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Abstract

This paper highlights the recent patterns of outward migration from Egypt. After a brief historical overview, the main characteristics of Egyptians residing abroad are presented. Part of the analysis is also dedicated to the effects of emigration on the Egyptian labor market as well as on the causes prompting outward migration from the country. As to immigration patterns, the conditions of refugees and asylum seekers living in Egypt are analyzed in detail. The paper concludes with a time analysis of the social and economic impact of remittances in Egypt.

Résumé

Cet article se propose d'apporter un éclairage nouveau et actualisé sur les caractéristiques se rapportant au phénomène de l'émigration en partance de l'Egypte. Partant d'une brève historique, l'analyse s'attache à retranscrire les caractéristiques principales des émigrés égyptiens. L'intérêt de cette étude tient, en outre, à déterminer, et d'une part, l'impact de ce phénomène sur le marché du travail égyptien et, de l'autre, les causes motivant les migrations enregistrées en partance de l'Egypte. S'agissant des caractéristiques liées au phénomène de l'immigration, l'analyse prête une attention particulière à la condition des réfugiés et des demandeurs d'asile résidant en Egypte. L'article se penche, en dernier lieu, à l'appui d'une analyse temporelle, sur l'impact socio-économique des transferts de fonds réalisés vers l'Egypte.

1. Historical overview of emigration patterns from Egypt

Egyptian migration has gone through different phases and several factors have interacted to define these phases. Factors have included the changing international conditions and international labour market needs, particularly in the Arab region. However, the beginning and end points of each phase are blurred. There is no wide agreement in the Egyptian migration literature about the standard phases through which Egyptian labour migration has moved. However, one can say that there are distinct points of change that could distinguish a certain period, when compared to another.

- Egyptian migration dates back to the nineteenth century, when the first cultural expeditions of students headed towards Europe. However, organized migration began with Egypt's sponsorship of schoolteachers to Iraq in the 1930s. This was extended to other countries. Until about 1961, migration policies mostly concerned immigrant issues, such as the legal status of the non-Egyptian population in the country. Little attention was paid to Egyptians who left or wanted to leave. Political controls on migration were in force, mainly through 'exit visa' requirements (Zohry, 2005).
- This was followed by a second period when migration was allowed, with attempts to organize the same, which ran from 1967 until the mid-1980s. This second phase witnessed an increasing awareness among the national authorities of the role of migration as a labour distress mechanism for over-population. During this period Egypt signed the Labour Movement Agreement at the Arab League of Nations. Egypt also signed a number of dual agreements. In 1971, permanent and temporary migration was authorized under Article 52 of the 1971 Constitution, eliminating every barrier to emigration. During the same year, the government issued law 73, which gave the public sector and government employees the right to return to their jobs within one year from their resignation. The timeframe was then extended and other legal impediments were removed. At this time, large numbers of Egyptian migrants began to flow towards the Arab Gulf Countries, in particular after the war of 1973, which led to a large increase in oil prices; the demand for Egyptian labour increased extensively. Meanwhile Presidential Decree No.574 of 1981 was issued for the purpose of establishing the Ministry of State for Emigration Affairs. (Nassar, 1988). In 1983, Egyptian migration reached its peak as the total number of migrants reached 3.28 million. (Ministry of Manpower and Emigration, 2009)
- However, since the mid-1980s, oil revenues have generally decreased. As a consequence, the volume of Egyptian emigrants began to decrease too and the flow of emigrants became smaller. Then Egyptian migration witnessed a further downward trend with the second Gulf war and the sudden huge return that followed it. The Egyptian stock of migrants had decreased to 2.2 million by the beginning of the 1990s. (Ministry of Manpower and Emigration, 2009)
- 1992-1997 witnessed an upward trend after the second Gulf war and the return to Kuwait of migrants as well as the stable economic conditions. Total numbers of contracts for Egyptian workers in Arab countries increased from a very low level of 589 contracts in 1991 to 83,458 contracts in 1994, when it reached its peak and then it decreased sharply. The stock of Egyptian workers residing abroad increased from 1,221 million in 1992 to 2.181 million in 1997, at an average annual rate of 12.3%. Total number of nationals abroad increased from 1.856 million to 2.901 million, at an average annual rate of 9.3%. This rate reached its peak in 1992/1993 and then it decreased sharply.
- However, by 1998, another downward trend took place. This is partly due to the slowdown in the world economy as a consequence of the collapse of the East Asian Financial markets in1997. The stock of Egyptian workers residing abroad decreased from 1.982 million in 1998 to 1.9 million in 2000, at an average annual rate of -2.1%. Total number of Egyptian nationals abroad decreased from 2.806 million to 2.724 million, at an average annual rate of -1.5%.

