to worker dissatisfaction and strikes. Most of these strikes were badly organised and lacked coherence and clearly-stated demands. Allouni describes them as "poorly staged and, due to lack of funds, of short duration". (1)

(1) Allouni, A., op. cit., p.75.
The trade unions were not conscious of their own bargaining power and of the economic power of the strike weapon. Most worker demands were concerned with the application of the Labour Code but were accompanied by grievances of a more personal nature.

A second wave of strikes took place during the period 1954-1958. This was mainly inspired by changes in the political atmosphere and by increasing union involvement in the activities of various political groups. Worker protest during this period was mainly directed against foreign concerns which had hitherto enjoyed a privileged position. These strikes differed also from those of the late 1940's; they were now of a longer duration and more collectively organised.\(^{(1)}\)

The change in the nature of the political system under the nationalist regimes brought a change in the structure of management-labour relations which affected industrial disputes. Under these regimes, industrial disputes passed through three stages; the first during Syria's unity with Egypt (1958-1961), the second during the Separatist period (1961-1963), and the third stage started after the ABSP's take-over in 1963.

During the period of the Unity the Labour Code No. 91 of 1959 was introduced and its provision as regards strikes and lock-outs were intended to be implemented strictly. However, because the Syrian

\(^{(1)}\) For details on these strikes, see Salim, S.A.K., \textit{op. cit.}, pp. 318-320 and Nabulsi, H.M.S., \textit{op. cit.}, pp. 281-285.
industrial society was very different from the Egyptian and more similar to the pluralistic Iraqi society, it was difficult to take firm measures to prevent worker protest. While unions realised that there were common economic and political objectives between them and the government, they rejected the regime's idea of political incorporation. They directed their protest mainly against this incorporation and the legal and practical measures which were taken to achieve it. Employers, on the other hand, realising the change in their position and the threat to their interests, directed their protest against the regime rather than against the workers. This means that this period witnessed fewer management-labour disputes, but more protests (although for different reasons) from both employers and unions against the state's policy.

Under the Separatist government, the situation was changed. Employers, at least in theory, regained their pre-Unity position, while legislation was introduced to deprive workers of the strength they had gained during the Unity period. This gave rise to worker protest against both the government and employers. This time collective action was of a previously unknown violent nature, comprising hunger strikes, sit-ins and demonstrations. Although the disputes were concerned with economic demands and goals, they were politically motivated and succeeded in creating a political atmosphere which was hostile to the regime.

The collapse of the Separatist regime reversed the situation. The ABSP, ideologically committed to socialism, believed in a
"partnership" role to be played by unions in economic development. This implied that the unions should change their strategy by spelling out that they had a moral responsibility for economic development and for the protection of the socialist government. They were not to resort to strikes unless all other conciliatory means, whether formal or informal, had been tried and failed. As time went on, nationalisation measures reduced the influence of private employers and the state itself became a major employer. The government began, therefore, to apply the formal dispute procedure, as stipulated by the Labour Code, and, because the unions' attitude had changed in favour of the government, union co-operation was easily secured on this matter. Although a few strikes took place they were infrequent, largely unofficial and usually quickly dispersed. These incidents were not recorded in official statistics because they were mainly illegal, and unions and employers only reported actions in which they were directly involved. This means it is impossible to obtain a picture of the economic effects of these strikes in terms of working days and production lost.

As the Labour Code 91 of 1959 still applies in Syria, the dispute procedure which it laid down is similar to that of Egypt. In 1967 the establishment of a separate employers' association for public sector management necessitated a modification in the composition of the labour courts, and Article 198 of the Labour Code was amended. The aim of the amendment has been to establish separate courts, one set dealing with disputes in the public sector and the other set of courts in the private sector.
representative of the public sector employers' industrial federation is to be appointed to each of the former courts and from the chambers of industries to each of the latter. Otherwise, the court composition remains unchanged as stipulated originally by the Code.
Comparison of Industrial Disputes in the Three Countries

In Iraq and Egypt, under the British administration, no specific procedure was adopted to handle disputes whether by employers or government. The trade union movements, which were in their early stages, resorted to collective action as the only way to express their protest. Political and economic circumstances in Egypt forced the British administration to form a dispute committee during the last years of their rule. This was, however, ineffective.

In Syria, under the French administration, employers were allowed to establish procedural rules related to disputes. These rules deprived workers of the right to take collective action and subjected strikers to severe disciplinary measures.

Under the traditional systems in the three countries, some legal steps were taken by governments to regulate for the settlement of disputes. In Iraq, the legislation (which was not introduced until 1954) made conciliation compulsory in disputes but arbitration remained voluntary. It laid down that legal notice must be given prior to calling a strike. In Egypt, regional conciliation committees were formed at the beginning of this period, but they were ineffective because of the dominant position of the employers. In 1948, a Dispute Procedure Act was passed, according to which conciliation and arbitration became compulsory, but this Act was not effectively implemented until after the revolution.

In Syria, the Labour Code of 1946 provided for tripartite conciliation and arbitration boards. The work of these boards was relatively successful due to the semi-constitutional
arrangements during this period. Strikes were increasingly directed against foreign concerns which were considered responsible for the exploitation of Syrian workers.

Under the nationalist systems, legislation, in contrast to the previous two stages, paid serious attention to dealing with industrial disputes. Conciliation and arbitration became compulsory in the three countries, and, except for Iraq, strikes and lockouts were practically banned. In Iraq, the regulation that legal notice must be given prior to a strike remained in force; this means that the parties can call a strike if the compulsory dispute machinery fails to deal satisfactorily with the dispute. In Syria, the ban on strikes could not be applied as effectively as in Egypt, and a number of strikes took place throughout the period.

The new co-operatively-based relationship between unions and the nationalist governments has resulted in a gradual decline of political strikes and an increase in economically activated strikes. The latter have been directed mainly against employers and were largely a result of lack of success in systematic negotiations. This is in contrast with the two previous stages where the majority of strikes were politically activated and took place suddenly. This trend was more pronounced in Iraq than in Egypt and Syria. Because strikes in Egypt have been banned, the government has frequently forced the parties to reach a settlement; the few strikes which did occur were mostly of a political nature.
The main features of the developments are summarised on the separate page which follows.
### Industrial Disputes and Disputes Procedures in Iraq, Egypt and Syria

