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IN THE BASHA'S HOUSE: THE ORGANIZATIONAL CULTURE OF EGYPTIAN PUBLIC-SECTOR ENTERPRISE

ʿ*Iḥna hina fī bayt al-Bāshā*ʾ (Here, we're in the Basha's house).
—Wagdi al-Winsh (maintenance worker)

ʿ*Fī diktāturiyya wa dīmukrāṭiyya fī al-masāniʿ kamān*ʾ (Dictatorship and democracy exist in factories, as well).
—ʿAdil (director)

ʿ*Iḥna dawla dākhil dawla*ʾ (We are a state within a state).
—Salah (shift supervisor)

This essay analyzes the organizational culture(s) of Egyptian public-sector firms. I accomplish this through an ethnography of two state-owned textile companies in Alexandria. I describe the cultures of these organizations in terms of hierarchy, accountability, trust, and authority relations and assess the effects of these features on the quality of working life and overall efficiency.[1] What is it like to work in these companies? How is authority exercised, and what is the nature of relations between superiors and subordinates? What impact, if any, do the cultures of these firms have on performance, efficiency, and productivity?

By organizational culture I mean the shared meanings, understandings, and norms—including managerial ideology and practices—found within organizations. Organizational cultures are often said to include—but also to go beyond—formal structures, capturing the implicit and ineffable, the unstated operating logics of organizations, in order to get at, in Linda Smircich's phrase, how organizations work.[2]

Admittedly, the concept of organizational culture is vague and can include a wide range of characteristics, from a firm's internal structure to its self-understanding.[3] Despite the variety of definitions and the debate surrounding how organizational cultures should be studied, however, the concept remains valuable because it focuses attention on at least two important points: that firms can have or produce cultures, and that different types of cultures (e.g., high versus low trust, centralized versus decentralized decision-making) can significantly affect a firm's performance and the quality of organizational life.

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The organizational cultures of Egyptian public-sector firms are worth considering for several reasons. First, despite the emergence of a considerable body of literature on Egyptian workers since the mid-1980s, we still know remarkably little about what goes on inside factories in Egypt—both public and private.[4] More than two hundred remaining public-sector firms employ more than 1 million people; thus, how these organizations function and what their employees experience each day is of tremendous importance.[5]

Second, the research is significant for those interested in economic reform and privatization more specifically. Part of the culture of public-sector enterprise undoubtedly resulted from public ownership.[6] Hence, privatization will bring change. But it would be foolhardy to imagine that privatization alone—the simple legal transfer of ownership from the public sector to private hands—will either automatically or immediately lead to the emergence of organizational cultures focused on efficiency, productivity, and performance. Successful privatization will entail more than the transfer of ownership. Organizational cultures will also have to change. Thus, an account of the culture of Egyptian public-sector enterprise is the necessary foundation for future studies concerned with change within firms as a result of privatization. Although a substantial literature has emerged analyzing the effects of privatization on firms in Eastern Europe, no similar literature exists for Egypt or the larger Middle East.

Finally, I understand authority relations in the firm as a metaphor for authoritarian politics in Egypt. I do this for two reasons. First, public-sector firms operate along principles similar to those in other Egyptian governmental institutions. And relations of authority in public-sector firms by definition are relations between individuals and the state. Second, workers themselves understood the firm as a metaphor for the state: they made the comparison. Thus, by analyzing how power is generated, maintained, and exercised by those who hold positions of institutional authority—shift supervisors, engineers, and, most notably, the chief executive officer (CEO)—and describing the culture this generates, I hope to shed light on the political culture of authoritarianism in the polity as well as the firm.

METHOD

The primary research method I employed was participant observation. I worked as a winding-machine operator in a medium-size public-sector textile firm for nine months and in another firm, a joint-venture company, for one month. The primary research site was a spinning and weaving firm established before the revolution, in 1946, by a Greek Egyptian businessman.[7] The company, which I call MIDIA, was nationalized in 1961 and expanded significantly thereafter. Most recently, it has been slated for privatization.

Unlike many Egyptian public sector firms in 1996, however, MIDIA was profitable, producing wool and cotton fabric and ready-made garments for local and foreign markets. In 1981, the company had 10,204 employees, making it the seventh-largest textile manufacturer in the country (out of a total of thirty firms).[8] In 1996, it employed about 9,000 people, 6,000 of whom were workers, in nine factories scattered throughout Alexandria.

I worked the day shift in factory number nine, the second largest in the company. The factory employed nearly 2,500 workers, and I worked in the combing and wool-preparation department, the stage directly before spinning. On my shop floor there were combing, pulling, and winding machines. I operated a thirty-spindle winding machine (*makanat barm*) in a production area, as opposed to an assembly line.

The second company was a large textile firm on the outskirts of Alexandria, which I will call Misr Textiles. Misr Textiles was a fully integrated spinning and weaving operation, taking in raw cotton and producing finished fabric and ready-made garments for the local and foreign markets. The firm was founded in the early 1980s as a joint venture of Egyptian and Arab capital, with initial startup costs approaching \$500 million. Today, however, Misr Textiles is owned entirely by one of Egypt's public banks. The facility occupies close to 500 feddans and includes a water station and a power plant.[9] In 1996, it employed nearly 11,000 people, most of whom were brought in daily from Alexandria and the surrounding areas on the company's fleet of several hundred buses.

I worked the day shift at Misr Textiles for one month, and, as I had at MIDIA, I worked in the same type of department and on the same type of machine. But whereas I had previously operated a thirty-spindle winding machine (wool), at Misr Textiles I worked on two German-made, 120-spindle winding machines (cotton). The basic labor process, however, was the same.

My presence in the factory was unusual in many respects. It was obvious that I was not a worker, and I did not attempt to conceal my research. For many I was a curiosity, quite different from themselves. I was an Egyptian-American social scientist with considerably more formal education than most in the factory. I was also from a significantly different class background from all of the workers and most of the administration. Each of these facets of my identity—as well as others—colored my presence and affected my research. My identity as an Egyptian-American produced curiosity and interest. As a formally educated social scientist, I elicited simultaneous reactions of bewilderment, confusion, and respect. My relationship to the company administration initially produced fear and distrust. My social position and class background produced outward deference. My gender, religion, and regional background produced common membership and solidarity (inclusion) as well as exclusion from certain groups and interactions—for inevitably, every inclusion is an exclusion. It was partially through my interactions with workers and other employees—how people reacted to me and how I was integrated into existing systems of hierarchy, power, and prestige—that I learned about the social world of the factory.

It was by no means certain that spending months in one or two factories getting to know workers and observing production would lead to openness on their part or on the part of their superiors. It was partially because of this that I believed that working in the factory, and more specifically, performing manual labor, would to some extent bridge the gap between "them" and me. Working on a winding machine, keeping workers' hours, and using workers' facilities, as well as participating in the daily activities of the shop floor, led to the development of a significant amount of trust between other workers and me. Socializing on the shop floor and later outside the factory gates gave workers a chance to learn about me and understand what I was up to, quelling many of the doubts they might have had about the purpose of my research.

One of the first things that struck me about both MIDIA and Misr Textiles was how incredibly hierarchical and authoritarian they were. Relations of inequality and power between superiors and subordinates were not limited to the formal roles and official duties associated with work. They extended to all aspects of social interaction. Most firms, of course, consist of a set of positions arranged hierarchically, or a chain of command. Inequality and power exist throughout the hierarchy. What was remarkable about both firms was the extent to which superiors dominated those beneath them. The exercise of power was arbitrary and seemingly unlimited. Employees of different rank were intensely conscious of their respective positions and inequality; how they were treated depended entirely on where they stood within the hierarchy.

Formal organizations such as firms are characterized by explicit rules and procedures that ostensibly limit the arbitrary exercise of power. But despite the existence of bureaucratic rules and established procedures governing all aspects of organizational life, social relations at MIDIA and Misr Textiles remained authoritarian. This manifested itself in both large and small ways—in the person of the CEO as well as in the daily interactions between engineers and shift supervisors and shift supervisors and workers. As in any organization, many employees occupied positions of superiority and subordination simultaneously. Within the matrix of authority relations they found themselves below some while above others. The senior engineer, for example, was subordinate to the CEO while being superior to the shift supervisor. But at every level of the organization, superiors thoroughly dominated those beneath them.

THE CEO AS LEVIATHAN

Standing above all others, without equal, and wielding absolute power and administering "justice" as he saw fit, the CEO was the leviathan. He was the incarnation of state power—the living, breathing representative of government inside the firm. At MIDIA, the CEO was appointed by the minister of public enterprise, and at Misr Textiles, he was appointed directly by the president. Ultimately, this was the basis of his authority.[10]

The extent of the CEO's power was apparent the first time I met him, during an interview to determine whether he would allow me to conduct research at MIDIA. After agreeing to my research, he picked up the intercom and told his secretary to send each of the department heads to his office. Within minutes, seven men, several dressed in suits and ties, marched in, one by one, and stood in a row behind us. Each man greeted the CEO as he entered, while Ali Bey responded with only a slight nod of his head.

The heads of personnel, production, administration, engineering, planning, maintenance, and sales stood behind me, lined up like schoolchildren, nervous, and looking straight ahead. Ali Bey did not explain my presence; he merely stated that I would be doing research in the company and told them to be as cooperative as possible. He then ordered each man to give me his business card and unexpectedly turned to me and asked which part of Alexandria I lived in. I responded, without knowing why he was asking. Then, looking at one of the department heads, he said, "Mohamed, don't you live close to there?" When Mohamed, in his late fifties, said that he did, the CEO told him to write his home phone number on the back of his card because he would be picking me up each morning on his way to work. Mohamed turned out to be the head of administration.

My research was intended to be primarily about workers, however, and I did not want to come and go with the administration, let alone a department head. So I spoke up hesitatingly, saying that I would prefer to take the bus with the workers each morning. Ali Bey clearly was not accustomed to someone refusing his commands or challenging his orders. A moment of silence followed. Then, addressing himself to the department heads, he said, even more forcefully than before and also in the way of an order, "You heard him; he wants to go with the workers on the buses. Someone arrange it." Several of the men looked blankly at one another until one man feebly stepped forward and informed the CEO that there were no buses for workers, only for the administration and white-collar staff. Ali Bey's response was now addressed to me. Dismissively, he said that it was "the same thing" and that I was sure to learn something on those buses, as well.

The extent of the CEO's power was apparent from this first meeting. He infantalized the company's top executives (standing at attention, nervous and deferential, no one speaking or asking a question unless he was addressed). Further, he agreed to my request in less than thirty minutes and without seeing a single document—something I had not been able to obtain even after months of applying for official government research clearance, negotiating with the relevant ministries, submitting the necessary documents in triplicate, and working through the official procedures.