Hence, Egypt was witnessing in 2002 a negative net immigration rate of -0.42. Net number of migrants reached -150 thousand.

- The Egypt Labour Market Survey (ELMS) in 2006 indicated an increase in emigration flows over the period 2003-current.

Egypt's principle migration legislation, law number 111 of 1983, makes a clear distinction between permanent and temporary migration. The law defines permanent migrant[1] as "the Egyptian who stays abroad permanently, by obtaining the nationality of a foreign country, or a permanent residence permit to stay in this country; or who stays abroad for at least ten years, or obtains an emigration permit from one of the countries of emigration specified by a resolution of the Minister concerned with Emigration Affairs." While the law defines the temporary Egyptian migrant[2] as "the Egyptian Citizen, who is not a student, or seconded employee, who settles and sets up his main activity abroad, and has a job to make his living, providing that he has stayed abroad for one year[3] and *has not taken permanent emigration procedures*."

In practice the distinction is simply a geographical one with all migrants to Arab states defined as temporary, even though some have been there many years. This is also related to the labour migration regime in the Gulf Cooperation Council (GCC) countries themselves which do not allow provisions for permanent settlements and citizenship status for labour migrants however long they stayed in the country[4]. On the other hand; all migrants to Europe, North America or Australia are defined as permanent, including those who have arrived recently.

There is an obvious data discrepancy between the national sources and the sources of the receiving countries. This problem was cited by the Ministry of Manpower and Emigration held in 2009. The conference stressed the discrepancies in the data on Egyptian migration which is collected by the Central Agency of Public Mobilization and Statistics (CAPMAS). CAPMAS depends mainly on obtaining the data from the Ministry of Interior records, the Ministry of Manpower and Emigration records of work permits as well as the data provided by Egyptian embassies abroad. However, it is evident that there are still clear discrepancies in the data CAPMAS declares and the data declared by the Ministry of Manpower and Emigration according to consular and embassies records. For example, according to data from CAPMAS, in 2006 there were about 2.85 million Egyptians residing and working abroad. About a third of the Egyptian migrants were permanent migrants, while the majority of Egyptian migrants are considered temporary migrants (table 1). While according to the latest data available from embassies and consular records, the total number of Egyptian migrants abroad is 6.5 million Egyptians (table 2), being Arab countries the main receiver by hosting 4.8 million Egyptians, followed by North America and the European countries, each of these two hosting about 800,000 Egyptians.

[1] Article 8 of law 111/1983

[2] Article 13 of law 111/1983

[3] The period of one year referred to in the above mentioned paragraph is to be considered a continuous year even if it is interrupted by intervals not more than thirty days.

[4] There could be few exceptions; however, this usually occurred for selected top level migrants after a very long period of service connected to high level personalities.

