

Watani

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Editorial

Problems on hold

Security, law, State authority? All gone

Youssef Sidhom

Any observer of the events that took place on 30 May in the district of al-Khusous on the northeast outskirts of Cairo could not have failed to notice that the incident was cast by the media in different lights. Whereas some titled it a "street fight between a Copt and a Muslim", others branded it a "sectarian incident". The 'sectarian' brand owed to the fact that what had started as a verbal dispute between two young men of different religions had escalated into a street fight in which the friends of each rushed to support him. Since the majority of each man's friends belonged to the same religion, the dispute which had started between two individuals turned into an ugly armed fight between Muslims and Copts and ended with a man [the Muslim individual who started the dispute with the Copt] losing his life. At this point the Muslims rallied for revenge, but the vengeance was not meant for the Coptic opponent of the dead man, but for the entire local Coptic community.

Sadly, the situation is common to communities in overcrowded, underprivileged neighbourhoods where education runs low, zeal for religious identity runs high, and the law is poorly enforced. Typically, the police arrive at the scene of the unrest to contain and control the situation. They represent the law and work to enforce it. They start by disengaging the disputing parties, catching the violators to bring them to justice, and monitoring the streets to make sure unrest does not again break out. It is also expected that the police should bring matters under control and ensure the safety and security of civilians who were in no way involved in the unrest.

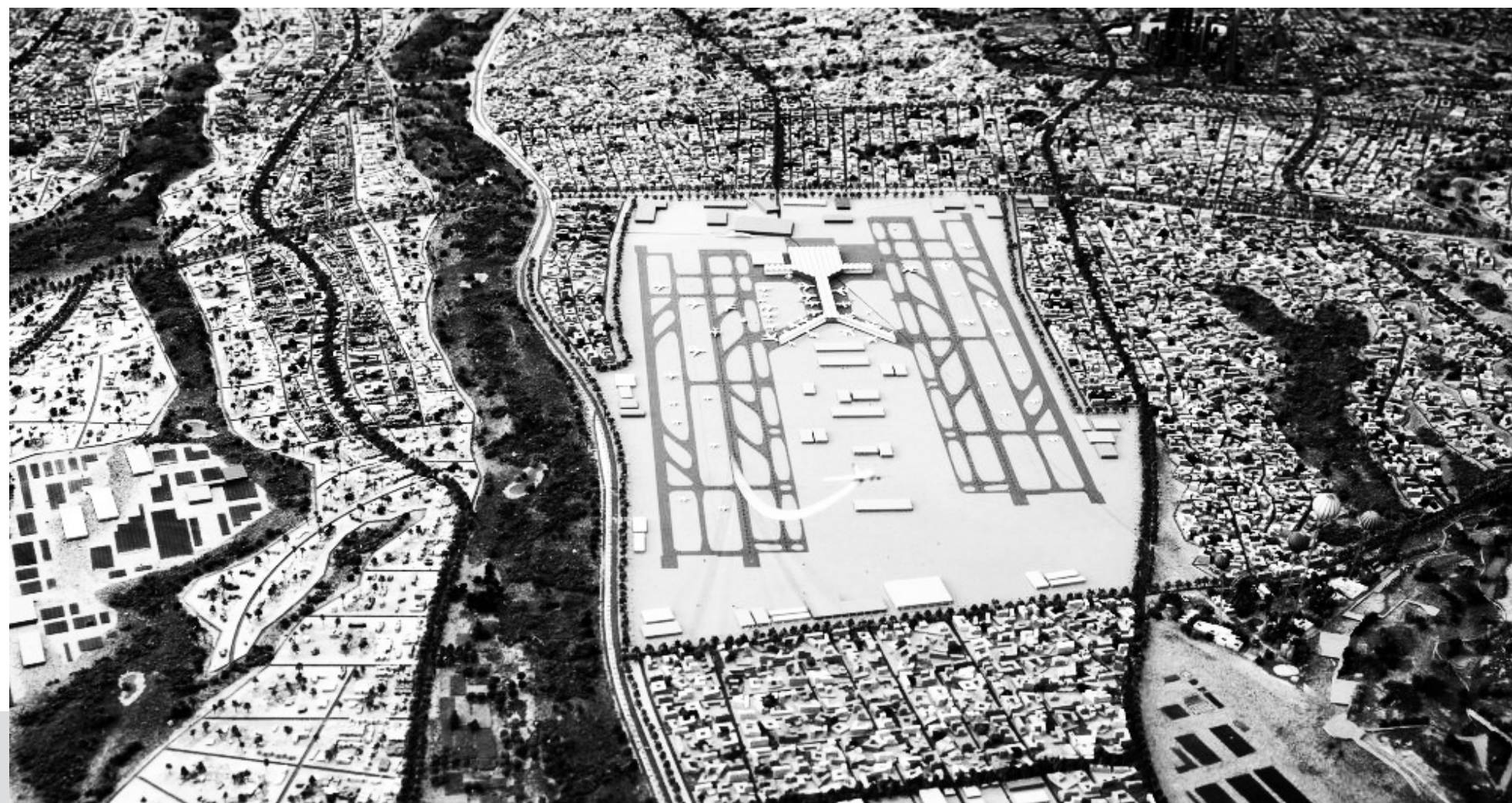
Do the police in fact do that? It is regrettable that, throughout countless incidents including the recent one in Khusous, the police fall short of their duty to provide security for those uninvolved in the crime. In Khusous, the local Muslims surrounded the house of the Copt who had been party to the dispute, and threatened and terrorised the other Copts in the neighbourhood despite the fact that they had nothing to do with the fight. Such fanatic, non-disciplined behaviour should have been met with strict firmness on the part of the police. But this was not the case. Instead, under the pretext of calming down the situation and with no legal backing whatsoever, the police arrested the young Copt's father and brother, and forced his mother and sisters to leave their home. The morale: the police are unable or unwilling to impose security or enforce the law, and prefer instead to appease the oppressors if not to flagrantly take their side.