PRESIDENTIAL VISITS

Although Ali Bey spent most of his time in high-level meetings, negotiating sales, and finalizing contracts, he occasionally visited the factories. Three facilities are located near company headquarters, within walking distance of his office. Meetings with factory heads and senior engineers are sometimes held on the shop floor. On several occasions, Ali Bey came to where I worked to look into specific problems related to production. He was also fond of inspecting the finished products on-site. Most often, however, his visits came unannounced or with little warning, leading delegations of ministers and other VIPs around the production facilities.

When Ali Bey shows up, all hell breaks loose. The factory is transformed in a flurry of frenzied activity. Normal work routines stop. Company policies are enforced. Department heads emerge from their offices. Maintenance crews scramble. Anxiety overcomes the top administrators and engineers, and chaos descends on the factory as everyone prepares for his arrival.

I was amazed the first time I witnessed this. No one had to tell me that something out of the ordinary was taking place. First, the factory head, Dr. Watash, was on the shop floor talking to the senior engineer and the shift supervisor. He seemed in no rush to leave, and this itself was unusual. We were lucky when Dr. Watash graced the hot, humid, grimy work hall once a week, and then it was usually on his way somewhere else. A few minutes later, I noticed the shift supervisor and *mubāshir* (director; supervisory personnel directly under the shift supervisor) looking awfully serious, inspecting the machines and barking orders at workers. When they got to me, they let me in on the secret—what everyone else must have already figured out: the CEO was on his way with a delegation of ministers.

The director declared a *ḥālāt ṭawāriʾ* (an emergency situation). The orders began, one after the other. No one was to sit down, and we were all told to put our food away. In no time, two maintenance workers appeared whom I had never seen before and began polishing the fire extinguishers. Before the director left, he told me to clean my machine and everything around it. It was standard practice to wipe the machines off at the end of the shift, but no one ever cleaned them in the middle of the day.

The same order must have been given to everyone, because soon afterward, Abdel-Rahman, the pulling-machine operator beside me, walked over and started complaining. "What? Are we sleeping?" he said. "What's different? We're working. What is this? A chocolate factory? Of course there's dirt here . . . of course the machines get dirty. And after five minutes, they'll be dirty again!"[11] He told me that Atef Obeid, the minister of public enterprise, was rumored to be in the day's delegation.[12]

Before walking away, Abdel-Rahman laughed at the sight of the factory head dressed in a suit, clearly uncomfortable, nervously pacing the shop floor, and sweating profusely. "He's usually calm," Abdel-Rahman said, "and he's usually in his air-conditioned office, but today he's running around himself (*biliff ḥawalay nafsu*)." He added, "Everyone is afraid of the person above them. Everyone wants to go home with his day's pay (*yawmiyyātu*). . . . If al-Basha sees something [wrong], who's he going to speak to? He'll speak to Dr. Watash [not to me]. Dr. Watash will talk to engineer Muhamed. Engineer Muhamed will tell the shift supervisor [*rayyis* Sibaʿi], who will tell the director who will tell the worker."

The last time the CEO showed up, he docked the shift supervisor's incentive pay for two months. This was a considerable sum, and no one had forgotten the incident. The CEO had been touring the factory with a delegation when one of the workers began paying more attention to the visitors than to his work. The CEO punished the worker's supervisor.[13] Abdel-Rahman compared the situation to what he experienced in Lebanon, where he worked in a large private-sector textile factory. There, he said, the owner often walked around the floor and occasionally found workers sitting down. But this was never a problem as long as work got done and the quality of the finished product was good.

Soon, two more maintenance workers appeared with a large, extendable ladder and a cart full of fluorescent lights. The production engineer supervised as one of them climbed to the top and began installing additional light bulbs, "so the delegation can see." Ironically, it was the CEO who had ordered half of the factory's lights removed as a cost-cutting measure, which made working conditions much more difficult.[14]

Making the factory presentable did not stop here. Dr. Watash and one of the engineers ordered the maintenance crew to sweep the floors. This seemed to do more harm than good, however. The factory floor was rough and uneven, partially eaten away, and one could make out the small stones in the concrete. It was rumored that the contractors had skimped on raw materials, pocketing the extra money, resulting in substandard concrete.[15] The old wood brooms managed to collect large cotton balls, but they also lifted a cloud of dirt, cotton, and polyester fibers into the air. As the sweeping continued, the cloud slowly rose higher, spreading throughout the area.

When the maintenance crew passed the shift supervisor, he noticed the problem and ordered the men to spray water on the ground before sweeping to prevent the dirt, grime, and fibers from rising. This seemed to work. But when Dr. Watash returned and saw this, he went crazy and yelled at the workers to stop. The water and the increased humidity that resulted, he explained, could damage the yarn and interfere with production.[16] The moisture attached to the tiny fibers, making them heavier and fluffier. Just as important, however, the delegation could arrive at any moment, and Dr. Watash did not want them to walk in and find a wet floor.[17]

Thirty minutes later, when Raghab (the director) walked by, I told him that one of the pulling machines was not running. I was only trying to help, as I did not want the CEO to see the machine sitting idle. Raghab said the production engineer had ordered it turned off. Raw material for this machine was in short supply, and it was not certain when more would become available.[18] Because the engineer wanted to ensure the machine was running *while* the delegation was inside the factory, his solution was to order it turned off until the moment they arrived.[19]

For the entire afternoon, everyone anxiously awaited the CEO's arrival. Information regarding his whereabouts was constantly relayed among and within factories. Occasionally, workers ran the length of the floor carrying messages between Dr. Watash and the engineers or between the shift supervisor and the director. At one point, we were told that the delegation was in one of the weaving factories. Then we heard it was in ready-made garments. No one seemed certain where the group was or whether and when it would come. But the possibility that the CEO might show up, however slim, was enough to disrupt normal work routines and wreak havoc on the factory, instilling fear in Dr. Watash, engineer Muhamed, and the shift supervisor, and putting the rest of us on red alert.

So much was happening around me that I could no longer hide my amazement. The next time Muhamed walked by, I asked him whether the same thing happened every time the CEO came to the factory. Sensing my surprise, he remarked, "This is normal. . . . Any time the president of a country goes someplace, they clean before he comes. You should see Cairo when the president goes anywhere—it sparkles. We, here, are like a country . . . but on a smaller scale."[20]

An hour or so passed, still with no sign of the delegation. It was getting late, and several workers concluded that the ministers were not coming. At first, the preparations for the visit were a pleasant disruption, a change from the normal work routine and the monotony of the everyday.[21] The commotion, movement, and chaos were exciting. Everyone enjoyed watching Dr. Watash and the engineers scramble. After several hours, however, it had become tiresome. It was no longer pleasant having the factory head or the engineers on the floor, nervous and tense, constantly pacing, monitoring everything that transpired. Everyone wanted to appear excessively diligent, and for the workers this meant no shortcuts or two-minute breaks. We had also grown tired of waiting, not knowing what was in store.

Then, without warning and after most of us had let our guard down, we saw Raghab, the director, running furiously down the middle of the floor, between the machines, clapping loudly to get our attention. He was making the hand signal that a "higher-up" had been spotted, and danger was on the way. Raghab's right arm was raised high in the air, and he was making a circular motion with one finger pointed upward (like the siren of an ambulance or a police car). He alternated between this and another sign—tapping his fingers on one of his shoulders—as if to indicate the rank of a military officer.[22]

Everyone immediately scrambled, trying to look as busy as possible. It was the moment we had waited for, the moment we had prepared for—at least, that's what we thought. The director, we believed, had spotted the CEO, and within no time the delegation would be on the shop floor. But Raghab was a heavy smoker and rather chubby, so by the time he ran by my machine he was panting and laughing simultaneously—uncontrollably—his potbelly bouncing up and down with each breath. He admitted that the signal had been a practical joke. Raghab had not seen anyone and did not know when or even whether the CEO was coming. He just wanted to scare us and laugh at our expense. At this, he succeeded.

In the end, no one came to our factory that day.[23] And no one informed Dr. Watash and the senior engineers that the delegation was not coming. They later learned that the delegation had visited the main administration building, a weaving factory, and the ready-made–garments facility. Atef Sidki, the former prime minister, and Anis Mansour, a prominent writer, were among those present.

The factory had been on red alert for most of the day. The news of the delegation turned the entire company upside down, as it did whenever the CEO was scheduled or rumored to visit. The factory became chaotic with conflicting orders, confusion, and employees frantically rushing around. The visits were not only disruptive; they decreased efficiency and hampered production— not only on the shop floor, but also for the administration. Dr. Watash and the engineers, for example, spent most of the day preparing for the delegation, instead of in their offices carrying out their normal duties. Time, effort, and considerable resources were spent making the factory presentable.

More often than not, waiting for the CEO was like waiting for Godot. The difference was that waiting for Godot took less preparation. He was also more merciful. When we heard that the CEO was coming—"possibly coming," "probably coming," or even "most definitely coming"—nine times out of ten he did not show up. When he did come, it was unlikely that he would end up where you worked. Despite these odds, every shop floor, department, and office in the entire company went on red alert each time the rumor circulated that he might drop in.[24] The transformations were tremendous—from noticeable changes, such as Dr. Watash's presence on the shop floor, the installation of additional lighting, and tension in the air—to smaller, otherwise unnoticeable measures. In the administration cafeteria, for example, the white tablecloths were replaced with more formal red ones whenever the staff heard the CEO might visit. The changes on the shop floor could be just as subtle. At Misr Textiles, the only time winding-machine operators followed the rules when making repairs were on the days we heard the CEO was coming. On those occasions, work rules were enforced, and the maintenance crew came out of hibernation.[25]

This was the system at both MIDIA and Misr Textiles.[26] It was taken for granted and considered normal.[27] And this was understandable. The CEO's power was extraordinary. He demanded respect and every possible consideration. Factory heads and engineers were expected to prepare for his arrival. Not doing so would in fact constitute a breach of established practice and could be considered an affront to the power and prestige of his position.

For many in the factory, the CEO's visits were terrifying. And people had good reason to fear. He was known to be tough and unrelenting, and he could be ruthless and vindictive. For example, during one visit, Youssef, the shift supervisor in the department next door, differed with the CEO about a matter relating to production.[28] The next day, without explanation, Youssef was absent. He was transferred to one of the company's other factories, an old, run-down facility on the outskirts of town. Located in al-Suyuf, it was the production facility farthest away from central Alexandria. The factory was known universally by employees as the company's own *muʿtaḳal* (prison camp).[29] If you lived in Alexandria, as the shift supervisor did, it was a hassle to get to, requiring a long and tiresome commute.[30]

Youssef ended up spending six months in al-Suyuf. He attempted to meet the CEO after three months, repeatedly calling his secretary, writing letters, and visiting his office. After his requests were denied, he finally managed to see the CEO in front of company headquarters, where Ali Bey had his office. But this was no chance encounter. Twice a week, early in the morning, a number of employees gathered on the steps in front of company headquarters.[31] Those with special requests or particular problems came in the hope of talking to the CEO about their situations. Two senior officials, Mohamed Minyawi (head of personnel) and another man, also stood outside. The two men screened employees, tried to solve small problems themselves, and made sure everyone stayed orderly.[32] As soon as Ali Bey stepped out of his chauffeur-driven car, employees approached, one by one, with the assistants always standing between him and the employees, keeping everyone in line.