Table 1. Egyptian nationals residing abroad by migration status, 2006

Migration status	Number	%
Permanent migrants	**824,000**	**29.0**
Temporary migrants	**2,020,958**	**71.0**
of which workers	*784,912*	*27.6*
companions	*1,236,046*	*43.4*
Total	**2,844,958**	**100.0**

Notes: (*) "workers" include people with a valid work permit

Source: CAPMAS

Table 2. Egyptian nationals residing abroad by area of residence, 2008

Area of residence	Number	%
Arab countries	4,789,359	74.0
African countries	2,445	0.0
Asian countries	6,073	0.1
Australia	106,000	1.6
European countries	790,799	12.2
Americas	780,841	12.1
Total	**6,475,517**	**100.0**

Source: embassies and consular records (Ministry of Manpower and Emigration)

Data discrepancy is also observed when comparing origin and destination countries statistics. According to official Egyptian data reported by CAPMAS, 10.9% of permanent Egyptian migrants lived in Italy, which means around 90,000 in 2000. However the OECD reports a stock of only 32,800 residence permits holders by Egyptians in Italy for 2000. This discrepancy between the Egyptian and the OECD figures on the number of permanent Egyptian migrants in Italy would probably suggest the existence of a high number (around 60,000) undocumented permanent Egyptian migrants in that country (Nassar, 2005a)

2. A focus on Egyptian temporary migrant workers residing abroad

Egyptian labour migration in the Arab world (i.e. temporary migration) flows in two main groups:

- The first group includes non-GCC countries, particularly Libya and Jordan. Both countries have attracted Egyptian labour in the South/South context, labour which has been employed in nearly all sectors of the economy (notably construction), this was related to the surge in oil revenues which fueled government spending and related investment in development projects in Libya, as well as the shortage of low-skilled and educated labour in Jordan due to the increased flows of Jordanians to the GCC countries.
- The second group includes the GCC countries.

Egyptian labour migration to the Arab countries is mainly temporary through public and governmental authorities on the basis of bilateral and personal contracts with public and private authorities. Working in branches of Egyptian companies, especially in the construction sector, is one of the channels of temporary migration.

2.1 The socio-demographic profile

The stock of Egyptian temporary migrant workers residing abroad passed from 754.912 in 2006 (table 1) to 966.234 in 2007 (table 3) implying an annual growth rate of 28.0%.

The large majority of them work in the GCC countries (83.6%) and especially in Saudi Arabia (47.6%), Kuwait (20.0%) and UAE (1.5%). An important destination for Egyptian workers is Jordan which hosts 15.4% of the total stock in 2007 (table 3).

Most Egyptian workers in the Arab countries are males (97.-%). Males represent about 97% of the Egyptian workers in the Arab countries. As to the countries of destination, they do not tend to differ by sex (table 3).

Table 3. Egyptian temporary migrant workers (*) residing abroad by country of residence and sex, 2007

Country of residence	Sex					
	Males		Females		Total	
	Number	%	Number	%	Number	%
Saudi Arabia	447,384	47.8	12,109	40.4	**459,493**	**47.6**
Kuwait	183,006	19.5	10,179	34.0	**193,185**	**20.0**
Jordan	148,570	15.9	101	0.3	**148,671**	**15.4**
UAE	105,494	11.3	4,601	15.3	**110,095**	**11.4**
Qatar	31,616	3.4	857	2.9	**32,473**	**3.4**
Oman	7,955	0.8	1,862	6.2	**9,817**	**1.0**
Lebanon	6,954	0.7	36	0.1	**6,990**	**0.7**
Bahrain	2,637	0.3	177	0.6	**2,814**	**0.3**
Yemen	811	0.1	49	0.2	**860**	**0.1**
Algeria	853	0.1	0	0.0	**853**	**0.1**
Syria	663	0.1	2	0.0	**665**	**0.1**
Mauritania	88	0.0	0	0.0	**88**	**0.0**
Morocco	48	0.0	1	0.0	**49**	**0.0**
Tunisia	38	0.0	1	0.0	**39**	**0.0**
Djibouti	33	0.0	2	0.0	**35**	**0.0**
Somalia	35	0.0	0	0.0	**35**	**0.0**
Others	71	0.0	1	0.0	**72**	**0.0**
Total	**936,256**	**100**	**29,978**	**100.0**	**966,234**	**100.0**

Notes: (*) “workers” include people with a valid work permit

Source: CAPMAS

As to their profile, about two fifths of Egyptian temporary migrant workers have low education level (less than intermediate), while about one third have an intermediate education, and one quarter are university graduates. Looking at their characteristics in four main destination countries (i.e. Saudi Arabia, Kuwait, Jordan, and the UAE), the situation looks similar in the three GCC countries with graduates constituting about one third of the Egyptian workers while two fifths of the workers are of low education. In the UAE, the share of graduates is rather larger (37%). On the other hand, it is clear that the flows of Egyptian workers to Jordan are concentrated among technical education graduates as well as workers with lower education.