<table>
<thead>
<tr>
<th>POLITICAL SYSTEM</th>
<th>IRAQ</th>
<th>EGYPT</th>
<th>SYRIA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foreign Administraions</strong></td>
<td>(1920-32)</td>
<td>(1882-1922)</td>
<td>(1920-16)</td>
</tr>
<tr>
<td>1. No specific procedure was adopted to handle disputes whether by employer or government.</td>
<td>1. No specific procedure was adopted to handle disputes until late in the period. In 1919, the government formed a central conciliation committee. The committee was ineffective because workers were not represented on it.</td>
<td>1. Employers established rules for disputes. These rules deprived workers of the right to strike.</td>
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<tr>
<td>2. Strikes were economically motivated. Workers relied on the sympathy of certain political groups.</td>
<td>2. Early strikes were economically motivated. Later in the period strikes combined economic and political objectives.</td>
<td>2. Late in the period a tripartite disputes committee was formed but did not come into being.</td>
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<tr>
<td>3. Worker protest suppressed by the government.</td>
<td>3. The police were used to provide protection for employers and suppress strikes.</td>
<td>3. Early strikes were economically motivated. Later in the period strikes combined economic and political objectives.</td>
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</tbody>
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<thead>
<tr>
<th>Traditional Systems (Monarchist in Iraq and Egypt and Republican in Syria)</th>
<th>(1912-52)</th>
<th>(1922-52)</th>
<th>(1946-58)</th>
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</thead>
<tbody>
<tr>
<td>1. Regulations for the handling of disputes were introduced by the government in 1921. These regulations made conciliation compulsory but arbitration remained voluntary.</td>
<td>1. Early in the period, the government replaced the central committee by regional conciliation committees but these remained ineffective.</td>
<td>1. The Labour Code of 1946 provided for tripartite disputes handling boards. These boards were successful because of the semi-constitutional arrangements.</td>
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<tr>
<td>2. Early in the period unions chose to pursue their activities peacefully and concentrated on political sympathy and support. Later in the period, strikes increased considerably because of political instability and poor economic conditions.</td>
<td>2. In 1946, a Dispute Procedure Act was passed. Conciliation and arbitration became compulsory. The Act was not effectively implemented until the next stage.</td>
<td>2. Additional informal arrangements for handling disputes were adopted jointly at company level.</td>
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<tr>
<td>3. The government combined violent suppression and peaceful manoeuvres in dealing with worker protest.</td>
<td>3. Strikes were largely economically motivated. At a later stage they were combined with political motives.</td>
<td>3. Early strikes were economically motivated. Later they became mainly politically motivated and directed against foreign firms which were considered responsible for the exploitation of workers.</td>
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<tr>
<th>Nationalist Systems</th>
<th>(1928-76)</th>
<th>(1952-76)</th>
<th>(1958-76)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Firmly implemented compulsory disputes procedure. Conciliation carried out by the Minister of Labour and the General Confederation of Labour. The High Labour Court was set up for arbitration. The Court comprised representatives of unions and employers in addition to independent judges. No government representative on the Court.</td>
<td>1. Firmly implemented compulsory disputes procedure. Conciliation carried out by tripartite committees on which government representatives are dominant. The Labour Courts comprised representatives of unions, employers and the government. Government representatives on the Court are dominant.</td>
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<tr>
<td>2. Although strikes and lock-outs are banned, strikes are very rare and usually violently suppressed. When they occur, they are mainly politically motivated.</td>
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<td>2. Although strikes and lock-outs are banned, strikes normally tolerate because of the government's favourable attitude towards labour.</td>
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<tr>
<td>3. Strikes normally combine political and economic objectives. Some of the recent strikes tend to confine to economic objectives.</td>
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CHAPTER 7

WORKER PARTICIPATION IN MANAGEMENT

This chapter deals with the statutory schemes of worker participation which have been introduced in the three countries, that is joint consultative, worker-director, and profit-sharing schemes.

Iraq

As has been pointed out in the preceding chapters, under both the British Mandate and the monarchy, the development of trade unions was discouraged and restricted. Both the state and employers treated workers paternally and expected them to accept the employers' authority unquestioningly. In the later period of the monarchy, however, political and economic developments brought about some changes, at least from the employers' side. The emerging post-War industrial elite, as I have discussed earlier, formed an alliance with unions and campaigned jointly with them for freedom of association. The managements of foreign firms, particularly of oil companies, who had refused to recognise trade unions and who had been backed by the government, had to find means by which they could reduce worker protest against their anti-union policy. For this purpose, IPC introduced a joint consultation scheme in 1948. Joint consultative committees, which met monthly, were set up to discuss grievances, welfare, safety and technical
matters: wages were excluded from these discussions. Wage-rates were determined unilaterally by management up to the late 1950's when the first collective agreements were concluded. Workers' representatives were chosen on a basis of seniority and tribal affiliations. By the mid 1950's, some of the nationally-owned large firms followed the IPC example and introduced similar forms of joint consultation, but these remained ineffective.

The structural changes in management-labour relations brought by the revolution laid down statutory provisions to put the notion of "partnership" into practice. The early measures dealt with the statutory introduction of joint consultation. Under Labour Law 1/1958, joint consultative committees were to be formed in firms employing 20 workers or more. These committees were to consist of equal representatives of management and workers. Their activities were specified by ministerial decrees and were limited to recommend on working conditions and welfare services. The recommendations of these committees were binding on both parties if agreed by the majority of the members.

Unfortunately, no study of the activities of these committees has been conducted to indicate how effective they were, but it would seem that they were not extensive because their functions were limited and were usually covered by collective bargaining.

(1) For a detailed account of these committees, see Badre, A.Y. and Siksek, S.G., op. cit., pp. 182-188.
The move towards establishing a socialist economy led to an expansion of worker participation, and as a result of the nationalisation measures of 1964 and the enactment of the Labour Code No. 151 of 1970, schemes of joint consultation, worker-directors, and profit-sharing were introduced and expanded.

(a) Joint Consultation

As stated earlier, the scheme of joint consultation introduced under the Labour Law of 1958 was limited. The enactment of the present Labour Code No. 151 of 1970 introduced a far more comprehensive scheme of joint consultation than the Labour Law of 1958. Under this code, trade unions were given an active part, enabling them to co-ordinate the activities of the consultative committees and the shop stewards committees in order to avoid conflicting functions. The new Labour Code laid down that, in cases where more than 30 and less than 100 workers were employed, a joint consultative committee must be established, composed of four members, two of whom should represent workers and the other two management. Where 100 or more workers were engaged in the undertaking, there should be six committee members (representing workers and management in proportion). The joint committees should be set up for a two-year term of office. Workers' representatives should be selected by the shop stewards committee from among its members. In undertakings where there were no shop stewards committees, workers' representatives must be elected by the direct vote of all workers engaged in the plant. In
privately owned firms, the employers should select the management team to the committees, and the workers' and employers' representatives should chair the committee alternatively each month. In public organisations, the board of directors should select the management team of whom should be one of the worker directors who would permanently chair the joint committee. (1)

The joint consultative committee, which was to meet at least twice a week, had, as its name implies, a mainly consultative function only its decisions took the form of proposals and recommendations, except where disputes arose over the application of the Labour Code and labour regulations. If the committee reached a unanimous decision, the two parties were bound to comply with the decisions.

In both Iraq and Syria (where similar joint committees exist) the principle of equal representation is strictly adhered to and the general manager is not on the committee. Managerial representatives on the committee in both countries as well as in Egypt consist of personnel in close contact with the production process, such as supervisors, technical staff, works managers and production managers. They have different social, economic and educational backgrounds from the workers' representatives who lack training in the organisational aspect of management. This hindered the workers' ability to assume the full share of their responsibility

in the decision making. However, some of the workers believed that they were on equal terms with all committee members, and that they could criticise the management while receiving protection from the trade union. This led them to think that they had an over-riding say in matters of concern to the joint committee. But the GFTUI did not agree and warned such workers that they were going beyond their authority. Such behaviour, the GFTUI contended, "precipitated a very bad impression and led to the management and the workers adopting a negative attitude towards the joint committees."(1)

The functions of the Iraqi committees are similar to those in Egypt and Syria in the sense that they discuss and advise on matters related to management-labour relations. However, the Iraqi committees are distinctive in that they advise on what is known as "socialist competition". "Socialist competition" is a process of planning periodical targets of production within the framework of the agreed overall annual plan. The joint committees advise on the departmental targets and set principles for individual incentives so that outstanding workers who exceed their targets or achieve it within the prescribed period are awarded extra financial and fringe benefits by management and unions. Although there has been no empirical study to evaluate this experience, both the GFTUI and IFI have praised it on the grounds that it ensures ample management-union consultation before putting production plans into

effect, thereby minimising a potential area of friction. (1)
The two organisations have also praised the whole scheme of joint consultation: GFTUI on the grounds that the scheme has ensured effective consultation to the unions, (2) and IFI on the grounds that it has eliminated the frictions between unions and the committees on the one hand, and between them and management on the other, which existed under the 1958 Labour Law scheme. (3)

(b) Worker-Directors

The first worker-director schemes, together with profit-sharing schemes, were introduced in accordance with the nationalisation Acts of 1964. The Iraqi version of the two schemes was influenced by the Egyptian participation laws 114/1961 and 141/1963. The Iraqi Law 102/1964 laid down that two out of seven members of the boards of public and private sectors' industrial firms were to be elected for a two-year term by the workers (as in the Egyptian case,

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(1) See General Federation of Trade Unions, Iraq, Al-‘alaga Baina Attraf Alinta (Relations between the Parties of Production), (GFTUI, Baghdad, 1974), pp. 84–85. (In Arabic); and Al-Sinai (The Industrialist) (Organ of IFI), Vol. 12, No. 3 (September 1971), p. 145. (In Arabic).