It was by no means guaranteed that you would even get this far. If Minyawi and his sidekick decided not to let you meet the CEO after hearing your story, you were out of luck. You had to go through them first. It was also well known that Ali Bey did not like *kalam kitīr* (a lot of talk). He had neither time nor interest in small talk, details, emotional pleas, or beating around the bush. You had to make your case quickly to stand a chance. But if you told him your story and he was sympathetic, he would tell his assistant to "look into the matter," and your problem was solved. It was as simple as that. If he thought otherwise, however, he was was not afraid of raising his voice and telling you that you were out of line, often insulting you in the process.

The whole thing was unstructured, informal, almost feudal. Employees waited on the steps outside the building to plead their cases and have their fates determined, very much as serfs had waited on the manor-house steps for an audience with the feudal lord. In fact, the CEO's power came close to that of a lord—at least, inside the factory. He was addressed as such, as well. Every employee, regardless of rank, referred to him as al-Basha (the lord).[33] Only the CEO was referred to as *al*-Basha.[34]

Meeting employees on the steps was one method of solving their problems, and for many it was a last resort that sometimes worked. However, the manner in which the meetings took place, their location, the language employees used in their appeals, what they had to suffer through to get this far, and the absolute discretion of Ali Bey—everything about the interaction reflected the arbitrary and authoritarian power of the CEO.[35]

The meetings were a ritual of authority, an exercise of power, one way the CEO displayed his majesty and magnanimity.[36] There was nothing formal about them. It was not even established how long the CEO would stand outside listening to requests. If he felt like staying, he did. But if he had more pressing things to do or simply ran out of patience, he abruptly walked into the building, regardless of how many people were left waiting. Some days he canceled the meetings altogether. But there were always more people and problems than he had time for, and inevitably employees were left standing outside, without having had the privilege of speaking to him.

The fact that the CEO could solve problems with such ease and immediacy—especially compared with an inefficient bureaucracy and impotent union leaders—had serious implications. Such power made one conscious of what one said and how one acted, making it less likely that one would ever challenge the CEO or his authority. It also made alternative methods of pursuing one's concerns less attractive. Why invest time and energy in formal procedures and official channels when a personal appeal to the benevolence of the CEO was more likely to solve your problem quickly?

Even when this brought results, however, problems were solved on the basis of individual appeal and were not the result of formal procedures intended to safeguard established rights. This was a system without rights and devoid of "industrial citizenship."[37] Instead, it placed in front of employees the possibility of addressing their concerns in an individual manner. By incorporating employees as individuals (not as members of a larger collectivity), the system individualized problems and, in the process, made the possibility of collective action (on the part of any group—workers, engineers, administrators, or employees more generally) that much less likely. The company, after all, was in Wagdi al-Winsh's inimitable phrase, "*bayt al-Basha . . . iḥna hina fī bayt al-Bāshā*" (the lord's house . . . we're here in the lord's house).

The CEO's power was truly awesome and seemingly unlimited. For obvious reasons, not everyone was willing to speak openly about him. Shohdy was no exception. He never criticized the CEO; he simply told it like it was. A realist of sorts, Shohdy was a social operator convinced that he understood the world, including the firm and the way it worked. Because of this, he decided to run for a position in the union.

We often spoke about the union elections and his candidacy, campaign strategy, and tactics. Naturally, the CEO came up in our conversations. On one such occasion, when explaining the relationship between the union and the CEO, Shohdy became unusually serious. He lowered his voice and slowed his speech, as if he was about to say something terribly profound.

> [I]n the present system, when anyone needs anything or has a request or something, including things they should be entitled to, the union doesn't do what it should do, which is to serve the workers and the employees, and the high-level people (*mas'ūlīn*; department heads) also don't finish (*mish bikhallisu*) these things. Therefore, you're forced to go to the CEO himself to get these things done. . . . Do you think that whenever anyone wants anything done, with all due respect to Abdo Farag [the senior engineer] and the department heads, things get accomplished? No. If you want something done, you must go yourself and see *al-rāgil* (the man).[38] But not everyone can do this. A regular worker can't do this [he implied this was the case more out of fear than anything else]. And do you think that if you were to see "the man," you could talk to him the way we're talking to each other? Of course not! One good word from him and you're set. One bad word, and— . . . Putting a worker in front of him is like putting him [the worker] in front of a canon.

In case I thought there was something peculiar about Ali Bey—that he was unlike other company heads—Shohdy quickly added, "and don't think he's the only one this way. All chairmen of the boards of directors are like this."[39]

Shohdy spoke from experience. His father had worked at MIDIA for more than thirty-five years, and Shohdy knew about the company politics, the union, how things got done, and who held all the cards. The company bureaucracy was slow and inefficient. High-level officials, for their part, were as afraid of the CEO as the little guy. Even when they tried to help—to intervene on someone's behalf, for example—they eventually found themselves in front of Ali Bey.[40] Decision-making was centralized, and power was concentrated in the office and the person of the CEO.[41]

For all practical purposes, the Egyptian Trade Union Federation (ETUF), the national umbrella organization which includes all factory-level unions, was an extension of the state. As a corporatist entity, it was administered like any other government agency. It was large, bureaucratically incompetent, self-serving, and intellectually bankrupt.[42] It mustered very little if any confidence in the workers it ostensibly served.[43] As an institution, it is used to control and co-opt workers, disseminate propaganda, provide the appearance of representation, and occasionally channel limited services to public-sector employees, workers, and non-workers alike.[44] Although many have described the ETUF as corporatist, this term arguably conceals more than it reveals.[45]

At both MIDIA and Misr Textiles, the union did none of the things unions usually do.[46] Collective bargaining and contract negotiations were unheard of. Strikes and independent organization remain illegal, and the union did not investigate grievances or management misconduct, defend workers' rights, or address workers' concerns.[47]

Al-Sayyid Rashid was the head of the ETUF while I was at MIDIA. Rashid also held the position of deputy speaker of Parliament and was a visible, senior figure in the government's ruling National Democratic Party. Originally a textile worker from Alexandria, Rashid had made his way through the ranks of the union bureaucracy and the Textile Workers Federation. Out of sheer coincidence Rashid had worked for many years at the very same company in which I conducted my research. Almost everyone on my shop floor knew him personally, and many had worked alongside him when he was just a regular worker, before he had made it big.[48] Rashid was universally despised.[49]

If at the national level the union was an extension of the state, it played a similar role at the local level: it was an extension of the firm.[50] The elected union representatives were a group of disparate individuals with extremely limited powers, although with more power and status than the average worker.[51] The union's single most important function was organizing an annual *maʿriḍ* (exhibition) where employees could purchase commodities, mostly consumer durables such as televisions and video recorders, at subsidized prices or on credit.[52] Of course, the union was supposed to look after workers' interests and into their complaints, but this rarely happened.[53]

Who made up the union? Because of compulsory membership, the union included all employees except the highest echelons of management—the CEO and his immediate cronies. Workers, administrators, accountants, engineers, and even department heads were part of the union. Although both white- and blue-collar employees were legally members, there was no sense of belonging.[54]

The union was known to be corrupt throughout. Everyone knew it to be a fraud. "As soon as people win in the election," Shaykh Darwish remarked, "even if they are free, he [the CEO] calls them in to his office and asks them what level [of seniority] they are. He has the power to change their level, and this directly affects their wages. . . . If the person is at level 5, he will make him level 4, and if he is at level 4, he will make him level 3. . . . Then, if they actually try to do or say anything independently or do anything at all, the CEO will say, 'What more do you want?'" The carrot of co-optation was one of the CEO's many methods of intervention.[55]

Strikes and other forms of collective action were almost always led by individuals who were not affiliated with the union. What was worse, however, was that local unions rarely if ever supported such actions, often condemning them at their outbreak. Worst of all, it was not unknown for the local unions to tell the security forces about an imminent protest.[56]

Co-optation was even more effective with elected members of the board of directors. Although the CEO was also chairman of the board, the law stipulated that all boards would consist of up to nine members (including the chairman, who was appointed). The chairman appointed four members, and the remaining four were elected from the ranks of the company's employees. Thus, the appointed members were usually in complete agreement with the CEO. And like elected union representatives, they were easily corrupted, co-opted, or neutralized. Expressing the sentiments of the company's entire population, Darwish added, "The candidates say they will make these demands, but they can't do anything. The CEO's word is what goes. He has all the power. The people on the board are supposed to give advice, have an opinion, etc. . . . It could work so that the majority's views get implemented, but no. He [the CEO] gets you [and] holds you where it hurts—your hands."[57]

Ironically, Law 203 of 1991, which redefined the relationship between the state and the public sector and was intended to promote efficiency and profitability by providing greater freedom of maneuver at the firm level, also provided the CEO with more discretionary power vis-à-vis the labor force, certainly at MIDIA and Misr Textiles.[58] In addition to giving pubic-sector firms the ability to make significant decisions regarding production and marketing, the law provided more leeway for management to "determine wages, salary increases, allowances, and leave policies."[59] Naturally, this made the CEO even more powerful. It cemented his grip and provided more carrots and sticks with which to control and co-opt union representatives and board members.[60]

At Misr Textiles, Ali Bey had even greater powers. Because the firm was hemorrhaging considerable amounts of money at the time of his appointment, he had asked to be made *mufāwiḍ ʿāmm* (general negotiator) instead of simply CEO and chairman of the board. He argued that he needed the extra powers the position provided to take quick and decisive action to remedy the situation.[61] The position brought with it greater power and even less accountability, dispensing with the idea of a board of directors altogether.

An active and functioning board of directors is even more important than a union in providing a mechanism for checking the potentially arbitrary powers of management. But at both MIDIA and Misr Textiles, the board was a mere fiction. In state-owned firms operating in non-competitive markets (where price does not provide a mechanism of accountability), a well-functioning board of directors is even more important.[62] First, boards provide accountability (or "answerability"), which is "but another aspect of the problem of the exercise of authority."[63] Discussing this idea in the context of public-sector enterprise in India, Ratan Kumar Jain writes:

Strictly speaking, accountability involves the rendering of accounts, statistics, and reports. But if it is not to be an empty formality, it involves control and judgements, in order to prescribe the standards of expectation—legal, administrative, customary, or moral—with which to compare what is being done and how control . . . is to be exercised in carrying out particular schemes of an organization or enterprise. . . . The primary purpose of accountability is to define the relationship between the various authorities so as to focus responsibility; to facilitate coordination with related programmes; to ensure consistency in the implementation of policy . . . to conduct operations with maximum efficiency and economy and in accordance with law; to provide sufficient information so as to enable appropriate authorities and the public at large to appraise the effectiveness of operations; and . . . to apply . . . the pressures and sanctions to remove inertia, friction, impediments, or obstacles in the way of the fulfillment of the tasks of an organization or enterprise.[64]

After discussing the importance of accountability, Jain writes,

All of the above matters generally come within the orbit of responsibility of the Board of Directors . . . and it is the function of a self-respecting Board to approve, decide and supervise these matters much in the same way as the proper control of the rudder is necessary to guide a ship in a definite direction. These tasks also suggest that right choice of the members of the Board of Directors is imperative for the success of enterprise in the public sector.[65]

In theory, the role of the board of directors at Egyptian public-sector companies is no different. Describing the legal statutes governing their activities, Ali El Salem writes, "The board of directors in a public sector enterprise is the most important level of decision making. However, the actual performance of this decision-making authority varies according to the personal characteristics of the chairman of the board on one hand and the qualities of its members on the other. *In some cases, the chairman acts in a unilateral form with all authority centered on him.* In others, the board carries out its legal authority in practice."[66] MIDIA and Misr Textiles (as well as the majority of state-owned enterprises in Egypt) were closer to the former model, with all authority centered on the CEO. As a result, inside the organization the CEO was accountable to no one.