Table 4. Egyptian temporary migrant workers (*) residing abroad by country of residence and level of education, 2007

Country of residence	Level of education									
	Higher		Above intermediate		Intermediate		Below intermediate		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
Saudi Arabia	132,124	52.4	16,310	48.8	125,043	41.0	186,016	49.5	459,493	47.6
Kuwait	52,558	20.8	7,062	21.1	60,897	20.0	72,668	19.3	193,185	20.0
Jordan	6,169	2.4	3,187	9.5	64,327	21.1	74,988	20.0	148,671	15.4
UAE	40,746	16.2	4,776	14.3	36,482	12.0	28,091	7.5	110,095	11.4
Qatar	10,568	4.2	1,365	4.1	10,738	3.5	9,802	2.6	32,473	3.4
Oman	6,329	2.5	367	1.1	2,071	0.7	1,050	0.3	9,817	1.0
Lebanon	593	0.2	193	0.6	3,829	1.3	2,375	0.6	6,990	0.7
Bahrain	2,005	0.8	84	0.3	470	0.2	255	0.1	2,814	0.3
Yemen	711	0.3	27	0.1	62	0.0	60	0.0	860	0.1
Algeria	212	0.1	23	0.1	488	0.2	130	0.0	853	0.1
Syria	99	0.0	15	0.0	365	0.1	186	0.0	665	0.1
Mauritania	12	0.0	3	0.0	16	0.0	57	0.0	88	0.0
Morocco	23	0.0	2	0.0	19	0.0	5	0.0	49	0.0
Tunisia	9	0.0	3	0.0	12	0.0	15	0.0	39	0.0
Somalia	33	0.0	0	0.0	2	0.0	0	0.0	35	0.0
Djibouti	31	0.0	0	0.0	2	0.0	2	0.0	35	0.0
Others	35	0.0	3	0.0	16	0.0	18	0.0	72	0.0
Total	**252,257**	**100.0**	**33,420**	**100.0**	**304,839**	**100.0**	**375,718**	**100.0**	**966,234**	**100.0**

Notes: (*) “workers” include people with a valid work permit
Source: CAPMAS

Egyptian temporary work migration involves both skilled and unskilled people. During the earlier phases of massive labour movement in the mid-1970s, most workers were concentrated in low-skilled occupations, particularly constructions. However, the share of the skilled and educated labour witnessed grew. This could be partially attributed to the increased competition which unskilled labourers face from Asian labour. The share of scientists and technicians nearly doubled from 1985 to 2002, increasing from 20.4 percent in 1985 to 40.2 percent in 1990 and reaching 41.0% in 2002 (Zohry, 2005).

Table 5. Egyptian temporary migrant workers residing abroad by sector of occupation (in %), 1985, 1990 and 2002

Occupational sector	1985	1990	2002
Scientists and technicians	20.4	40.2	41.0
Managers	0.3	0.3	2.4
Clerical workers	8.8	8.0	1.5
Sales and services	18.5	17.3	12.7
Agriculture, animal husbandry and fishing	8.9	5.3	8.6
Production workers	43.0	28.9	33.8
Total	**100.0**	**100.0**	**100.0**

Source: Zohry, 2005

3. Egyptian permanent migrants

In 2008, according to embassies and consular records, Egyptian permanent migrants residing abroad were more than 1.6 million (table 6).[5] They mainly resided in the US (38.0%) and among EU countries, in the UK (15.0%), Italy (11.4%), France (9.6%) and Greece (4.8%). These four countries host nearly more than three quarters of the Egyptian permanent emigrants to the EU, and about two fifths of all Egyptian permanent emigrants (Table 6.)