What crime did the Copt's father or brother commit? Or did his mother and sisters? Did the police arrest the Muslim's father or brothers, or evict his mother or sisters from their home? Yet the police claimed they then had "the situation under control".

To complete the absurd scenario, and now that the police had purged the neighbourhood of the offending Coptic family and turned a blind eye to terrorising the other local Copts into "house arrest", Qalyubia governor visited the district the Friday following the incident. He prayed at the local mosque then walked, heavily guarded, to the local church. Did he say anything about the unrest that had rocked the neighbourhood? Did he promise justice? Did he announce the Copts who had been evicted from their home may safely go back? Did he pledge security to all who were not involved in the unrest or crime? Regrettably, none of the above. He just "visited" the church. For that the Copts should surely sing his praises.

Then we wonder why sectarian incidents keep recurring?

Egypt passes its new Investment Law, but investors believe that investment is not about new laws...



It's all in the implementation

It is an open secret that investors, local and foreign, in Egypt face not a few hurdles in the course of conducting their businesses. Notorious among these hurdles is the mind-boggling red tape and the maze of laws and regulations that moreover were liable to unexpected changes, to say nothing of rampant corruption. Yet the market was sufficiently attractive for investors to ride out these hurdles, and Egypt saw robust growth rates of 7 - 8 per cent. That is, until the Arab Spring in 2011. The turmoil and unrest that followed resulted in a nosedive for the economy. Even when in July 2013 Egyptians succeeded in overthrowing the oppressive Muslim Brotherhood regime that came in the wake of the Arab Spring, and in establishing a secular State in its place, Islamist terrorism viciously hit Egypt from inside and outside its borders. All this was not kind to the economy. Now the country is on a steady path of economic reform which earned it the praise of the International Monetary Fund as well as many international economy monitors, and is trying hard to win back investors, local and foreign.

Where are those bylaws?

In an attempt to foster confidence in Egypt's investment climate, Egyptian lawmakers passed a new Investment Law a few weeks ago. Its executive bylaws are not yet out, however; the law stipulates the bylaws should be issued in the space of 90 days after the law is passed.

Watani talked to a number of businessmen about how they saw the new law.

Businessman and industrialist Yehia al-Zanari said that the law was good enough, but that everything hinges on the manner in which it is applied. "We thus wait for its executive bylaws," Mr Zanari said. "Until then, the law cannot be properly assessed. In a recent televised interview with Egypt's former Finance Minister Youssef Boutros-Ghali who was the mastermind behind Egypt's pre-Arab Spring spectacular economic growth, but who is now outside the country, Mr Boutros-Ghali said that the success he achieved had not required any new laws. It's not the laws as such that help to achieve success, but the manner in which they are applied. So we need those executive bylaws as soon as can be.

Katrine Faragallah

"In general, however, the passage of the law is a good step towards improving the investment climate and facilitating procedures."

Needed: a welcoming climate

Financier Fouad Shaker told *Watani* that investment is all about the general climate not about laws. "The new law took too long to be passed and this in itself aroused controversy. Why did it take so long? Was there bureaucratic resistance to ameliorating the investment climate? If this was the case, the law would be no use. Many things should change for investors to come."

"We must not overlook the fact that Egypt is the subject of tough, albeit subtle, attacks by the international media on the political and economic levels. This effectively drives away investors. We must have a powerful media to counter the negative image promoted by the international media, and to highlight that Egypt is now stable and open to investors, with attractive tax exemptions and other benefits to offer."