An impotent union and an ineffective board were not the only factors that contributed to the CEO's tremendous powers. Ali Bey found other ways to consolidate his control. When Salah, the shift supervisor, remarked that MIDIA was "a state within a state," he was not simply referring to the large number of people within one organization, under one command, in a delimited space with clearly defined boundaries. Neither was Salah merely referring to the firm's vast resources, bureaucratic structures, administrative departments, or legal frameworks—or even to the fact that MIDIA had its own prison camp. He was also referring to the existence of a quasi-police force and an intelligence agency.

It was well known that the public-relations department was little more than an intelligence network with close ties to *mabāḥith āmn al-dawla* (State Security Services).[67] While the security guards functioned as the everyday police force, the public-relations department handled special situations. They were in charge of monitoring the industrial populace and rooting out potential troublemakers. Along with spies and informants, the security guards and the public-relations department made up the firm's own repressive state apparatus.

I witnessed this firsthand when Khamis, a mechanic in the weaving department next door, was hauled in for questioning. Weeks earlier, in a discussion with several workers on my shop floor, Khamis had criticized the company's pension system—*ṣandūq al-taʾmīn* (insurance fund).[68] The fund became a regular topic of conversation when it was discovered that several million pounds had been stolen. Khamis's comments, however, had nothing to do with the scandal. He was complaining about the regulations governing the fund and why he thought the system was unfair.[69]

Khamis took his criticisms to the people responsible for the insurance fund, but his ideas were ignored. In conversations in our department, by contrast, his criticisms fell on receptive ears. Everyone present, about nine workers, agreed with him, and Khamis suggested writing a letter for all of them to sign. The idea was to address the letter—more like a petition—to a prominent cabinet minister and mail it to one of the national newspapers, which is done with some frequency in Egypt. If it were published, it would surely get the minister's attention.

The security people somehow got word of Khamis's intention, and he was immediately called in for questioning. Luckily, the informant got part of the story wrong. He told security that the letter had already been written and mailed. When Khamis was confronted with the charge, he denied it and asked that the letter, as well as the snitch be produced. He told the security personnel what had actually happened: he had conveyed his ideas directly to the people in charge of the fund. Khamis provided the names of the people he spoke with and insisted that this was all that he had done.

Sure enough, the security personnel investigated and confirmed his story. Several committee members remembered Khamis and his suggestions. When he finished describing his encounter with the security officials, Khamis laughed and told us that, while he was being interrogated in the public-relations department, the letter in question happened to be in his pocket, typed but unsigned.

MIDIA's repressive state apparatus attempted to squelch dissent before a scandal erupted, and the company was openly criticized in the papers. A letter addressed to a cabinet minister and published in a major newspaper was sure to draw attention, but not the kind of publicity the CEO wanted. The security and public-relations departments were charged with investigating the matter and locating and neutralizing the guilty party or parties. Fear and intimidation are the hallmarks of authoritarian regimes.

Violence, both symbolic and material, is also characteristic of authoritarian rule. Although the security personnel could only intimidate, the CEO was capable of much more. If anyone had a monopoly on the use of violence inside the firm, it was al-Basha.[70] *Al-khawf wa al-kurbāg* (fear and the whip) were essential components of his management style.

It was not surprising, therefore, to hear stories—story after story, in fact—about the CEO verbally abusing a department head, humiliating an engineer, or insulting a shift supervisor, often in public. At both MIDIA and Misr Textiles, yelling was the norm, and I became accustomed to hearing and seeing all kinds of verbal abuse and insulting behavior on the part of superiors toward subordinates, whether it involved a department head and a junior administrator, an engineer and a shift supervisor, or, most frequently in my case, a supervisor and a worker. What was disturbing, however, were the stories I heard—and on a few occasions, actually witnessed—of physical abuse.

It was not unknown for the CEO to lose his temper and strike someone—pushing, punching, slapping, or even kicking the person in front of him. It all happened, and with alarming frequency. Without trying, I heard many such stories and spoke with a number of people who themselves had been the objects of the CEO's physical hostility. For example, the CEO once chased a shift supervisor in my department down the street in front of company headquarters attempting to kick him. Like so many others, Salah had come to the steps of the administration building to speak with al-Basha. "Salah said something wrong or inappropriate," the story went, and the CEO "ran all the way to the school after him, trying to hit him." Seeming disrespectful or overstepping one's bounds were sure ways to infuriate the CEO.[71]

But there were other ways to raise al-Basha's ire, like appearing to lack the requisite technical knowledge or being unable to answer his questions. Ayman, a young chemical engineer in the dye department, experienced his fury firsthand. His first encounter with the CEO was a memorable one:

> There was a problem with one of the machines in the *maṣbagha* [Dye department] and the CEO came to take a look, ask questions, etc. . . . Ayman had asked his colleagues and superiors earlier what the problem was and what [temperature] setting this machine should be on, and they told him. When the CEO came, he went to the shop floor with the head of the dye department and some of the engineers. . . . All of a sudden, someone came over to Ayman—it was his first year in the factory (he has been here seven now)—and told him that the CEO wanted him. He went over to where the CEO was standing [with his superiors already there] and addressed him with "*Effendim*" (sir), since the CEO was looking at him while Ayman was walking toward him. The CEO yelled, "*Ikhras*!" (shut up!). The CEO started speaking to all of them, which apparently is his manner, and at the end he asked a question about the setting of the machine while looking at Ayman. Ayman answered with what he was told before from the others, who were present with him. The CEO started yelling at him, calling him a *ḥumār* (ass) and said he did not know anything . . . and then lunged forward and made a quick motion [as if he was going] to punch him! I stepped back several steps and then walked away and out of the hall.[72]

After this incident, Ayman tried to avoid the CEO whenever he came to the dye department.

Despite the CEO's unique position and extraordinary power, certain aspects of his relationships with department heads, engineers, and administrative staff mirrored other relationships of power and authority between superiors and subordinates in the firm.

ENGINEERS AND SHIFT SUPERVISORS

In addition to the power of the CEO, I observed two other relationships of authority at MIDIA and Misr Textiles: relations between engineers and shift supervisors, and those between shift supervisors and workers. Although each had its own peculiarities, they had many similarities—so many, in fact, that one can think of them as three modal relationships of power and authority inside the firm.

The exercise of power takes many forms in the factory. It is not limited to social dramas such as Youssef's transfer or Khamis's run-in with the public-relations department. Smaller and more subtle and easily overlooked aspects of social interaction are just as much a product of hierarchy, inequality, and the distribution of power. These seemingly trivial practices can provide insight into the structure and ideology of social relations and the extent of hierarchy within the organization.

Small gestures, for example, often convey significant social meaning. Who greets whom, terms of address, body language, comportment, and demeanor all reflect, in part, larger relations of power and domination. Rather than merely reflecting inequality, these innumerable small acts, habitually repeated and taken together, are one of the ways systems of domination are naturalized and reproduced. Taken-for-granted practices of everyday life make up the bricks and mortar—the architecture—of authority relations.

The gulf separating engineers and shift supervisors, for example, was apparent every time engineer Abdo Farag marched onto the shop floor. Even if we did not see him approaching, we knew he was coming because the shift supervisor, whomever it happened to be, immediately jumped from his desk and scurried toward the door. It was the shift supervisor who greeted the engineer and extended his hand rather than the other way around. Salah, ʿAm Sayid Rizq, and Mohamed, the three supervisors on my floor, always addressed Abdo Farag as "*yā bash muhandis*," "*yā bey*," or "*yā basha*," while he called them by their first names.

What was fascinating about ordinary interactions such as these was that I had seen these men behave quite differently in different circumstances. Abdo Farag had been one of the first people I met at MIDIA. I spent several weeks with him at the beginning of my fieldwork learning about the company, the different departments, and the production process involved in manufacturing fabric from raw wool and cotton. During this time I got to know him well and saw him interact with administrators, engineers, and the CEO.

Despite Abdo Farag's experience and position, he was a modest, soft-spoken person. With engineers and administrators he was always polite and exceedingly friendly. He had given his whole life to the public sector, and although he was underpaid, he took pride and care in his work. In addition to being devoted to the company, he was a gentleman and a thoroughly humane person.

None of this came out, however, when he was on the shop floor. So different was Abdo Farag, in fact, that for some time I found his interactions with shift supervisors and workers disconcerting. It was difficult to reconcile the image of the man I admired with the harsh and sometimes callous and indifferent engineer I saw on the shop floor.

The shift supervisor was also remarkably different in the engineer's presence. Rizq was usually gruff and did not mince words. With the workers there were no pleasantries, and yelling was his standard mode of speech. When Abdo Farag was around, however, Rizq was on his best behavior. He became polite and all smiles; he lowered his voice and refrained from using vulgar language. Rizq strained to transform himself, and the only words that seemed to come out of his mouth were "*taḥt amrak*" (under your command or at your service), "*ḥāḍir*," [certainly], and "*awāmrak yā bāshā*" (your orders, lord).

MUSICAL CHAIRS

The situation at Misr Textiles was no different. The extent and importance of hierarchy became apparent at the end of my first week in the factory. Raghab, the director, called me to his desk and invited me to sit down. The old wooden desk looked out of place in the middle of the factory. It was the only one on the shop floor and stood in an empty space between two winding machines, immediately adjacent to a support beam. A chair with a proper back and a rickety stool that had clearly been repaired sat at either end.[73]

I had just begun at Misr Textiles and was still something of a curiosity for Raghab. As I approached, he stood up and insisted that I take the nicer chair. Both seats, of course, were off limits to workers, but I was an exception. Raghab wanted to spend the few remaining minutes of the shift conversing and seemed curious about the time I had spent at MIDIA (where I previously worked). He asked me to compare the factories and seemed eager to recount his experiences working in another textile factory in Kafr El-Dawar. No sooner had I started talking, however, than the shift supervisor appeared. Sibaʿi, in his mid-fifties, was Raghab's immediate superior. He had come to check the factory's logbook before the shift ended. The book, which sat prominently on the desk, recorded each shift's production by machine.