Table 6. Egyptian permanent migrants residing abroad by country of residence, 2008

Country of residence	Number	%
US	635,000	38.0
UK	250,000	14.9
Italy	190,000	11.4
France	160,000	9.6
Canada	141000	8.4
Australia	106,000	6.3
Greece	80,000	4.8
Netherlands	30,000	1.8
Germany	30,000	1.8
Austria	25,000	1.5
Switzerland	12000	0.7
Sweden	3510	0.2
Denmark	2000	0.1
Cyprus	2000	0.1
Spain	1000	0.1
Belgium	1000	0.1
Other countries	4035	0.2
Total	**1,672,545**	**100.0**

Source: Embassies and consular records (Ministry of Manpower and Emigration)

[5] It is worth mentioning as the same value as retrieved by CAPMAS equalled 824,000 in 2006 (see table 1). A brief overview of data sources and their discrepancies is included in the first paragraph.

Recent flow data allow reconstructing their socio-economic profile. Nearly half (48.6%) of the permanent migrants who migrated over the period 2000-2007 are university graduates. 41.9% of them are intermediate education graduates. While about 6% hold higher academic degrees (table 7a).

Table 7. Egyptian permanent migrants residing having migrated in the period 2000-2007 by level of education (a) and in the period 2001-2007 by level of occupation (b)

Level of education (a)	
PhD	1.1
Masters	2.4
High Diploma	1.8
University	48.6
Above intermediate/Intermediate/Below intermediate	41.9
No qualifications	4.1
Total	**100.0**
Level of occupation (b)	
Legislature, Managerial & Administration	11.0
Scientific occupations and Specialists	66.3
Technicians& Specialist assistants	7.9
Clerical	6.1
Services& Sales	4.8
Handcraft	2.4
Production Workers	1.5
Total	**100.0**

Source: CAPMAS (7a) and Zohry, 2005 (7b)

As to their occupational profile, more than two thirds (66.3%) work in scientific and specialist occupations (table 7b).

To conclude, the profile of Egyptian migrants indicates that permanent migration is a major source of *brain drain* as Egypt is losing highly-skilled persons to developed countries (Nassar, 2004a).

4. Egyptian migration and the labour market

Labour migration can affect national labour market in any number of ways. It reduces the size of the labour force as workers migrate. It can reduce unemployment by the same number either directly, if those who migrate were unemployed before their departure, or indirectly if they had been employed but were replaced by the unemployed. Migration affects the labour force and the level of employment in other ways as well. The flow of remittances increases effective demand by increasing consumption and the investment expenditure of the migrants and their families, which would inevitably be reflected in an increased demand for labour and a reduction in unemployment. The greater availability of foreign exchange through remittances may also encourage an expansionary policy, which would have the same result. Migration may also increase the productivity of migrants if they acquire new work experience and skills abroad and may through their savings and willingness to take risks add to their entrepreneurial abilities after their return. On the other hand, migration may have a negative impact on specific sectors on the economy in that it creates shortages of certain skills that are not easily replicable (Galal and Awny, 1984).

4.1 Migration as outlet for unemployed

Labour migration, especially to major oil-exporting countries in the Middle East, has provided Egypt with a channel for surplus labour. However, little data is available that allow us to ascertain to what extent labour migration has helped to curb unemployment in Egypt. Despite the fact that Stalker (2000) examined the data for the Philippines, Bangladesh, Sri Lanka, Indonesia, Turkey, Mexico and Egypt and found no significant relationship between emigration and unemployment, Bharagavi found that the single country where emigration has most affected employment is, in fact, Egypt.

Various other arguments suggest that migration acts as a channel for surplus labour. The 1960s and 1970s saw a transition from a Lewis-type labour surplus economy, where labour surplus manifests itself primarily as the underemployment of low-skill labour in agriculture, to a new situation where job creation was led by employment policies in the public sector. As this policy lost its importance as a labour absorptive policy the labour market experienced high unemployment. With the growing working age population this problem has intensified and migration was regarded as an outlet (Assaad et al., 2000).

