

# Economy and Society under Occupation

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By 1914 cotton constituted 90 percent of Egypt's exports. To the British, who controlled Egypt's financial and economic life, ensuring Egypt's prosperity and its ability to service its debt meant expanding Egypt's reliance on cotton production. Some British officials had more personal reasons for their interest in the production and export of cotton. Some were landowners; some were involved in the marketing of the crop; and some, like Lord Cromer, made huge fortunes from cotton speculation.

Trade policy was based on free trade, which favored the more industrialized nations whose products undersold those produced locally. Lord Cromer himself described the effects of the import of European manufactures on local craft production. He noted that quarters of the city that had been "hives of busy workmen" had shrunk or been eliminated entirely. Cafés and small stores selling European goods replaced productive workshops. Egyptian industrialization would have required protective tariffs that the British would not allow. Thus, although Egypt had a solid infrastructure, a sizeable local market, and an indigenous supply of capital, industrial development was stymied by a British trade policy that sought to protect the Egyptian market for British products and to maintain Britain's near monopoly on Egyptian cotton.

In spite of these formidable obstacles, a small industrial sector did develop, devoted primarily to processing raw materials and producing perishable or bulky goods. Industrialization gave rise to a modern working class engaged in factory labor. By 1916 there were 30,000 to 35,000 workers employed in modern factories. Pay in the industrial sector was low and working conditions sometimes unsafe. Just as it maintained a hands-off policy concerning trade, the state refused to intervene to regulate working conditions. Between 1899 and 1907, at least seven workers' associations were formed, focusing on conditions and pay. Strikes were organized among cigarette wrappers; warehouse, port, and railroad workers; and spinners in factories. The working-class movement received considerable support from Mustafa Kamil's National Party (Al Hizb al Watani), which set up schools in working-class areas and assisted unions with publicity and legal counsel during strikes. The unions, like the nationalist movement, were severely repressed by the government.

In 1906 the Dinshawi Incident occurred, which intensified nationalist and anti-British sentiments. A fight broke out between the villagers of Dinshawi, near Tanta in the Delta, and a group of British officers who were shooting pigeons nearby. In the course of the shooting, the wife of the local imam (religious leader) was shot and wounded. Villagers surrounded the officers, and in the ensuing fracas, two British officers were wounded. The officers in turn panicked and opened fire on the villagers. One of the British officers died of his wounds as he attempted to march back to camp a few miles away. British soldiers who found the dead officer beat a peasant to death. Fifty-two Egyptians were arrested and brought before a special court convened in Shibin al Kawm. Four peasants were sentenced to death, many to terms of imprisonment at hard labor and others to public flogging. The sentences were executed swiftly, publicly, and brutally. This event heightened Egyptian political consciousness and led to the organization of political parties.

In 1907 two political parties were formed, which served as vehicles for expressing nationalist ideas and actions. They were Kamil's National Party (also seen as the Watani Party) and the People's Party (Al Hizb al Umma or Umma Party). The Umma Party was founded by Mahmud Sulayman Asha, a former leader of the assembly and ally of Colonel Urabi, and Hasan Abd ar Raziq, among others. The most prominent member of the Umma Party was Ahmad Lutfi as Sayyid, editor of the party's newspaper, *Al Jaridah* (The Newspaper). The National Party's newspaper was *Al Iwa* (The Standard). Kamil and Lutfi as Sayyid were Egyptian rather than Turco-Circassian in origin and represented the increasing political strength of Egyptians in national life. Kamil's party called for the British to evacuate Egypt immediately. Although Kamil agreed that Egypt needed reform, he argued that the British presence was not necessary to achieve it. Because Islam played a larger role in his thought and in the party ideology than in the Umma Party, Kamil and the National Party attracted to it anti-European conservatives and religious traditionalists.

The leaders of the Umma Party had been disciples of the influential Islamic reformer Muhammad Abduh. Unlike Abduh, however, who was concerned with the reform of Islam to accommodate it to the modern world, Lutfi as Sayyid was concerned with progress and the reform of society. The aim of the Umma Party was independence. Lutfi as Sayyid believed, however, that Egypt would attain self-rule not by attacking the British or the khedive but through reform of Egyptian laws and institutions and the participation of Egyptians in public life.

Lutfi as Sayyid believed Egypt should cooperate in any measures that would limit the autocracy of the khedive and expand constitutional government, which could only strengthen the nation. Implicit in the Umma program was the idea of tactical cooperation and eventual negotiation with the British on the future of Egypt, an idea that Kamil and the National Party rejected. The National Party was described as "extremist" because of its demand for the immediate withdrawal of the British, while the Umma Party was called "moderate" because of its gradualist

pproach to independence from British domination.

amil died in 1908; the party never recovered from his death although it continued to play a role in national political life until 1952. It was the only political group that refused to take part in negotiations for the Anglo-Egyptian Treaty of 1936. The Umma Party participated in Egyptian party politics until World War I, and its newspaper ceased publication in 1915. The party's influence was long-lasting, however, because Saad al-Jahlu, who emerged as leader of the nationalist movement after the war, was part of the Umma/*Al-Jaridah* circle.