Even before Sibaʿi arrived, Raghab jumped up to greet him. Naturally, I followed and offered the shift supervisor the chair I was sitting on. After a moment's hesitation, he sat down, and I found myself sitting on the broken stool in Raghab's place. Raghab was now standing by the side of the desk, facing us. At this point, I did not think much of what was happening. But minutes later, when engineers Mohamed and Nagi appeared, things became more interesting. Mohamed was the factory's senior engineer, and Nagi was the production engineer immediately beneath him.

Just as Raghab had done before, the shift supervisor and I stood up even before the two engineers arrived at the desk. The usual greetings were exchanged, with the engineers showing only slight interest in Raghab. The problem now was that there were not enough chairs for all of us. Sibaʿi and I invited both men to sit down. And after a brief exchange, Mohamed took the nice chair, and Nagi tried to persuade me to sit on the stool. There was never a question about the shift supervisor or Raghab being offered a seat. It was at this point that the shift supervisor told Raghab to bring chairs from another section of the factory. He went running and a few minutes later appeared with two wooden stools. Nagi, the shift supervisor, and I sat down, and the conversation continued.

Only afterward did I realize the significance of the interaction. It was already obvious that the desk and two chairs were off limits to workers. The only people who sat there during the day (except when a shift supervisor or engineer were around) were Raghab and Khalaf, a *mulāḥiẓ* (foreman; below the director [*mubāshir*] in the factory hierarchy). As the director, Raghab was Khalaf's superior. Raghab and Khalaf had their own system of determining who sat where, depending on who was present. When Khalaf was alone at the desk, he always sat on the nice chair—the chair with the back. But when the director and the foreman were there together, it was Raghab (the superior) who always got the nicer chair. And on those occasions when the shift supervisor came to check the logbook or make the rounds, he inevitably got the chair. Raghab took the broken stool, and Khalaf stood close by.

What I had witnessed that Thursday afternoon, therefore, was an extension of an established, if informal, system recognized by all, governing who got to sit where and when—a kind of musical chairs on the shop floor. With so many people present that day, the interaction resembled an elaborate, highly choreographed dance in which all of the participants knew their parts perfectly. Musical chairs not only reflected the importance of factory hierarchies and symbolic subordination, however; it also demonstrated the extent to which these had become internalized, penetrating all aspects of life on the shop floor.[74] Hierarchy manifested itself through subtle practices of distinction and differentiation such as these. Who got to sit where had everything to do with one's position in the factory.

SHIFT SUPERVISORS AND WORKERS

Despite the often discussed awkward position of shift supervisors, being neither workers nor white-collar management, their relationship with workers resembled other relationships of power and authority in the factory. As a result of my position on the shop floor, it was this relationship that I witnessed most frequently and most closely. Although shift supervisors could at times be quite friendly with workers, their superiority was never in question and their power was always considerable. By analyzing the sources of this power, above and beyond the formal position of shift supervisor, we might learn something about the nature of authority relations in the factory more generally.

Shift supervisors' power vis-à-vis workers manifested itself in both small and large ways. For instance, similar to the relationship between shift supervisors and engineers, it was the responsibility of workers to greet their supervisors, not the other way around. And whereas workers most often referred to supervisors as "*yā rayyis*" (boss), shift supervisors referred to workers either as "*yā wala*" (boy) or by their first names.

Other small aspects of daily interaction also reflected this inequality. At MIDIA, for example, one group of workers organized a division of labor for purchasing food and preparing meals. Each day these responsibilities rotated among the workers. Although the shift supervisor always sat down and ate with the group, he was never required to buy or prepare food.[75]

In addition to these seemingly innocuous examples, the shift supervisor's power could also be quite brutal. The most horrific example of this occurred in an altercation I witnessed between Mohamed, the youngest supervisor in the department, and a worker named Said. Mohamed entered the work hall one morning and walked briskly past me. This itself was unusual, as he was a heavyset man, and his stride usually reflected this. He headed straight for Said and then, for no apparent reason and without exchanging a word, started punching him. The first blow landed on Said's shoulder, knocking him backward and causing him to lose balance. Said's immediate reaction was to defend himself. Startled, he threw a punch that landed on Mohamed's chest.

Apparently, Mohamed was not expecting any resistance from his subordinate, and the blow seemed only to infuriate him further. He exploded. His face contorted, and he began pummeling Said, relentlessly throwing blows at the much smaller figure in front of him. Mohamed was a giant in comparison, and his punches landed on Said's shoulders and chest.

At this point, Said attempted only to block the attack. Whether he realized that he could not match his shift supervisor's strength or calculated that fighting would not be wise, Said simply tried to stop the punches from landing. In this he failed miserably. There was a look of terror on Said's face, and his efforts were meek and pathetic as he bent down, desperately trying to move out of the way of Mohamed's fists. I could not help but feel sorry for him.

Twenty minutes later, I learned the reason for the attack in the workers' bathroom, where I found Said and two other workers from our department. Said, visibly shaken, was doing most of the talking. In the morning, Mohamed had asked him to deliver a note to a manager in the administration. Mohamed had just returned from meeting the manager and learned that nothing had been delivered. Furious that Said had not done what he was told, Mohamed started hitting him.

Said had simply forgotten to deliver the message. The note, which was still in his pocket, explained why Mohamed had been late for work several days earlier and had nothing to do with production or our department. It was something that Mohamed should have done himself, Said claimed. Karim, one of the workers present, agreed, rhetorically interjecting, "What? Do you work for him?"

Although physical violence between shift supervisors and workers was infrequent, it was not unknown. Mohamed assaulted Said simply because he had not obeyed his command, even though the order fell outside Said's official work duties. And the shift supervisor's behavior was unlikely to get him in trouble. Although Mohamed could not physically abuse and humiliate all the workers on his shop floor, such as older workers or shaykhs, he could get away with abusing many others. Why were shift supervisors so powerful, and what were the sources of their power?

Assigning work duties and controlling schedules turned out to be significant sources of power. Shift supervisors assigned work daily to "miscellaneous workers," and certain assignments were much more difficult than others. In addition, all workers needed the shift supervisor's approval before they could change their schedules. Thus, if a worker had to take care of an unexpected errand, such as dealing with a government agency or bank during the day or attending a wedding or funeral during the evening, he needed his supervisors' permission before he could approach other workers to switch work assignments. This happened rather frequently. Being flexible, however, was the shift supervisor's prerogative.

These were not the only sources of the shift supervisor's power. If a worker did not show up for work, it was up to the supervisor to record the absence. Being absent without first obtaining approval was considered a *ghiyāb* (absence). Receiving too many of these, especially in a short period of time, was a sure way to get in trouble. At Misr Textiles, for example, workers who were absent twice within one month lost their incentive pay (*hawāfiz*) for the entire month. In many cases, incentive pay equaled or came close to a worker's regular monthly wages. Losing this, therefore, could be disastrous. Similarly, at MIDIA, if workers received too many absences they were sent to the legal-affairs department. At both firms, a number of unexcused absences could constitute grounds for dismissal.

There were several different ways an absence could be recorded, however. In addition to a *ghiyāb*, supervisors could record absences as either a *sanawiyya* (planned vacation day) or a *maraḍiyya* (sick day). As long as workers did not go over the number of vacation and sick days they were allowed each year, there were no negative consequences for these types of absences. It was up to the shift supervisor, however, to determine how the absence should be recorded. If workers were on good terms with their supervisors, unplanned absences were often recorded as planned vacation days or sick days.

The same principle applied to arriving late to the factory. If workers came after the beginning of the shift and managed to make it past the security guards (after the front gate closed, it was up to security to let you in), it was up to the shift supervisor to decide what to do with them. He could refuse to let them work, record their tardiness as a late arrival (which affected their wages), or ignore the fact that they were late altogether.

Shift supervisors were also responsible for evaluating work performance. They had the power to give out fines (*gizāʾ*) and recommend bonuses (*mukāfaʾāt*). If the factory needed to operate on Fridays, it was the shift supervisor who decided which workers to ask to come in. Although some were not interested in working on their only day off, for many it was an easy way to make extra money, as they were paid one-and-a-quarter times their normal wages.[76]

Although the sources of the shift supervisor's power varied, they centered on decision-making and the manipulation of existing rules. Rules functioned as resources rather than as limitations to action and power. It was the supervisor who determined whether and when rules should be applied, as well as how to apply them. In some cases, he determined which rules to apply. Power came from the little spaces of arbitrary decision-making, discretion, and choice.

THE IDEOLOGY OF AUTHORITARIAN SOCIAL RELATIONS

An ideology justifying inequality and authoritarian social relations existed within the factory. Managers as well as many workers believed that superiors needed to be tough and distant and, in some cases, abusive and condescending to be respected. If superiors became too close to their subordinates, the thinking went, subordinates would lose respect for them and would be unwilling to follow their orders. Control would be lost; the chain of command would deteriorate, and nothing would get done. Domination and inequality were thought to be functionally necessary for respect, authority, and ultimately production.[77] Emad, a young engineer, summarized the idea quite well:

> *Al-taʿāṭif maʿal-ʿāmil wiḥish, wiḥish, wiḥish* [sympathizing with the worker is bad, bad, bad]. It is a bad thing about Egyptians. All of them are like this. If you are a shift super, for example, and you get close to a worker who is under you—treat him well, . . . put your head with his [meaning treat him like an equal]—he will turn on you. . . . If you let him go once to the bathroom without asking you and he does it again and again—forget it. It's over. He will go anytime.

This thinking was present at every level of the organization, and some even justified the CEO's methods on this basis. If one appeared weak in front of subordinates (being overly kind and considerate qualified), it was said, they would walk all over you. Unless one was strict and harsh, subordinates would *yiḍḥaku ʿalayk* (take advantage of you).[78]

Ramzi, a young administrator who first worked in the company as a shift supervisor, told me about the potential "dangers" of becoming too friendly with one's subordinates. At first, unlike most supervisors, Ramzi did not insist that his workers address him formally on the shop floor.[79] As a warning of what this might lead to, however, he recounted an interaction he had with one of his workers outside the factory:

> I was walking in the street with my wife, and a worker saw me, and she said, "Hello, ya Ramzi. How are you?" My wife asked me who this was. Of course, I couldn't tell her she was a worker. I said, "She's a colleague." But the next day, I told [the worker], "It's ok to call me Ramzi here [at work], but respect outside is important."

Ramzi echoed the importance of maintaining distance between oneself and one's subordinates.[80] He and his wife had internalized the system of rigid hierarchy and inequality (and the importance of position, prestige, and so on) to such a degree that he was threatened by a worker addressing him informally in public, in front of his wife. Ramzi did not even need to ask his wife what she thought. He knew that she would find it awkward, if not unacceptable, for his subordinate to address him by his first name.