(3) See Al-Sinai (The Industrialist), op. cit., p. 146.
one white-collar and the other blue-collar).(1) The Iraqi Law put no political restriction on workers to stand for a position on the board and required that the workers should at least have acquired the certificate of primary education. This educational condition was intended, as explained by Dr. Haseeb, the President of the Iraqi Economic Organisation from 1964 to 1966 (2) and the architect of the nationalisation measures in Iraq, to enable worker representatives to exercise their duties actively on the boards without being hindered by lack of literacy.(3) Another condition before workers could assume their posts on the boards, was that they should attend a special course for worker directors to be organised by the Establishment of Workers' Education. The preparation for the first elections and the preparatory course took more than eighteen months, and therefore the first group of worker-directors did not take up their posts till early in 1966. The scheme, though welcomed by unions, was criticised by them because it prevented union office holders from standing for board membership. This was later justified by Dr. Haseeb on the ground that "the Iraqi experience was concerned with distinguishing between the duties of trade union officers and those of worker-directors, in order that union officials would not misunderstand the nature of their jobs and duties."(4) The unions rejected

(2) The Iraqi Economic Organisation was created in 1964 to supervise the nationalised firms.
(3) See Haseeb, op. cit., p. 129.
(4) Idem.
these arguments and considered the scheme in its form at that time, as "inconsistent with the notion of partnership and as preventing the trade union movement from participating in the process of planning at plant level."(1) The Iraqi unions finally succeeded in persuading the government to repeal the 1964 law, and on October 3rd, 1970, a new law was passed (No. 194 of 1970). The new law made various amendments to the previous one and expanded the scheme of worker-directors to include government establishments and public and private firms in the commercial sector. This law, in turn, was replaced on April 20, 1971, by the present Law No. 60.

Law No. 60 of 1971 cancelled the previous requirement that, in order to be eligible for board membership a worker must have a certificate of primary education, instead it stipulated literacy. Worker representatives were allowed to combine their membership on the boards with the holding of union offices. The number of worker-directors was increased to three out of seven in the private sector and three out of nine in the mixed sector(2) (two representing blue-collar workers to be chosen by their union and one representing white-collar workers to be elected by his colleagues.) In the public sector where all white-collar employees were deemed to be officials (i.e. civil servants) who could not join unions, there would only be two blue-collar representatives to the boards. These would be chosen by their respective unions subject to the approval

(1) General Federation of Trade Unions, Iraq, op. cit., p. 61.

(2) The mixed sector is defined as consisting of those enterprises, owned jointly by the government and private interests, in which the government owns more than 50% of the shares.
of the GFTUI. The term of office of worker-directors was changed to the same period as other board members as specified for each company by its byelaws. The new law, however, maintained the provision that worker-directors had to pass the special course organised by the Establishment of Workers' Education.

Unions have enthusiastically welcomed the new law which gives them a greater say in the process of decision-making in the firms. The GFTUI considers the present scheme as aiming to enhance the notion of partnership and lead to the "serious participation of the Iraqi working-class in the process of developing the national economy through the path of socialism." (1) Employers, too, seem satisfied with the new act. They feel that it has ended the state of conflict created by the 1964 law, which was caused by the unions' absence from the boards and by their refusal to consent to the boards' decisions. (2)

(c) Profit-Sharing

The Profit-Sharing Act 101/1964 applied to all nationalised firms. (3) Like the Worker-Directors Act, it was influenced by the Egyptian

(1) General Federation of Trade Unions, Iraq, op. cit., p. 63.
(2) See Al-Sinai (The Industrialist), op. cit., p. 144.
(3) These included 34 manufacturing companies, seven trading companies, and all banks and insurance companies.
experience which, in turn, was influenced by the Yugoslav experiment. (1) However, the Iraqi Act of 1964 (as well as the Egyptian Profit-Sharing Act 111/1961) differed from the Yugoslav experience in that it provided cash payments as well as welfare benefits out of the workers’ share of profit. The Iraqi Profit-Sharing Act 101/1964 gave individual workers a 25% share of their company’s profit. This was to be distributed as follows: 10% in cash to the workers, but the maximum amount paid to an individual worker was not to exceed ID100 (£333) per annum, and 15% was given to the Ministry of Labour for Social Services renderable to the workers. (2) In Yugoslavia, the profits are paid monthly and re-adjusted at the end of the year (December) in order to take income from sales into account. (3) Where the monthly distributed income is paid on the basis of production rather than sales figures, employees may be asked to return part of their wages. The industrialisation drive in Yugoslavia led the authorities to curtail the amount of profits available for distribution and compelled the enterprise to invest the profit or put them in certain housing funds. (4)

(1) See Elsayed, M.S.E., op. cit., p. 34.


This was then copied in 1969 by the Iraqi authorities, thus amending Law 101/1964. The amendment (Law 157/1969) extended the application of the profit-sharing scheme to all state-owned firms(1) and required the redistribution of profits as follows:

(1) 75% to the shareholders (private sector) or the organisation (public sector).

(2) 25% to be allocated to the workers of the organisation as follows:

(i) 10% to be allocated to Pensions and Social Security Administration

(ii) 10% to be allocated to Workers' Investment Institution

(iii) 4% to be allocated to social services and housing, and

(iv) 1% to be given to the GFTUI.

This meant that workers no longer received a direct share of the profits, but the GFTUI was now participating in determining the use of the "workers'" share through its representatives on the boards of the Pensions and Social Security Administration and the Workers' Investment Institution.

(1) i.e. In contrast to the original Profit-Sharing Act 101/1964 which was strictly applied to the firms which were nationalised in 1964. Law 157/1969 extended the application of the Profit-Sharing scheme to all firms owned by the government and which operate for profit.
Egypt

As in Iraq, trade unions were weak during the British occupation and employers were therefore able to control their labour force without running into many difficulties. Under the monarchy, the Trade Union Act of 1942 laid down that trade unions had a statutory right to recognition, and trade unions began to put pressure on hostile employers to give them such recognition. Their main aim at that time was to regulate conditions of employment through collective bargaining.

During the early stages of Nasser's regime, a few large employers, realising that employer-labour relationship had changed drastically, began to introduce some sort of joint consultative committees. The composition and activities of such committees differed greatly. In the Shell Oil Company, for example, which was a focus of labour attack as a foreign concern, the committee comprised equal representatives of management and labour, with management retaining chairmanship. The committee was authorised to advise on various aspects of the employment relationship including wages.(1)

In the Egypt Bank Group, the committee consisted of heads of plant sections and one representative of unions. Its function was advising on work affairs and plant conditions.(2)


(2) See Khalid, M., op. cit., p.37.
Because these arrangements were voluntary, these committees could easily be manipulated by management.