Despite the fact that migration has provided an important safeguard against higher unemployment in Egypt, particularly in the 1970s and 1980s, this phase seems to be ending for the following reasons.

- Migration to the Gulf reached its peak in the 1980s and has levelled off somewhat since 1985. The main avenues for migration from MENA to Europe and the GCC are no longer siphoning off as much of MENA's excess labour supply as before. Falling oil prices in the 1990s and rising unemployment among nationals in the GCC countries, combined with competition from cheaper unskilled labour from Asian countries is also limiting the potential for migration from the Maghreb and the Mashreq to the Persian Gulf. The recent surge in oil prices does not seem to be reversing this trend. As a result of these factors, the capacity of MENA to export excess labour is diminishing.
- *Moreover with globalization there is a decline in the demand fr low-skilled workers.* Most jobs created in the Arab Region in the 1970s and the 1980s were concentrated in low-skill activities such as construction, retail, and traditional handicrafts. The decrease in the migration of unskilled workers in both extra and intra-regional migration coupled with the increase in skilled workers' migration, triggered adverse implications for the competitive advantages in the Arab labour sending countries, both in their local and international markets.
- In Europe, high unemployment rates during the period 1980-90, pressures from inflows from other regions and countries in the world (Turkey and Asia more generally), and concerns about potential inflows from new EU accession countries, contributed to a tightening of restrictions on migration in European countries. On the other hand, labour and migration policies in Europe are likely to focus first on the recent enlargement countries. Unemployment in Central and Eastern Europe and Baltic countries is to a large extent youth unemployment, young Europeans who will likely compete for migration jobs in the future, further limiting the space for migration from the MENA region into Europe. Youth unemployment rates in Central Europe and the Baltic are high at around 35% in Poland and Bulgaria and unless these countries generate enough opportunities for their young workers, there is going to be a strong tendency for them to seek better economic opportunities in the Western Europe. While growth and FDI in the new EU members may increase employment opportunities in these countries, several researchers found that it is unlikely that the EU will open its borders to more legal migration from MENA, while limiting it from its own (new) members. Hence this will be another contributing factor in slowing formal migration in the EU from MENA in general and Egypt in particular (Johansson de Silva, S. *et al.* 2004)

On the other hand, several other works have emphasized the weak relationship between migration and unemployment. They have pointed to the impact of the selectivity of migration on the labour market. Migration is selecting the skilled from each occupation and many who migrate have been working before, i.e. migrants were not coming from the unemployed pool (Nassar, 2004). This would lead to the negative aspect of migration, "Brain Drain".

4.2 Brain drain

The question of how the departure of highly skilled and highly competent people affects development is not whether their departure reduces domestic production, but whether those who remain suffer as a result. For example, it is quite conceivable that the emigration of skilled health workers is very damaging to African countries with a high incidence of HIV/AIDS, assuming that is that they were doing useful work there. In some of the least developed countries the ICT and education sectors are also under pressure. One problem that arises in most developed countries is the departure of policymakers, researchers and university staff often recruited by international organizations **(**Government Of Netherlands, 2005). Endogenous growth theory suggests that the large-scale departure of highly-educated workers from developing countries to developed countries is detrimental to the country, as in this case investment in education in the developing country may not lead to faster economic growth and might bring down income levels and damage long-term economic growth (Adams Jr, 2003).

Moreover, it has been indicated that brain drain reduces the wages of the unskilled population, likely increasing the wages of the remaining skilled workers, hence increasing inequality. Poverty increases as the result of both increased inequality and slower economic growth (El Baradei, 2004).

Neoclassical models of economic development generate an expectation that brain drain has adverse effects for development in sending countries. More recent thinking, such as the endogenous growth theory, generates even greater estimated losses than the neoclassical models. Brain drain reduces the wages of the unskilled population, likely increases the wages of remaining skilled workers, and hence increases inequality. Poverty increases the after effect of both increased inequality and slower economic growth. (Lowell, 2002)

This last argument was not proven in the Egyptian case, but as previously mentioned; about half of the Egyptian migrants to the US and other OECD countries have obtained tertiary education. In addition, two thirds of permanent migrants, 2000-2007, were concentrated in scientific and specialist occupations; mostly doctors, engineers, and teachers. This indicates the potential for brain drain in developed countries.