In association with the institutional foundations of authoritarian social relations outlined in the preceding sections, this ideology could very well have played a generative role in these relations. In addition to legitimating rigid hierarchy and excessive power, such an ideology could partially explain why authoritarian social relations existed at every level of the organization (e.g., between CEO and engineer, engineer and shift supervisor, and shift supervisor and worker). If superiors do not treat their subordinates with respect and dignity, why should people treat those below themselves any differently? This becomes the norm—the expected and the acceptable. An ideology emerges that justifies this type of behavior. In such a system, being authoritarian becomes an assertion of one's dignity, equality, and power.

CONCLUSION

I have attempted to provide an organizational ethnography of MIDIA and Misr Textiles, two Egyptian public-sector companies, focusing on hierarchy, authority, power, and trust. Aside from questions of efficiency and firm performance, it is obvious that both companies provided working environments for their employees that were far from ideal.[81] Workers and other employees regularly suffered from the arbitrary and capricious authority of superiors and lacked functioning institutional mechanisms to redress their grievances.[82] Rigid hierarchy and authoritarian social relations were the norm, and they came across not only in obvious ways such as the CEO's power or the shift supervisor's physical abuse of workers, but also in smaller, more subtle practices, mannerisms, and codes of behavior. Relations of superiority and subordination had become so internalized that they appeared natural and were taken for granted.

A number of conclusions about the foundations of this culture can be drawn from this analysis of authority relations. Institutions that were intended to limit power and provide some measure of accountability—specifically, the board of directors and the union—did not function. The absence of countervailing powers or checks on the CEO allowed him to become the leviathan. Power became centralized and concentrated in his person.

The analysis of shift supervisor–worker relations showed that rules do not necessarily constrain authority. Instead, they can become, in practice and implementation, resources of power. The ability of different people in the hierarchy to be dictatorial came from the discretion they were given in carrying out orders and implementing rules—in practice—or in the spaces of discretionary power and decision-making left to them, regardless of how small and constrained these spaces may have been.

The type of organizational culture that developed had significant consequences. Rigid hierarchy and arbitrary authority led to sycophantism, fear, and obeisance. With so much discretionary power, subordinates were unable to engage with superiors as relative equals and were unwilling to question or criticize. In such a system, blindly agreeing with one's superiors and personal loyalty, rather than free expression, thought, and critique, are rewarded. For the organization, the results can be quite detrimental.

This became apparent during a meeting I attended to investigate inefficiency and under-production in the sheet department before I began working at MIDIA. A committee of engineers and senior administrators led by engineer Abdo Farag was set up to explore the problem. During the meeting, the group exchanged ideas and openly expressed different opinions. Once discussion ended and a plan of action was proposed, one of the committee members was assigned to put pen to paper and record the group's recommendations. Suddenly, in the middle of transcribing the group's findings, the man stopped writing and placed his pen on the desk. When Abdo Farag asked why he had stopped writing, the man openly declared (to his colleagues and Abdo Farag, whom he trusted) that he did not want to put his name on the document. He knew that the CEO would eventually read it and was afraid that he might react unfavorably to the committee's recommendations. The administrator was genuinely afraid and resumed writing only when the senior engineer personally assured him that he would not get into trouble. *Al khawf*, as I heard on more than one occasion, *bi ʿallim al-kizb* (fear teaches dishonesty).

Overly hierarchical systems of organization prevent the exchange of information that could lead to trouble-shooting and higher levels of productivity and innovation. Even when firms produce "old economy" commodities (in this case, textiles), the efficient processing of information is an essential determinant of their success. These types of organizational cultures also lead to tremendous risk-aversion on the part of subordinates, especially at the level of middle management. Many CEOs and senior managers at other companies where I conducted research complained that subordinates were unwilling to make decisions and take responsibility. Instead, people constantly deferred to their superiors. Organizational cultures characterized by tremendous hierarchy and the concentration of power do not reward risk-taking or independent decision-making. Both MIDIA and Misr Textiles could be characterized as "low-trust" organizations.

In the firm, as in Egyptian politics, formal institutions and bureaucratic rules belie unchecked power and arbitrary decision-making. A peculiar organizational culture emerges in which each individual within the rigid hierarchy of authority relations becomes subservient to those above while dominating those below. Authoritarian relations in the firm are the natural extension of authoritarian politics, and vice versa.[83]

Months after I left the company, I saw President Husni Mubarak on television opening the Cairo International Book Fair. As is custom on the first day of this annual event, the president met with journalists and intellectuals and fielded questions from the audience. And, as often happens at events such as these, the entire cabinet was seated in the front row.

At the time, Mubarak was the head of the Organization of African States, and Rwanda was embroiled in crisis. A journalist at the back of the room stood up and asked the president about Egypt's role in resolving the ongoing conflict. Mubarak fumbled for a response at first, but it was soon clear that he did not know how to answer the question. Then, after spotting ʿAmr Moussa sitting directly in front of him in the first row, Mubarak said, matter-of-factly, "*ʿUwm ya ʿAmr, radd ʿalā al-suwāl*" (Get up, ʿAmr, answer the question). There was nothing particularly hostile in the president's tone but the fact that he could, with such ease and confidence, order the foreign minister to "get up and answer the question" was striking. Here was the nation's top statesman—one of the most respected members of the cabinet, a highly educated career diplomat fluent in French and English, and Egypt's former representative to the United Nations—being addressed by his first name and ordered around on national television. The nature of the relationship between the two men was clear. It was another case of what I had witnessed in the factory.

NOTES

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[1]This essay is part of a larger project to develop an ethnography of shop-floor politics and culture in two Egyptian factories. Thus, my primary interest has been the perspective of workers, employees, and the everyday.

[2]Linda Smircich, "Studying Organizations as Cultures," in *Beyond Method: Strategies for Social Research*, ed. Gareth Morgan (Beverly Hills: Sage Publications, 1983), 163.

[3]The special issue of *Administrative Science Quarterly* (28, 3 [1983]) is devoted entirely to this concept. See also Morgan, *Beyond Method*; and William G. Ouchi and Alan Wilkins, "Organizational Culture," *Annual Review of Sociology* 11 (1985): 457–83. Ouchi and Wilkins state that, like older traditions of organizational sociology, studies of organizational culture focus on "the normative bases and the shared understandings that, through subtle and complex expression, regulate social life in organizations": Ouchi and Wilkins, "Organizational Culture," 458.

[4]Ellis Goldberg, *Tinker, Tailor, and Textile Worker: Class and Politics in Egypt, 1930- 1952* (Berkeley: University of California Press, 1986); Joel Beinin and Zachary Lockman, *Workers on the Nile: Nationalism, Communism, Islam and the Egyptian Working Class, 1882–1954* (Princeton, N.J.: Princeton University Press, 1987); Zachary Lockman, ed., *Workers and the Working Classes in the Middle East: Struggles, Histories, Historiographies* (Albany: State University of New York Press, 1994); Omar El Shafei, *Workers, Trade Unions and the State in Egypt: 1984–1989*, vol. 18 (Cairo: American University in Cairo Press, 1995); Ellis Goldberg, ed., *The Social History of Labor in the Middle East* (Boulder, Colo.: Westview Press, 1996); Marsha Pripstein Posusney, *Labor and the State in Egypt: Workers, Unions and Economic Restructuring* (New York: Columbia University Press, 1997); Nicola Christine Pratt, *The Legacy of the Corporatist State: Explaining Workers' Response to Economic Liberalisation in Egypt*, Durham Middle East Papers, no. 60 (Durham, U.K.: Centre for Middle Eastern and Islamic Studies, 1998).

[5]*The Statistical Yearbook 1992–1998* (Cairo: Central Agency for Pubic Mobilization and Statistics, 1999), 301.

[6]See John Waterbury, *Exposed to Innumerable Delusions: Public Enterprise and State Power in Egypt, India, Mexico and Turkey* (Cambridge: Cambridge University Press, 1993).

[7]See K. M. Barbour, *The Growth, Location, and Structure of Industry in Egypt* (New York: Praeger Publishers, 1972), 67.

[8]See *Egypt: Urban Growth and Urban Data Report*, prepared for the Advisory Committee for Reconstruction, Ministry of Development, July 1982, esp. 452–54.

[9]One feddan is approximately 1.038 acres.

[10]In a Hobbessian way, the CEO *is* the company. Many workers and white-collar employees identified him *as* the firm.

[11]The appearance of work was more important than work itself, and the enactment of hierarchy was in many ways as important as production.

[12]At the time, Obeid was minister of public enterprise, the minister to whom the CEO reported. Obeid became prime minister in 1999.

[13]The supervisor went to the CEO and apologized, pleading with him, but Ali Bey did not change his decision.

[14]The spinning factories at Misr Textiles were steel constructions and had no windows. Once inside, you could not tell whether it was 2 P.M. or 2 A.M. The factory was completely dependent on artificial light; with half the light bulbs removed, the lighting was not good. Describing the factory's visibility before the cost-cutting measure, when all the light bulbs were turned on, one of the workers said, "One used to come here and it was as if you were going to [entering] a wedding. This bad lighting has an effect on work. The worker can't see mistakes as easily . . . especially in spinning, which has fine yarn." Armed with a long brush, the worker installing the extra lighting also brushed off the existing light bulbs, dislodging cotton and polyester fibers, which then floated in the air.

[15]This caused at least two other problems. First, almost all of the wheels on the bottom of the barrels in which we transported raw material were broken as a result. This meant that moving the barrels became quite difficult. The solution—makeshift, as usual—simply exacerbated the existing problem. A "rope system" was developed in which a big rope was tied around a number of barrels, and one or two people pulled it, dragging the barrels from place to place, usually between the *saḥb* and *barm* machines. Second, the rough, uneven floor made it difficult to clean, resulting in more cotton and polyester fibers and dirt particles in the air, which certainly was not good for anyone's lungs.

[16]The other interesting and important point to note here is that both men told me that the temperature and humidity in the work hall needed to be controlled, as this affected production (the winding process, the yarn, and so on). The factory had a special, high-tech air-conditioning system that had broken down about a year earlier. Because it was a modern steel-construction factory, however, the work area did not have any windows or alternative air-ventilation system. This meant that during the summer—which was when I worked there—the factory was like an inferno (the steel construction absorbed the sun's heat). It was said that the CEO, in another money-saving measure, did not want to spend the 1 million pounds needed to replace the expensive, imported air-conditioning system. This is an example of inappropriate technology. (The other factory where I worked, MIDIA, was built in the 1970s with little technology. It had many large windows on all the walls and was much more pleasant to work in. We regulated the temperature simply by using the windows.) The Swiss company that had designed Misr Textiles, however, assumed that something of this scale and expense would be run like a Swiss firm—no skimping on expense or production. The bathrooms (specifically, toilets with seats and hand dryers) were another example of inappropriate technology. After several weeks, all the hand dryers broke, and management replaced the European-style toilets with "Turkish toilets," as they were much easier to keep relatively clean.

[17]The truth is that, to overcome the sweeping problem, workers (with either the shift supervisor's tacit approval or under his orders) often sprayed water on the floor. Dr. Watash and the senior engineer might have known this or they might not have noticed: they spent most days in their air-conditioned offices (which, in Dr. Watash's case, did not look into the factory but had a much more pleasant view outside the building). In some ways, this was solving one problem by causing another.