The Nasser regime, believing in participation of the mass of workers, intended from the start of coming to power to introduce and later expand statutory consultative schemes. Thus, once the political and economic difficulties of the early revolutionary stage had been overcome, and the move towards socialism could begin, a number of laws of worker participation were enacted. The Labour Code of 1959 introduced compulsory joint consultation, while the socialist laws of 1961 and 1963 provided for the statutory application of worker directors and profit-sharing schemes.

(a) Joint Consultation
The Labour Code 91/1959 established joint consultative committees in every industrial firm employing 50 workers or more. A consultative committee should include six members, representing management and workers in equal proportion. Members of the committees were to serve a one-year term, while the term of committee members in Iraq was two years. The chairman of the committee was to be elected by its members. The possible functions to be assigned to the committees, which were not all obligatory upon management, included making recommendations to the board with regard to measures for improving production, industrial safety, other working conditions, training programmes, and promoting
co-operation between workers and management. The committees were similar to those in Iraq insofar as they played an advisory role, but the possible scope of the advisory role was much greater.

In Egypt, the board usually includes the general manager among the managerial team. Owing to his prestigious position, the latter is normally elected to the chairmanship of the committee. In Iraq and Syria, by contrast, the managerial team is exclusively chosen from among those directly related to the shop floor.

Workers' representatives on the committees are elected by their colleagues, and the ASU unit plays an unofficial role in their nomination. Shop stewards are strictly prohibited from standing for elections on the grounds that they cannot combine two functions.

Joint consultation in Egypt does not seem to have been as successful as in Iraq and Syria. The exclusion of union officials from standing for committees results in their alienation and sometimes the opposition of the committees. A communications gap has been created between the workers' representatives on the joint committees and the shop stewards committees. Instead of co-ordinating with the latter, the joint committee usually competes with them in discussing matters of a negotiable nature, which weakens the solidarity of the workers and is therefore often deliberately encouraged by management. The EFL staff, to whom I talked in May 1976, expressed the view that the worker representatives on the joint consultative committee are occasionally backed by the ASU unit so as to put pressure on shop stewards.
Worker-Directors

The Worker-Directors Act 114/1961, supplemented by the Presidential Decree 617/1962 (Nomination and Election Procedure for Worker-Directors), required that white and blue-collar employees be represented on the board of directors of industrial enterprises in both private and public sectors. These representatives, one from each group, were to fill two out of a maximum of seven seats. Nominations for worker-directors were to be restricted to ASU members who could read and write. Elections were to be by secret ballot and those persons elected were to serve for a one-year term.

An amendment of the Act in 1963 extended its coverage to co-operatives and other organisations operating for profit. The amendment increased the number of worker-directors on the board to four out of a maximum of nine seats and extended the term of office to two years. This measure by the government, together with the Profit-Sharing Act, reflected the philosophy and attitude of Nasser's regime towards the working-class. The government justified these measures on two grounds:

(1) In pursuance of the goal of social justice as enunciated in the 1952 revolutionary programme and then in the National Charter.

(2) To put into practice the notion of "partnership" based on the argument that the worker in the new "socialist" society is a part-owner of the means of production.

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Reactions to the Egyptian experience of worker-directors seem to have differed. The EFL, for instance, has praised the experience in principle, but sees the present scheme as "unsatisfactory" because it does not contain a clear provision as to whether or not union office holders are entitled to stand for board membership.(1) This has resulted in management refusals to accept the nomination of union officials on the ground that they are ineligible to stand for election. The scheme thus seems to have excluded unions from actual participation in decision-making and to have confronted them with the problem of co-ordinating with worker directors who might not even be union members(2) (although they had to be ASU members).

In contrast with the EFL, Dr. Haseeb, the President of the Iraqi Economic Organisation from 1964 to 1966, in his study *Worker Participation in Management in Arab Countries*, concluded that political stability and the harmony of labour relations in the then UAR had contributed to the "success" of the experiment.(3) However, Haseeb's study must be criticised on the grounds that it was mainly based on discussions with a few arbitrarily selected trade union officials, FEI staff and senior officials of the Ministry of Manpower.

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(1) See Barsoum, F.F., *op. cit.*, p.11.
Other academic studies(1) based on representative sample surveys of managers and worker directors reached different conclusions to those of Haseeb. The findings from these studies may be summarised as follows:

(1) The Act has not been properly implemented because:
    (a) elections have not been held bi-annually,
    (b) the elected worker directors who leave the company are either not replaced or replaced by appointment,
    (c) companies are able to delay and even avoid election of worker directors.

(2) Because candidates must be members of the ASU, the latter's unit in the plant plays an unofficial role in the nomination and subsequent election of worker directors while neither the shop stewards committee nor the union are able to play such a role.

(3) Workers do not see the elections as "free" when the ASU unit intervenes.

(4) The scheme suffers from the different attitudes and behaviour adopted by the parties:
    (a) top management tend to be against participation. Therefore, they refuse to accept elected representatives as full board members. They refuse to provide worker directors with sufficient information to participate constructively in the board's discussions, and thus render them powerless,
    (b) worker directors generally concern themselves with work-related matters only. They are not involved in formulating the whole spectrum of policies with which the board must deal,
    (c) the government is inconsistent in enforcing the law and this tends to cause confusion,
    (d) the unions, as well as the management, do not perceive the elected representatives as having any real influence in making company policies.

During May 1976 I held informal discussions with trade union leaders, FEI and government officials who were not themselves worker-directors.

These revealed that the people I spoke to all considered that the present scheme is not operating "smoothly". The trade unionists stated that trade union exclusion is the major problem. The FEI staff and the officials of the Ministry of Manpower considered that the worker-director scheme ought to be revised because it was introduced without prior consultation with the parties concerned and because it ignored the problem of different social and educational backgrounds when it was enacted.(1)

In the light of Kamel's and Elsayed's evidence and my own, I am inclined to think that the Egyptian worker-director legislation needs to be modified to ensure effective participation by worker representatives in the formulation of companies' policies so that they are not exposed to so much pressure from the ASU unit and from top management.

(c) Profit-Sharing

The Profit-Sharing Act 111/1961 which applied to all nationalised firms, gave individual employees a 25% share of their company's profit; this was to be distributed as follows: 10% in cash to the workers but the maximum amount paid to an individual worker was not to exceed £50 (§140) per annum, 10% for central and regional social services, and 5% for housing and social benefits

(1) Information based on informal discussions which I held between May 3 and May 10, 1976 with members of the Executive Bureau of the EFL, senior officials of the Ministry of Manpower and FEI staff.
The provisions for profit-sharing schemes were influenced by the Yugoslav experiment. (1) However, they differed from the Yugoslav experiment by paying cash shares to individual workers and providing them with welfare services rather than investing their shares.

Profit-sharing was introduced to give some reality to the concept that workers are "part" owners of the means of production and are, like shareholders, entitled to returns in the form of profits. Another aim was to motivate workers to increase their productivity as a means of increasing their profits. (2) However, studies into the effect of the schemes suggest that they had practically no impact on production except when they were first introduced. (3)

This was probably because the stipulated cash limit for distribution to individual workers of ££50 ($140) per annum was so low that the worker did not perceive it as a visible benefit in a situation where the demand for direct economic returns is greater than that for longer term welfare benefits. By contrast,

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(1) See Elsayed, M.S.E., op. cit., p.34.


the Iraqi Act of 1964 provided a limit of more than double this amount, namely ID100 ($333) per worker. In Syria, where the same Egyptian Act applied, the limit was slightly higher than in Egypt (£S500-£165). This may have been caused by currency rate discrepancies and by differences in the cost of living in the two countries, but it undoubtedly led to criticism from the Egyptian trade unions who compared the amounts paid rather than the real value of money.