Industrialist Adel Gazarin told *Watani* that without attractive benefits, no foreign investors will come. Saudi Arabia offers investors the land to build projects upon at attractive, reduced prices. We ought to do the same, he said. They should also be able to get loans at low interest rates, and should be granted sufficient guarantees that their problems would be resolved in case of trouble. If all this is secured, we need no new laws, he said.

Ali Tawfiq, whose business deals in vehicle spare parts, sounded worried as to whether all investors were equal. "Are foreign and Egyptian investors granted the same benefits?" Mr Tawfiq asked. "Are there fair rules that apply equally to all investors? Does the law guarantee fair competition between investors and sovereign bodies such as the Armed Forces' industrial sector for instance? Does the new law specify any field from which foreign investment is excluded?"

Incentives

Rateb Rageh, Vice Dean of Beni Sweif University's Faculty of Law,

said that the new investment law caters to the current circumstances where Egypt faces the difficult situation of having to fight terrorism and at the same time attract investment. "With this in mind," he said, "the new law is better than the previous one in that it focuses on making the investment climate more stable and welcoming, and on providing investors with much-needed incentives." We don't need new laws as such, he insisted, quite the opposite; we need a better business climate which the law secures.

As for the delay in passage of the executive bylaws, Dr Rageh said that these include many details and interpretations, so it is normal they take time for drafting and revision. "They should be out, however, before 90 days on the passage of the law."

The law

The provisions of the new investment law apply to local and foreign investment regardless of its size, and according to the internal investment system, investment zones system, or free zone system. The law does not contradict any benefits, tax exemptions, or other guarantees and incentives provided to companies and establishments existing at the time of applying the law. The terms of the law do not contradict the 1991 law on State property, the 2002 law of Special Economic Zones, or the 2012 regarding the Integrated Development of Sinai Peninsula. Also the terms of the new law do not contradict the conditions for granting approvals and permits.

Joint-stock companies are exempted from the terms of the 1958 law that regulates hiring employees, also from the terms of the 1973 law that relate to electing workers' representatives to the boards of directors of public sector units, joint venture companies, associations and private institutions. The internal policy of a company stipulates the manner of labour participation in management.

Disputes resulting from the application of the terms of this law shall be exempted from compliance with the terms of Law 7 / 2000 regarding the establishment of conciliation committees in cases of disputes with State ministries and public bodies.

Reach out . . .

Victor Salama

Amid the whirlwind of events and everyday preoccupations, we at *Watani* invite you to stop for a few minutes to ponder the hardships of others, then maybe extend a loving, helping hand to those in need.

Have mercy upon me, O Lord; for I am weak; O Lord, heal me; for my bones are vexed. (Psalm 6: 2)

Watani's department *al-Mahatta* (The Stop) was founded by the late Antoun Sidhom in 1987, with the specific reason of helping the sick. Our readers' generosity has enabled us to help countless patients undergo treatment or surgery

that they could not otherwise afford. *Watani* now operates through a network of dedicated doctors who spare no effort to place a smile on the face of those who suffer. Patients with different ailments approach *Watani* from all over Egypt.

To give our readers an idea of *al-Mahatta's* work, we cite the figures for the last one-and-a-half years. During 2016, *Watani*—through its readers' donations—helped treat about 516 patients, at an approximate cost of EGP430,000 and during the first five months of 2017, *Watani* treated 162 patients for some EGP152,000. The money was spent on financial help for patients, doctors' fees, various types of medical investigations, surgeries, and medication.



Rising medicine prices: Difficult balancing act

Our mission is not only to ease the pain of the sick but also to help those who need constant care. The common element on that score is the 'medicine bag'.

Many of our patients need medication on a regular basis. Because we well realise the importance of the medicine for them and how they cannot do without it, we have arranged for them to get their medication on a monthly basis.

A long queue of patients waiting for their lifeline of medicines forms at *Watani* every month. Among them are Eid and his brother Sobhy Wadie, the little girl Marianne Atef, and the young woman Viola Nazeer, who all suffer brain and nerve disorders. The older woman Afaf Fouad suffers from rheumatoid; Theresa Wassef is diabetic; and there are also Samir Aziz and Emad Mansour who have cardiac

problems. Kyrillos Shady is a child who suffers growth hormone deficiency.

The path of charity is bumpy. As *Watani* bridges the gap between the sick and the charity lovers, one big 'bump' we have come to face during the past six months is the rising price of medicine. The economic reform Egypt has been implementing brought on a huge increase in prices; medicines were no exception. We at *Watani* found ourselves in the precarious position of having to work a balance between readers' donations which declined under the difficult economic conditions, and the cost of medicine which spiraled.

During 2016, we spent a total EGP105,000 on monthly medication for patients. This sum is expected to double this year. We can only depend on our readers' generosity to cover the gap.