[18]The raw material for this machine—a special cotton and stretch polyester blend—was produced in another part of the same factory, and that section was running behind. It was uncertain when another batch would be finished for us—it could be done in five minutes or an hour. The production engineer did not want to be in the position of having the machine sit idle when the delegation (and the CEO) showed up.

[19]If the machine was turned on, however, it might run out of raw material before the delegation arrived.

Again, the appearance of productivity was more important than production itself. The next day, the senior engineer wanted to show me the different types of machines in the factory. Most of the machines at Misr Textiles were relatively new and fairly sophisticated. Many of the pulling machines, for example, came with built-in computers that measured production, including the weight of what was produced, the number of times the machine stopped during a shift, and other types of information (including general efficiency readings). By coincidence, he demonstrated the computer's capabilities on this very pulling machine. It came out to 39 percent efficiency, whereas the other shifts on the same machine usually got no less than 80 percent, and some got even higher. He was quick to say that reasons other than the visit had led to the low efficiency that day.

[20]Something very similar happened at MIDIA. Once Mahmoud said: "just like Husni Mubarak—they only clean the streets and paint the curbs when he comes."

[21]Of course, one of the reasons behind the CEO's visits—planned, rumored, or probable—could have been to get everyone on their toes and working. Even if this were the case, however—and I do not believe it was—it was still a terribly inefficient system, because preparing for these visits took time and resources and meant less time working than on regular days.

[22]The sign itself is interesting. Why do workers use this particular signal to mean that a "higher-up" is on the way? Hierarchy in the factory is similar to, and to some extent modeled on, military hierarchy. In the early years of the public sector, many company directors were former military officers appointed by Gamal Abdel Nasser's regime.

[23]It is also interesting to note how Dr. Watash and the head engineer heard that the CEO might be coming. When I asked the engineer how he knew the CEO was coming, he told me that someone had seen his schedule book. The production engineer quickly remarked, half-jokingly, "He's not the only one who has spies. We have our ways, as well." From what I gathered, they had someone in the inner circle—a secretary, administrative assistant, or driver—who had been told about the visit or had access to the CEO's schedule.

[24]Making everyone wait was another exercise of power. It was his right, the privilege of his position. See Robert Levine, *A Geography of Time: The Temporal Misadventures of a Social Psychologist, or How Every Culture Keeps Time Just a Little Bit Differently* (New York: Basic Books, 1997).

[25]Although the CEO's visits might have been worse for the higher-ups, they were tough on everyone. It was difficult to extend machine stoppages for an extra minute or two to take a break or talk with a friend.

[26]The same thing happened, but on a much smaller scale, whenever the rumor circulated that a *murūr* (surprise inspection) was about to take place. We usually had less preparation for such visits.

[27]This is very similar to the receiving lines that greet the president when he travels. Whenever the president leaves or enters the country, all of the ministers go to the airport to meet him. Surely, they could be doing better things with their time. But what would happen if one of them decided not to go to the airport but to work instead? Most likely, he would be out of a job the next day. The same thing happens when the president travels overseas: he is greeted by the entire Egyptian diplomatic core stationed in the country he is visiting.

[28]It was not the CEO or his personality, it was part of the ideology of management in Egypt, that one had to be tough, almost ruthless, with workers (and those under one more generally) or else one would lose all authority. People believed that workers would lose respect for them and take advantage of their "weakness." Nothing would be accomplished.

[29]It was the company's own version of the gulag. After all, every state needs a prison camp.

[30]This, of course, was the intention. Sending the shift supervisor to this factory was a form of punishment.

[31]Sometimes people took desperate measures to get an audience with the CEO. My closest friend, Shaykh Darwish, hid behind a support beam. As the factory head walked by, he jumped up to meet him. The usual response was, "Go talk to my assistant."

[32]Both of these officials were very important in their own right, wielding tremendous power. They wrote down every word the CEO said, which would later become law. What is interesting is that these two officials became completely subservient in his presence but were incredibly powerful and tyrannical on their own.

[33]Both *bey* and *bāshā* were official titles of status conferred on distinguished members of Egyptian society (usually large landowners) by the monarchy before the 1952 revolution. *Bey* and *basha* were two different degrees of lordship, and both titles are used colloquially today in an informal manner. Although honorific titles (especially *bāshā* and *bey*) are common in Egypt, it is not very common to refer to individu-

als as *al-Basha* or *al-Bey* outside their presence. Usually, these titles are placed in front of or said in place of someone's name while addressing him directly. Although this occurred in the company (that is, when employees spoke to the CEO directly, they addressed him as *"yā Bāshā"*), something more than this occurred, as well. When employees spoke about the CEO among themselves in the cafeteria, in their offices, or on the shop floor, they referred to him as *al-Basha* (with the definite article)—literally, "the lord." And it was unmistakable who one was referring to when one said *"al-Basha"* in the company or in any conversation regarding the company. Although workers sometimes addressed their supervisors (and employees addressed their immediate superiors) as "*yā Bāshā*," there was only one *al-Basha*, and it was absolutely clear who he was and to whom you were referring. How one addresses someone and the honorific used is very important more generally and reflects the extensive hierarchy of the society. These small practices establish and maintain relations of hierarchy. So, similarly, workers address their shift supervisors as *yā rayyis* (boss or head) while supervisors address workers as *yā wala* (boy) or as *yā wala* followed by the worker's name (as in *yā wala* Hussein). Interestingly, this does not apply to workers who are known as shaykhs, making the status (power, prestige) of the title of shaykh that much more important. See Samer Shehata, "Plastic Sandals, Tea and Time: Shop Floor Politics and Culture in Egypt" (Ph.D. diss., Politics Department, Princeton University, Princeton, N.J., 2000), chap. 1.

[34]I have addressed this phenomenon elsewhere: See ibid., chap. 2. Safwat *al-ḥarāmī* once said that the CEO did not like it when people addressed him as *bey*, which, although still an honorific of respect, is lower than *basha* in the hierarchy of titles and status. Employees are also conscious of what they say about the CEO and are careful about how they refer to him. It was said that "the walls have ears," and when two people were alone in a room, they often still referred to the CEO as *al-Basha* out of fear that if they called him by his name (let alone said something derogatory or disrespectful) someone outside might hear and they could get in trouble.

[35]It was infantalizing and degrading, and it could be humiliating. His power was almost magisterial. Seeing highly powerful people—the senior company officials—prostrating themselves before him, completely powerless, was also interesting.

[36]The meetings also said to everyone that the CEO could help you with one word or make you miserable with another.

[37]On "industrial citizenship," see Michael Burawoy, "The Anthropology of Industrial Work," *Annual Review of Anthropology* 8 (1979): 255. Burawoy makes a similar argument with regard to bureaucracy in modern organizations: "The grievance procedure turns struggles between classes into struggles between the individual and the company. The system of day-to-day factory administration represents workers as industrial citizens—individuals with rights and obligations." See also idem, *Politics of Production*, 10.

[38]This was another, much less common reference to *al-Basha*. It was more cool, hip, vulgar, and masculine. A few of the workers sometimes used it to refer to the CEO, as well. The reference to masculinity is obvious.

[39]Then he said something like, "This is his kingdom."

[40] All roads lead to Rome—and to Caesar. All white-collar employees who were about to be hired had to have a final interview with the CEO. This established a personal relationship, even if it was only in the employee's imagination, between him and *al-Basha*, cementing the idea that the CEO had hired the employee—that the CEO had given him his job and that he could also take it away.

[41]Having to go through people instead of institutions to address one's problems and pursue one's concerns leads to the development of patron–client relations. Workers, and everyone else in the firm, needed to establish and maintain good contacts with people above them—especially the most powerful people they knew—so they could call on them for help when needed.

[42]I am not claiming that bureaucracy is inherently inefficient. Although bureaucracy often "evokes an image of inefficiency" because "by the nature of their activities, officials produce very little of tangible good to anybody else, and their work might appear to be simply red tape," bureaucracies have coordinating and organizing functions, not to mention their importance in administering fair treatment. But in the context of an organization such as the ETUF, set up more to control workers than to represent their interests, bureaucracy can become pathological, "involving unnecessary rules and procedures, and . . . the stifling of all initiatives by using these rules and procedures actually to block them": see Edward C. Page, *Political Authority and Bureaucratic Power: A Comparative Analysis* (New York: Harvester, 1992), 6–7.

[43]The ETUF was established and is maintained by the state more to secure its own interests than to defend the interests of workers. The two are very often at odds.

[44]The organization of the *maʿāriḍ* was said to be incredibly lucrative for the union officials, as they negotiated with wholesalers and retailers to sell their products. In other words, it was rumored that union officials received kickbacks from the retailers. It would seem to have been an incredible opportunity for the merchants (wholesalers and retailers), because the cost of the commodities purchased was regularly deducted from workers' wages, and they were thus guaranteed payment. I compared the prices of color-television sets in Alexandria during the summer of 1996 and found those sold during the *maʿāriḍ* to be noticeably more expensive than those on the "free market."

[45]Most commentators label the ETUF corporatist: see R. Bianchi, *Unruly Corporatism* (Oxford: Oxford University Press, 1989); Posusney, *Labor and the State in Egypt*; Huweida ʿAdly, *al-ʿUmal wa al-Siyasa* (Workers and Politics) (Cairo: Kitab al-Ahali, 1993); Pratt, *Legacy of the Corporatist State*. The problem I have with this, however, is that the ETUF does not provide actual or effective representation of workers. Corporatism is about interest aggregation and representation—that is, industry and labor cooperating or negotiating with or within government. It is not the same as the sham representation of labor. Providing the classic definition, Philippe Schmitter writes: " 'Corporatism' can be defined as a system of interest representation in which the constituent units are organized into a limited number of singular compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognised or licensed (if not created) by the State and granted a deliberate representational monopoly within their respective categories in exchange for absolving certain controls on their selection of leaders and articulation of demands and supports": see Schmitter, "Still the Century of Corporatism?" in *The New Corporatism: Social–Political Structures in the Iberian World*, ed. F. Pike and T. Strich (Notre Dame, Ind.: University of Notre Dame Press, 1974). Posusney provides an excellent account of the ETUF as an institution. The questions that remain, however, are: how important is the ETUF to most workers; when has it supported, encouraged, or engaged in collective action; and what do workers think of "their institution"? Any account of the ETUF is likely to say more about the intestines of the Egyptian state (the large bowels, to be exact, corrupt and foul) than it will about "ordinary workers."

[46]See Richard Freeman and James Medoff, *What Do Unions Do?* (New York: Basic Books, 1984).

[47]Freeman and Medoff write, "[T]he union constitutes a source of worker power, diluting managerial authority and offering members protection through both the 'industrial jurisprudence' system, under which many workplace decisions are based on rules . . . instead of supervisory judgment or whim, and the grievance and arbitration system, under which disputes over proper managerial decision making on work issues can be resolved. As a result, management power within the enterprise is curtailed by unionism, so that workers' rights are likely to be better enforced": ibid., 11.