The working of these provisions of the Act was suspended in 1973, partly because of the above shortcomings, but also to provide indirect subsidies to firms suffering economic hardship. In June 1976, following a union campaign for change, the government announced its intention to end the suspension of the provisions of the Act after reviewing its clauses and amending the method of distribution.(1) Such action, to the best of my knowledge, has not yet taken place.

Syria

The origins of worker participation in Syria can be traced back to the Second World War. The change in French policy which was necessitated by wartime conditions and the preparation for independence led to a change in management-labour relations; for instance, a number of joint consultative committees were formed in the larger firms. These committees, however, were not very effective and in many cases management tried to use them as a substitute for trade unions as was the case in Egypt and Iraq. After the war, most of these committees disappeared while trade union membership began to spread to firms which had hitherto refused to recognise trade unions. The development of semi-constitutional management-labour relations led to union opposition to management attempts to form joint consultative committees which the unions felt would compete with union activities. When the IPC (Syria), for instance, attempted to establish joint consultative committees similar to those operating in Iraq, trade unions opposed their establishment because they feared these committees would interfere with their authority.  

Under the nationalist regimes, participation was instituted by government legislation. Section III (Chapter 1) of the 1959 Egyptian Labour Code relating to joint consultation was applied simultaneously in Syria, as were the Worker-Director and Profit-Sharing Acts of 1961. Later on, changes were introduced which aimed to enhance the workers' position by ensuring direct union

(1) See Badre, A.Y. and Siksek, S.G., op. cit., p.186.
involvement in selecting worker-directors and workers' representatives on the joint consultative committees.

Influenced by the Yugoslav experiment, a worker co-management scheme was introduced in 1964, but this met with difficulties and its application was suspended in 1967.

(a) Joint Consultation

A statutory joint consultation scheme entirely similar to that of Egypt was introduced in Syria under the provisions of the Labour Code 91/1959. However, as in the case of the other acts, the different conditions in Syria were ignored and the unions voiced strong protests against their exclusion from the joint consultative committees. Once the ABSF took over, the union view prevailed and the scheme was amended in 1964. The amendment laid down that worker representatives were to be chosen by the shop stewards committees, possibly, though not necessarily, from among the shop stewards. This was slightly different from Iraq where the shop stewards committees chose worker representatives from among their members. As in Iraq, the new amendment provided for a rotation of the chairmanship of the committees on a monthly basis between worker and management representatives. Unlike in Iraq, it did not stipulate that a worker-director had to be included in the management team in public enterprises, nor in the case of his inclusion that he had to be a chairman of the committee.

The joint consultative committees were replaced by the works councils
in companies covered by the co-management scheme introduced in 1964 but once the application of this scheme was suspended in 1967, the joint consultative committees were reinstated. The consultative nature of the committees was not affected and their functions remained similar to those in Egypt. However, while unions in Egypt had no influence over the committees and management proved to be the main influence, union influence in Syria forced management on many occasions to treat the recommendations of the committees as obligatory although they might not agree wholly or partly with these recommendations.(1)

(b) Worker-Directors and Co-Management

Law 114/1961 applied to industrial firms in both regions of the UAR. However, the separation of Syria from the UAR shortly after the enactment of the Law resulted in delaying its application, and the Act was not seriously put into effect until the take-over by the ABSP in 1963.

As in Egypt, the Worker-Director Act 114/1961 required that white and blue-collar employees be represented on the board of directors of industrial enterprises in both private and public sectors. These representatives, one from each group, were to fill two out of a maximum of seven seats. Ministerial Decree 12/1963, similar to Egypt, required that elections of worker-directors were to be

(1) Information supplied by Ahmed Samman, Secretary of Damascus Chamber of Industry.
by secret ballot and those persons elected were to serve for a one-year term. (1) Because the Act was ambiguous about the right of union officials to stand for board membership, the GFTUS criticised and campaigned for amending it to this effect. (2) However, the Syrian trade unions were in a stronger position vis-a-vis management than their Egyptian counterparts, and thus were able, on many occasions, to force management to interpret this ambiguity in the Worker-Director Act in favour of union officials. (3)

In pursuance of its socialist policy, the ABSP government did not confine its measures to expanding nationalisation but also sought to ensure worker participation in the process of decision-making in undertakings. Influenced mainly by the Yugoslav experience, the government introduced on April 16, 1964, Legislative Decree 55/1964 which defined and provided for co-management schemes in the public manufacturing sector.

Under a co-management scheme, the management of the undertaking was to be the responsibility of a board of directors whose term of office would be of two years. The board was to consist of seven members representing the workers, the government, the trade

(1) For full text of this Decree, see Syrian Arab Republic (Ministry of Social Affairs and Labour), Labour Guide, pp. 105-107.
(2) See General Federation of Trade Unions, Syria, Report Presented to the Eleventh Congress, p. 80 and 84.
(3) See Haseeb, K.A., op. cit., p. 158.
union and the ABSP. The government was to have one representative who would chair the board and be managing director of the undertaking. He was also authorised to veto decisions taken by a majority vote and present them to the State Organisation for the Socialist Industrial Sector for finalisation.(1) Each of the trade unions concerned and the ABSP were to have one representative who would be chosen by their respective leaderships. The rest of the members would be chosen by the shop stewards committee from among the workers. The Legislative Decree did not stipulate whether shop stewards (being workers) were entitled to join the board or not. It also did not provide any arrangement for the selection of workers' representatives in multi-plant companies which had more than one shop stewards committee. This created considerable difficulties arising from different interpretation of the law. To solve the problem, central union officials were eventually forced to step in and take over the responsibility of choosing worker representatives from the shop stewards.

In addition, the Legislative Decree laid down provisions for the formation of workers' councils in each of the plant of these firms. Members of these councils were to be chosen by the shop stewards committees on the basis of one representative from each section, and the councils were to replace the joint consultative committees.

Although influenced by the Yugoslav experience, the Syrian co-management scheme gave the decision-making power to the board

(1) This organisation was responsible for the overall management of the nationalised firms.
of directors and not to the workers' councils, so that the scheme, in reality, was more like a worker-director one than a co-management scheme. In Yugoslavia, the workers' councils (which were exclusively elected by workers) together with the communal representatives made the main decisions for the firm. The workers' councils elected the director-general and entrusted the board with the responsibility for implementing the council's policy. The Yugoslav director-general was responsible to the council for the implementation of its decisions, although he was entitled to veto them. His veto, however, could be appealed against by the council to the people's committee of the municipality.

The Syrian experience with co-management was very limited and subjected to considerable state intervention. Only 30% of the net profit was to be retained by the enterprise: 40% was to be distributed to workers (25% in cash and 15% in the form of social services) and 30% was to be used by the state for general industrialisation. This allocation of profits created jealousy between workers in firms covered by the experiment and other workers. It also resulted in financial difficulties in the firms covered by the co-management schemes. These problems eventually led to the suspension of the Legislative Decree 55/1964 and to a return to the original worker-director scheme. However, in the light of this experience and in order to satisfy the GFTUS which

had criticised the ambiguity of the Worker-Director Act 114/1961 with regard to the right of union officials to stand for Board membership, the Worker-Director Act was amended to increase the number of worker-directors to four out of a maximum of nine members, and to make their selection a prerogative of the GPTUS, thus further enhancing the Federation's central authority.

(c) Profit-Sharing

As with the Worker-Director Act, Law 111/1961 on profit-sharing was applied simultaneously to both regions of the UAR. As in Egypt, the Act, which covered all nationalised firms, gave individual employees a 25% share of their company profit. This was to be distributed as follows: 10% in cash to the workers but the maximum amount paid to an individual worker was not to exceed £3500 (£165) per annum, 10% for central and regional services, and 5% for housing and social benefits to be distributed as agreed by the company board and the shop stewards committee. The application of the Act met with difficulties in Syria because of the frequent political changes occurring in Syria. The unions voiced accusations as to the way in which the 10% allocated for central social services was spent, and they also accused the companies of manipulating the Act by including business expenses such as protective clothing in the 5% allocated for company services. (1) Originally, the law was to apply only to the

(1) Information supplied by the GPTUS.
companies which were nationalised in 1961, but later in 1964 it was expanded to cover all public sector enterprises. The law created dissatisfaction and jealousy among workers in the private sector, and to counteract this, private sector workers were awarded higher financial incentives in the forms of feast and new year allowances. This meant that the cash proportion of the profit-sharing scheme lost its effectiveness as a motive for higher productivity in the public sector because it was a low annual amount.

These difficulties and trade union pressure for a say in the method of allocating and applying the workers' share in the public sector enterprises, led to the amendment of the Profit-Sharing Act 111/1961(1) in 1968. The 1968 amendment (Legislative Decree 20/1968) expanded the application of the Act to all firms employing 50 or more workers in both private and public sectors. As in Iraq, direct cash payments to workers were stopped, but while in Iraq the total amount of 25% was distributed among different activities, in Syria the whole workers' share of 25% was allocated to the social security fund to be strictly applied to workers' welfare. Although the workers no longer receive cash profits, the unions seem to feel that the present practice is more satisfactory because:(2)

(1) The scope of the Profit-Sharing Act 111/1961 was expanded in 1964 to apply to all public sector firms (Presidential Decree 7/1964), but the Act itself was not amended in detail until 1968 (Legislative Decree 20/1968). For full details of the Legislative Decree 20/1968, see Syrian Arab Republic (Ministry of Social Affairs and Labour), op. cit., pp.100-102.

(2) See Al-Ishtiraki (The Socialist), (Organ of the GPTUS), No. 422 (January 10, 1972), p.4.
(1) they believe that it avoids problems resulting from variations in the amounts of profits distributed by different companies, and
(2) because it ensures that all workers benefit from the profits of the different companies irrespective of the amount of the share of their company, even if the latter was in loss.

It seems to me that the changes in the original Profit-Sharing Acts in both Iraq and Syria and the suspension of the application of the Profit-Sharing Act in Egypt, suggest that the original Act of 1961 (and that of 1964 in Iraq which was largely based on the Egyptian Act) failed to consider the social and economic factors which determine worker behaviour and their attitudes to work and management. This does not mean that the profit sharing schemes were not successful; it means that the method of distribution provided by the above two Acts proved contentious.
Comparison of the Development of Worker Participation Schemes in the Three Countries

Under the foreign administrations, when the trade union movement was very weak, in both Iraq and Egypt no form of worker participation existed, and employees' role in establishing industrial relations rules was dominant. In Syria, where the French Mandate continued until the end of the Second World War, the political and economic conditions had brought about some changes in management-labour-state relations. Thus some form of joint consultation was introduced at company level during the War period. However, management controlled the activities of the joint consultative committees and the latter disappeared once the War was over.

Under the traditional system, in Iraq, although there was no change in state-labour-management relations, a form of joint consultation was introduced by the IPC, and some other large firms followed this example. The schemes were controlled by management and were conceived as a substitute for trade unionism. These schemes were ineffective because they were opposed by the unions and did not appear to attract workers. In Syria, where trade unionism was growing and semi-constitutional management labour relations had developed, unions were able to resist attempts by some employers to form management-sponsored joint committees for fear that such committees might interfere with union authority. In Egypt, trade unions were concerned with putting pressure on employers to grant their statutory right to recognition and to engage in collective negotiations rather than with any other form of participation.
Thus, schemes of joint consultation were only introduced under the nationalist system when employers were forced by the political changes to seek peaceful relations with labour.

The nationalist systems introduced and expanded various statutory forms of worker participation in each of the three countries. These schemes aimed to put into effect the notion of worker-state-management partnership in the process of industrialisation and economic development. Whether this objective was satisfactorily achieved or not, the participation schemes indirectly enhanced the position of labour in the three countries, and particularly the position of trade unions in Iraq and Syria.

Under the nationalist systems in the three countries, the schemes of worker participation which were introduced included joint consultation, worker-directors and profit-sharing. In addition, there was a short-lived co-management scheme in Syria.

Under the nationalist system, somewhat different schemes of joint consultation were introduced in the three countries, although the principle of equal worker-management representation was strictly adhered to in each of them. In Iraq, the joint consultative committees have an advisory role, but if any reached unanimous decisions the two parties were bound to comply with them. In Egypt, the committee's recommendations have been treated as merely advisory, while union influence in Syria has often forced management to implement the recommendations of the committees.
In Iraq, in the public enterprises one of the worker-directors must be included in the management team to the committee, and he permanently presides over the committee. This is not the case in either Egypt or Syria, though in Syria a worker-director might be included in the management team. In Syria, chairmanship of the committees rotates monthly between management and workers' representatives. This is also the case in the Iraqi private firms. In Egypt, members elect their chairman, but due to his prestigious position, the general manager (who is included in the management team) usually gets the post.

In Iraq, if there is a shop stewards committee, it is authorised to select the worker representatives for the joint consultative committees from among its members. In all other cases, workers elect their representatives. In Syria, the shop steward committees are also authorised to select worker representatives although not necessarily from among its members. In Egypt, union officials cannot be elected to the joint committees. Workers elect their representatives, and the ASU unit plays an important unofficial role in the process of nomination. The exclusion of union officials from the committees in Egypt has created continuous friction between them and the joint committees on the shop floor.

The original worker-director and profit-sharing schemes had similar structures in the three countries because they were applied simultaneously in Syria and Egypt, and because the Iraqi schemes were strongly influenced by the UAR schemes. Following their
introduction, some changes were made in each of the three countries.

The present worker-director scheme in Egypt requires that four out of nine members on the boards are to be elected by workers from among them on a bi-annual basis. In Iraq, the number is three, two representing blue-collar and one white-collar workers. The Iraqi legislation does not lay down a fixed limit for the term of office of worker-directors but stipulates that it should be the same as for other board members as specified for each company by its by-laws. Union office and board membership may be combined, and blue-collar representatives are appointed by their unions. In Syria, present legislation lays down that there should be four worker-directors among the nine members of the board and that they should be selected by the GFTUS.

In both Iraq and Syria, unions seem satisfied with the working of the worker-director schemes since they have led to an enhancement of their role in the process of decision-making in undertakings. In Egypt, however, there is dissatisfaction among unions because it is not clear from the legislation whether union officials can stand for election to the board of directors or not. This limits the power of trade unions while the ASU units control the nomination to the board unofficially. The unions, therefore, are campaigning for changes in the law so that they can take part in the work of the board.
Syria is unique among the three countries in introducing a scheme of worker co-management, influenced mainly by the Yugoslav experiment, and restricted to the nationalised manufacturing firms. Its structure was, however, somewhat different from that in Yugoslavia where different political, economic and social conditions existed. The Syrian experience ran into some practical and economic difficulties and was suspended in 1967.