[48]Workers recounted that, in the old days when Rashid was a nobody, he borrowed cigarettes and money from them. They said he was self-serving, interested only in himself and his own personal gain.

[49]Ironically, Rashid was also one of the candidates for Parliament in my district of Alexandria. He was a personal friend of the CEO, and later an enemy. The CEO played a tremendous role in promoting him within the union hierarchy. Everyone said that without Ali Basha, Rashid would never have been the head of the ETUF. Some of the workers remembered a co-worker traveling to Cairo with a serious complaint to deliver to Rashid who now had tremendous resources at his disposal and was immensely powerful. The worker arrived in Cairo (after a three-hour train trip), made his way to the headquarters of the ETUF, and waited to see Rashid. After being told the sob story, Rashid simply said, "I can't help," and gave the worker 10 pounds for lunch.

[50]In fact, it was coterminus with the firm. The make-up of the union at the company level is discussed later.

[51]It was said that people ran for union seats to gain money and power or if they wanted a nicer apartment or a car.

[52]Many people took advantage of credit and purchased items that they could not otherwise afford. Thus, the *maʿāriḍ* were considered an important service. Deductions were made directly from wages, and there was a limit on the percentage of someone's wages or salary that could be deducted. This served to limit purchases.

[53]When it did, it did not occur within the institutions of the union. In fact, the union did not have an institutional existence, just positions and people occupying them. Part of this had to do with the CEO's ability to neutralize the union as an institution.

[54]No one had confidence in the union because it was a creature of the state and because at the local

level it was controlled by the firm. It had severely limited real powers, was coterminus with the firm, and was composed of elected officials who were thoroughly self-interested and easily co-opted.

[55]See Bianchi, *Unruly Corporatism*, 129. This of course also happened at the national level.

[56]See Pratt, *Legacy of the Corporatist State*, 53: "Due to their illegality, workers' protests are always organised independently of their trade unions. . . . In fact, trade unions have usually condemned striking workers, and have even informed the security forces of an imminent protest."

[57]Darwish added, "He says he brought you here [to this position]. Therefore, you can't do anything against him!"

[58]See Nazih Ayubi, *Over-stating the Arab State: Politics and Society in the Middle East* (London: I. B. Tauris, 1995), 349. Note also that, overall, my findings vary significantly from those in Samir Youssef, *System of Management in Egyptian Public Enterprise* (Cairo: American University in Cairo Press, 1983). His account, like many, emphasizes public-sector managers being constrained by the general organizations and "a complex set of laws and regulations" (p. 16). He writes, "Managers faced with a maze of rules and regulations had very little opportunity to make decisions on their own" (p. 17) and "a general problem has been to over-centralize . . . dependency on the central government" (p. 102). The difference could be explained in a number of ways. First, Youssef's account is heavily influenced by "management studies," which would naturally bias him in that direction. In addition, my account analyzes the CEO's power vis-à-vis the firm and its employees—not other firms, government organizations, or regulated markets. Finally, Youssef's book was published in 1983 (well before Law 203 in 1991) and addresses an era in which state-owned enterprises were in fact more heavily regulated.

[59]See Pratt, *Legacy of the Corporatist State*, 61.

[60]For example, the right to hire someone after the official retirement age as a "consultant." Quite a few workers, as well as non-workers, were rehired in this capacity.

[61]Ali Bey's appointment was an emergency appointment to rescue the firm. The company was said to be losing 100 million Egyptian pounds a year at the time. See also Ibrahim Khalil, "The CEO and Public Money," *Ruz al-Youssef* (4 November 1996), 13–15. (Note that the page number is misprinted in the original. The article begins on p. 13, although the number is printed as 17).

[62]Of course, price provides only one kind of accountability—financial—assuming that the markets are competitive. Although price provides some measurement of efficiency, it does not say anything about the qualitative aspects of labor or the organization of production.

[63]See Ratan Kumar Jain, *Management of State Enterprise in India: A Study of the Organization and Management of Public Sector Enterprises in Indian Setting* (Bombay: Manaktalas, 1967), 92. One of the primary purposes of accountability is to safeguard against potential abuses of power and corruption. Accountability ensures that the CEO is answerable for his decisions (and performance) in hiring, firing, promotion, policy changes, strategy, and so on. In its narrowest interpretation, "accountability involves answerability to a higher authority in the bureaucratic or inter-organizational chain of command": see Kevin Kearns, *Managing for Accountability: Preserving the Public Trust in Public and Nonprofit Organizations* (San Francisco: Jossey-Bass Publishers, 1996), 7.

[64]Jain, *Management of State Enterprises in India*, 92–93.

[65]Ibid., 168. Jain discusses "administrative and legal," "efficiency accountability," and "financial" forms of accountability, writing, "The effective use of accounts for the purpose of accountability, however, presupposes the existence of a strong, efficient, and independent body of auditors": ibid., 95. Note, however, that in Egypt, Al-Rikaba al-Idariyya (the Administrative Supervision Agency), although ostensibly set up for this purpose, is used primarily for punishment and harassment—after the fact—and to justify the replacement of CEOs. A similar situation exists within firms.

[66]Aly El Salmi, *Public Sector Management: An Analysis of Decision-Making and Employment Policies and Practices in Egypt*, Technical Papers of the International Labor Organization/United Nations Development Program Comprehensive Employment Strategy Mission to Egypt, no. 6 (Geneva: International Labor Organization, 1980), p. 18; emphasis added.

[67]The function of the public-relations department was not clear. The factory rarely had visitors, and although the company advertised, it certainly did not need an entire department devoted to public relations. Shaykh Darwish was certain that the public-relations department basically provided a way for the state security service to keep track of people in the company. Darwish said that Ibrahim Hassan, head of the wool-preparation department, told public relations when certain people seemed overly religious. For example, on the Fridays the factory was open, a Friday *khutba* (sermon) was held. If the person giving the

sermon said anything about the state or politics, according to Darwish, Hassan told public relations, which in turn informed state security. The public-relations department also used certain people more or less as spies—that is, regular workers who provided information (no doubt for some benefit) about other workers and their doings. See the case of the letter discussed later.

[68]Although it was officially the *ṣandūq al-ta'mīn*, everyone informally referred to it as the *ṣandūq al-zamāla* (collegial fund). The fund worked very much like a pension fund except that it was an institution specific to MIDIA, in addition to the national pension system. Money was deducted directly from employees' wages or salaries throughout the year. When they reached retirement age at sixty, employees received their share of the proceeds, which was significantly more than what they contributed because the firm had invested the money in the meantime.

[69]If you left the company before reaching sixty, for example, you got back only what you had put in. This was not fair, Khamis claimed, because "your money is working the whole time. If you had put it in any bank, it would have become larger—you would have gotten interest." Other things needed to be changed. If you suffered a death in your family, the fund gave you a measly 50 pounds. This was much too little, Khamis said. And if you needed a loan—to marry off your kids or change apartments, for example—Khamis said, you should be able to borrow up to 3,000 pounds from what you contributed. Employees could pay the money back by receiving less at age sixty, he said. "After all, it's our money. We should be able to do with it as we please."

[70]Of course the locus classicus of this definition of the state (I have made a slight modification) is Max Weber's "Politics as a Vocation": "Today, however, we have to say that a state is a human community that (successfully) claims the *monopoly of the legitimate use of physical force* within a given territory." See H. H. Gerth and C. Wright Mills, ed., *From Max Weber: Essays in Sociology* (London: Routledge, 1985), 78; italics in the original.

[71]For Hobbes, breaking the law was a personal insult to the sovereign.

[72]Ayman also acknowledged that walking away from someone, especially someone older, was considered very rude: "The CEO doesn't really ask questions. He asks questions that he already knows the answers to."

[73]The stool was lower than the chair and the wrong height for the desk, making it somewhat awkward to sit on.

[74]This seemingly trivial interaction demonstrates how, through small, everyday practices, agents reproduce hierarchy and a system of authority relations. No one needed to make anything explicit or give the situation a second thought. We improvised, yet the improvisation was effortless. We were going to sit according to our rank. This was one way in which the firm's organizational structure and hierarchy were enacted in the world. It had long since become part of the habitus of working in the factory. For an analysis of an institution as practice, see my discussion of hierarchy and seating on company buses at Misr Textiles in Samer Shehata, "Identity, Reflexivity and the Ethnographic Encounter: Plastic Sandals, Tea and Time" (Ph.D. diss., Department of Politics, Princeton University, 2000).

[75]Examples like this one abound. For instance, although ʿAm Sayid Rizq (like all of the shift supervisors in our department), often had tea with the workers, he sometimes ordered a worker to bring him tea at his desk.

[76]Because many needed the extra money, and work on Friday was relatively lax, it was desirable to be asked to work on Fridays. Supervisors had many other small potential sources of power. Although the number of cigarette breaks workers could take was regulated, for example, many supervisors allowed workers to smoke more frequently than the rules allowed. This was a source of goodwill as well as a source of power.

[77]This idea is neither new nor specific to Egypt. "Managers and army officers, for example, in Britain if not elsewhere, very often have separate eating, recreation and toilet facilities, presumably on the grounds that, within British class culture, 'familiarity breeds contempt' ": Graeme Salaman, *Working* (London: Tavistock Publications, 1986), 28. Class divisions in Egypt run at least as deep as those in Britain.

[78]The literal translation of this is "laugh at you." The meaning, however, is to take advantage.

[79]I imagine that this was the case because Ramzi was a relatively well-educated young man who found himself supervising female workers close to his age. The fact that he was going to be working as a shift supervisor only temporarily also may have contributed to this.

[80]This is how Dr. Watash explained the existence of separate buses for shift supervisors and workers at Misr Textiles. Although it was inefficient to have different buses for different groups, Dr. Watash claimed

that too much contact between workers and shift supervisors would make it difficult for the latter to perform their jobs successfully.

[81]This is not to assume that employment in the private sector is necessarily better.

[82]Yet despite hierarchy, asymmetrical power relations, and the arbitrary exercise of authority, and despite the absence of institutions capable of addressing their grievances and a union willing to promote their interests, workers found ways to resist—at times, quite successfully—negotiating how they worked as well as how hard they worked and regulating their time and their effort. Through small acts of sabotage, insubordination, pilfering, and evasion, and through shortcuts, workers occasionally managed creatively to escape work and their supervisors, with obvious implications for the firm. See Shehata, "Plastic Sandals," chap. 3–4.

[83]It should be obvious that, although I have been intentionally provocative in my discussion of the CEO as leviathan and my use of the firm as a metaphor for the state, this has not been an argument about Oriental despotism, the Egyptian authoritarian personality, or "hydraulic society." Instead, I have attempted to provide an institutional account of the culture of authoritarianism, the centralization and concentration of power, the lack of accountability, and the absence of what some have called "industrial citizenship."