The original profit-sharing schemes introduced under the nationalist regimes in each of the three countries, limited the application of the scheme and the maximum amount of the profits which was allowed to be distributed to workers. The original schemes applied only to nationalised firms; workers were to receive a 25% share of the net profit of their firms, but only 10% of the net profit was to be paid in cash, and the maximum amount allowed to be paid to individual workers limited to a relatively small amount. The application of the law encountered difficulties and proved ineffective as an inducement to increased productivity. In consequence, it was eventually suspended in Egypt, and in Syria the 25% workers' share was transferred to the Social Security Fund so as to be strictly used for the purpose of workers' welfare, but its application was extended to cover all firms employing 50 workers or more in both private and public sectors. In Iraq a new scheme was introduced in 1969, according to which part of the workers' share was to be invested for workers' welfare under the supervision of a tripartite agency. The other part was to be exclusively used by unions for a similar purpose. The application of this scheme was to cover all state-owned firms operating for profit.
The information relating to the structure of the various schemes of participation in the three countries is summarised on the following page.
<table>
<thead>
<tr>
<th>Country</th>
<th>Scheme</th>
<th>IRAQ (1958-76)</th>
<th>EGYPT (1958-76)</th>
<th>SYRIA (1958-76)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Equal representation of management and workers.</td>
<td>2. Equal representation of management and workers.</td>
<td>2. Equal representation of management and workers.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Workers representatives are chosen by and from shop stewards.</td>
<td>3. Worker representatives are elected by workers. Union officials cannot stand for election. Management team is chosen by employers.</td>
<td>3. Worker representatives are chosen by shop stewards but not necessarily from among them. Management team is chosen by employers.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In plants which have no shop stewards they are elected by workers. Management team is chosen by employer, but in public enterprises should include one of the worker directors.</td>
<td>4. The chairmanship of the committees is by election. Because of his prestigious position the general manager is often elected for the post.</td>
<td>4. Chairmanship of the committees rotates.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. The committees have an advisory role, but if they reach unanimous decisions the two parties are bound to comply with them.</td>
<td>5. The committees have only an advisory role.</td>
<td>5. The committees have only an advisory role, but union influence has often forced management to implement the committees' recommendations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. Unions and employers seem satisfied.</td>
<td>6. The ASU plays an unofficial role in the nomination of workers representatives.</td>
<td>6. The two parties seem satisfied, particularly unions.</td>
<td></td>
</tr>
</tbody>
</table>

|                  | 2. Two blue-collar workers chosen by their union. In private firms another white-collar worker elected by workers. | 2. Four worker-directors out of a maximum nine elected by workers. | 2. Four worker-directors out of a maximum nine chosen by the GPTU. |
|                  | 3. Term of office determined by company by-laws. | 3. Two-year term. | 3. Two-year term. |
|                  | 4. Possible to combine union office and board membership. | l. It is not clear whether a board member can hold union office. | l. It is not clear whether a board member can hold union office. |
|                  | 5. Unions and employers seem satisfied with the present arrangement. | 5. The ASU plays an unofficial role in the nomination and this has caused noticeable dissatisfaction. | 6. A worker co-management scheme introduced on the Yugoslav pattern in 1964, but suspended in 1967 because of economic and practical problems. |

|               | 2. Currently 2% of net profit is distributed to workers, 10% in cash (annual maximum limit of £500) and 15% for social services. | 2. Currently 2% of net profit distributed to workers, 10% in cash (annual maximum limit of £500) and 15% for social services. | 2. Currently 2% of net profit is allocated to social security fund for worker welfare. |
|               | 3. Because it is represented on the boards of the tripartite agencies, the GPTU seems satisfied with the present scheme. | 3. Suspended since 1967 because of economic and practical difficulties. | 3. Unions seem satisfied with the present scheme because it ensures that all workers benefit from the scheme irrespective of the profitability of their firms. |
CHAPTER 8

POSTSCRIPT AND CONCLUSIONS

This thesis has attempted to investigate and compare the development of industrial relations in Iraq, Egypt and Syria. The evidence suggests that the development of industrial relations in the three countries has been the product of the political changes and of the socio-economic environments.

Chapters 1 to 7 of this thesis have described different aspects of the development of industrial relations in Iraq, Egypt and Syria in the course of three successive historical periods, namely those of the foreign administrations, the traditional systems and the nationalist systems. The impact of the changes in the political systems and in the economic and social conditions has been traced within this historical framework. The developments which have been described, in turn for each country, have been evaluated and compared in a comparison section at the end of each chapter, and the final page of these comparison sections has presented a summarising overview. Since it would be a repetition to go over this ground again in the concluding chapter, no further summary of the chapter evidence is presented here.

It would seem more appropriate and rewarding to relate the evidence in this thesis to one study which was ambitious enough to try to explain industrial relations developments within an analytical framework, namely to the study conducted in 1960 by Kerr, Dunlop, Harbison and Myers.(1) Their approach was based

on Dunlop's framework for analysing industrial relations practices, according to which the industrial relations system, like economic and political systems, is viewed as a sub-system of the social system. (1) Dunlop had argued that this system was "comprised of certain actors, certain contexts, an ideology which binds the industrial relations system together, and a body of rules created to govern the actors at the work place and work community". (2) Kerr, et al., in identifying the "actors", postulated that there were five ideal types of elite "who customarily and variously take the leadership of the industrialisation process". (3) These are: the dynastic elite, the middle-class elite, the revolutionary intellectuals, the colonial administrators and the nationalist leaders.

As regards Iraq, Egypt and Syria, it seems to me, Kerr, et al.'s theory fails to recognise the existence of the type of traditional system which is found under semi-feudal semi-capitalist regimes. Neither the dynastic elite nor the middle-class elite which the authors postulated exist were found to play a role in the traditional systems of the three countries. Kerr, et al. suggested that the dynastic elite would approach industrialisation vigorously for military purposes, and gave as examples pre-War Japan and Bismarck's Germany. The existing evidence shows that under the traditional systems of Iraq and Egypt a policy of

(2) Ibid., p.7.
(3) Kerr, C., et al., op. cit., p.50.
industrialisation for military purposes was never thought of.

The authors further suggested that, in a society led by a dynastic elite, the state sets the general rules of the work community while the rules related to the work place are established unilaterally by management. This might seem applicable to the Iraqi situation under the traditional system but, in Egypt, the state was not involved in rule-making except during the last few years of this period. Egyptian employers were influential enough to resist government involvement in making rules which could adversely affect their authority in dealing with labour, and applied only their own work place rules.

Kerr, et al., held that under a dynastic elite management generally adopts a paternalistic approach in dealing with workers and that industrial conflict is looked upon as inconsistent with such a paternalistic view. During the early stages of the traditional rule, this may have been true of Iraq and Egypt. Later under the traditional regime the emergence of large firms in Iraq and Egypt led to the decline of paternalism and to the adoption of rather impersonal approaches by employers in dealing with labour relations. In Iraq in particular the emerging industrial elite worked together with trade unions and sympathised with strikes which were directed against the government and foreign employers. Even in Egypt, although employers generally maintained their authority in rule-making, and although a few of them occasionally called upon the police to suppress strikes, some large firms, especially the foreign concerns, developed a
professional approach in dealing with labour and accordingly, introduced joint consultation schemes and occasionally concluded collective agreements with unions. This suggests that a mixture of paternalism and professionalism was adopted by the management in dealing with labour under the traditional system in Iraq and Egypt while the state followed a policy of little intervention and later of gradual intervention in Egypt, and complete intervention in Iraq. The evidence collected here thus presents quite a different picture from that of complete paternalism postulated as existing under a dynastic elite by Kerr, et al.

The middle-class elite, according to Kerr, et al., was supposed to approach management-labour relations constitutionally: workplace rules were postulated as being established jointly by management and workers, and a framework of procedural rules as being established by government with the participation of trade unions and management, in a way similar to that used by industrialised nations. The nearest approximation to this type of model was found under the traditional system in Syria, but it was only a semi-constitutional approach as the dominance of employers in the establishment of rules was maintained.

Kerr, et al. distinguished three types of colonial administration: one of these they called "segmental colonialism". In my view, this kind of colonialism did exist in the three countries, particularly Egypt and Syria where foreign rule continued for relatively long periods. The authors held that the economic policy of this type of colonial administration would result in the
development of one or a few sectors of the economy such as agriculture and transportation. However there was, as I have shown, an inconsistency in the economic policies of the foreign administrations, particularly in the case of Syria where the French authority was forced by wartime conditions and by internal political pressures to change its economic policy and to encourage the establishment of some manufacturing industries. Kerr, et al. would not appear to have been aware of these developments.

As regards their "nationalist leaders' model", Kerr, et al. considered that Nasser's Egypt provided an example, when, in the march towards industrialisation, Nasser declared: "We shall march as one people". (1) In mobilising "people" for the aim of industrialisation, Nasser adopted a policy of integrating unions and managers in the state-controlled sole political organisation, the ASU. Because of the differences in the political conditions in Iraq and Syria (as discussed in Chapters 1 and 2 of this thesis) the mobilisation of these groups required co-operation and loyalty but not necessarily political integration. Such differences in the nationalist situations were not dealt with in Kerr et al.'s study.

The authors state that "there is no single ready-made ideology for the nationalist conduct of an economy. Consequently, the

nationalist approach tends to be a wavering one following an unsteady course.(1) This conclusion was once more put forward by the authors in a recent re-examination of their findings in which they state that some of the countries led by nationalist elites are at times "moving in the direction of the communist elites. Other countries are characterised by a growing middle-class private industrial sector or by elements of the dynastic elite".(2) The present Egyptian regime's tendency to move towards economic liberalism and revival of the private industrial sector seems to suggest that there is a move towards some of the characteristics of Kerr, et al. 's "middle-class model". These changes, however, are pursued slowly and cautiously by the Egyptian government. It seems that there has been no clear intention to depart from the present policy of subordinating management-labour relations to the broader objectives of continued modernisation and economic development under state control. Kerr, et al., in their recent re-examination, repeated their earlier claims,(3) without being aware of the existence of the traditional systems and of some of the differences in the approaches used by different nationalist systems. One explanation may be that their study


(3) Ibid., pp.519-521.
focused mainly on developed countries and included only a few developing countries such as Egypt, India and Ghana. Another explanation is that they tried to make generalisations based on findings for specific countries which do not necessarily share similar historical and cultural backgrounds.

* * * * * * * * *

With regard to the development of industrial relations in Iraq, Egypt and Syria, the following conclusions may be drawn from this study.

(1) The development of industrial relations in Iraq, Egypt and Syria has been, to a large extent, determined by the political systems which influenced economic policies, and gave rise to changes in social conditions, and these changes, in turn, have affected the practices of industrial relations.

(2) The patterns of development of industrial relations in the three countries are related to the amount of centralisation of their institutions which, in turn, reflect the centralised nature of the political machinery and the relations between the government, the workers and the managers. Trade unions and employers' associations in the three countries, therefore, have centralised
structures. These structures are largely inflexible; they are determined by legislation and not by decisions of the respective organisations. They correspond with the centralised machinery of the governmental agencies dealing with labour policies.

Even in cases where there was a regionally-based structure, such as that of the Syrian chambers of industries, the Damascus Chamber of Industry eventually has taken over from other chambers and has dealt directly on their behalf with the centrally-based trade unions and governmental agencies.

(3) The study suggests that there is a direct relation between the complexity of the political structure and that of the industrial relations structure. The transformation from static to differentiated political structures under the foreign administrations was accompanied by improvements in the hitherto primitive industrial relations practices, in terms of the emergence of trade unions and increase in labour activities.

The political structures which developed under the traditional systems in Iraq and Egypt were based on the support of landowners (and businessmen in the case of Egypt). These groups used their influence to minimise the application of the labour laws, restrict trade union activities and encourage severe repressive measures against worker protest.

As the political structure under the traditional system in Syria was based on the support of many interest groups, including workers, the structure of industrial relations took a different shape from
those of Iraq and Egypt, namely a semi-constitutional approach to management-labour relations.

The considerable changes in the political structure under the nationalist systems were accompanied by changes in economic policies, social conditions and industrial relations. Workers emerged as powerful groups as a result of their participation in political activities. Their position was further enhanced as a result of strengthening trade unions and measures of worker participation in the planning of the national labour policies and in the implementation of these policies at the regional and enterprise levels.

(4) The study suggests that the increase in the role of the government in economic activities and in industrial relations practices has improved the institutions of industrial relations. These improvements are reflected in the development of tripartite and joint rule-making machinery, particularly in Iraq and Egypt; in the decline of politically motivated strikes, particularly in Iraq and Syria, in the compliance with labour laws and in the improvement of industrial safety standards, particularly in Egypt.

(5) Further improvements suggest themselves. The governments of the three countries, for instance, could strengthen the industrial relations structures and in particular the positions of labour and management. The governments could improve industrial relations through maintaining and strengthening trade unions and
employers' organisations and through the tripartite agencies in which government, employers and workers participate in economic planning and its implementation, and in regulating management-labour relations whether at national or regional levels. Such action seems particularly important in the case of Syria where tripartite agencies are at present less important than in Egypt and Iraq.

An improvement in management-labour relations might also be achieved through improving the structure of governmental agencies so as to allow greater departmental autonomy. This is particularly applicable to Syria where the governmental agencies play a far more dominant role than those of Iraq and Egypt in determining the course of industrial relations.

(6) The governments could also keep a better balance between workers in various sectors and regions. As mentioned in Chapter 3, unionised workers in the three countries are mainly concentrated in sectors where the majority of workers are legally permitted to join trade unions, such as in manufacturing industries and transportation. The governments, based on their belief in the critical role of workers in economic development, could strengthen the position of workers in other sectors, such as services and commerce, by extending the right to join trade unions to cover the majority of employees in these sectors.
Furthermore, the large cities accounted for the majority of unionised workers. This is largely attributable to the concentration of employment in these cities, but also to the emphasis of government educational and training programmes being put on unions located in these cities. The governments could expand their educational and training programmes to other regions and thus strengthen the position of workers there.

(7) The study suggests that trade union leaders could improve the position of workers through education and training. To do this they would have to work together with government educational institutions to ensure that worker training programmes conform to estimated training needs. This is particularly true in the case of Egypt where the ASU rather than the EFL is the major determinant of worker training programmes. Trade unions might also be able to increase the effectiveness of labour at the enterprise level through adequate training for participation on the consultative committees and on the boards of directors. In Egypt, where union influence in determining worker participation at company level is uncertain, unions might be able to take effective measures to prevent deterioration in their relations with other representative bodies of workers on the shop-floor. In particular, it would seem desirable that they should collaborate with worker representatives on the boards and on the consultative committees, so as to avoid dissension among various worker bodies and to ensure effective participation by workers in these two institutions.
Employers in the three countries might be able to improve their positions by effective use of their existing organisations and, if possible, might benefit from reforming the present structures of the organisations to make them more effective. This is particularly important in Egypt where little use is made of the FEI by employers. It is also important in the Syrian private sector where the role of the chambers of industries in representing private employers has diminished.

The management of public enterprises could be made into a more influential instrument for the governments in improving management-labour relations at company level if they were to adopt more positive attitudes towards labour, by fully implementing all aspects of labour regulations and by making effective use of participation schemes and labour welfare programmes.
This bibliography lists the sources consulted in the preparation of this thesis. A number of these sources have been referred to already in footnotes.

As has been explained in the Introduction (page 4) many of these sources are in Arabic. Following convention, the titles of these works have been set out in romanized form and an English translation of each title has been inserted within parentheses. The words "In Arabic" indicate sources that have been so treated.

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