5. Reasons of Egyptian emigration

There are three main factors that act as a push factor for highly-skilled and medium-skilled labour out of Egypt. They are as follows:

i. The low private rate of return on education in Egypt, which acts as a push factor for highly-skilled as well as medium-skilled labour out of Egypt, in search of higher returns on their education. Fergany 1997 stated that return to "education is relatively low except for university education (starting with 16 completed years) and higher (Abdel Gadir, 2002). Private rates of return for education in Egypt were found to be extremely low especially for basic and secondary education, if compared to other countries whether developed or developing. Moreover private rates of return on secondary education are lower than the private rate of return on basic education, which is not a typical pattern. The rate of return on secondary education was negative in all regions in 1995/96 and 1999/2000.

ii. Limited employment opportunities in the formal private sector and shrinking employment opportunities in the government sector in the Egyptian labour market. Absorption rate was negative in the government and public sector in the nineties (-3% over the period 1995-2000). Moreover statistics indicate that the formal private sector's ability to absorb labour was limited and even negative in the same period (-50%) (Nassar, H. 2004), while the share of the government sector was limited at this time (1990-2008) On the other hand, the increased share of the informal private sector in employment has become one of the main characteristics of the labour market in Egypt. Its share has increased from 16.7% of total employment in 1990 to about half of all employment in 2008. While on the other hand, the share of the formal private sector has diminished from 50% of total employment in 1990 to a mere 23% in 2008 (table 8). The informal private sector is characterized in many cases by low pay and a lack of contractual protection.

Table 8. Employed population residing in Egypt by sector of occupation, various years

Sector of occupation	**1990**		**1995**		**2001**		**2005**		**2008**	
	00's	**%**	**00's**	**%**	**00's**	**%**	**00's**	**%**	**00's**	**%**
Government	32,602	22.1	39,556	26.3	48,601	27.7	49,876	25.8	53,407	23.7
Public	14,271	9.7	13,580	9.0	10,424	5.9	8,739	4.5	7,757	3.4
Formal private sector	74,228	50.3	66,515	44.2	43,032	24.5	43,269	22.4	51,431	22.9
Informal private sector	24,572	16.7	29,131	19.3	71,222	40.6	89,692	46.4	108,298	48.1
Investment	838	0.6	1,064	0.7	1,598	0.9	1,252	0.6	3,379	1.5
Others Foreign & Cooperative	855	0.6	741	0.5	697	0.4	591	0.3	801	0.4
Total	**147,553**	**100.0**	**150,587**	**100.0**	**175,574**	**100.0**	**193,419**	**100.0**	**225,073**	**100.0**

Source: Labour Force Survey, various years

iii. Increasing rate of unemployment, especially among the educated and new entrants which is a feature of the Egyptian labour market. More than one third of unemployed in Egypt are university graduates, 31.7% in 2007 (CAPMAS, 2008)

Zohry (2006) assessed the push factors for youth that were hoping to migrate to Europe. Two main sets of reasons were identified: push factors and pull factors. With respect to push factors, three main reasons came up again and again among the respondents: income in Egypt is lower than in Europe (53% of respondents); living conditions are poor in Egypt (52.8% of respondents); and there is a lack of job opportunities Egypt (36.6% of respondents). It was evident that the major push factors are the economic ones. However, the pull factors in the destination countries are related to the existence of a family/friends network, and the availability of job opportunities. About a half of the respondents mentioned have family or networks of friends in the destination country they seek to migrate to. While 14.6% of the respondents mentioned that they had a job offer in the destination country. However, it is worth mentioning that those interviewed clarified in the focus group discussions that they do not usually have documented job offers, there are just promises from their relatives and friends that they will be introduced into the labor market in Europe *should they get there*

6. Immigration to Egypt: a focus on forced migrants

6.1 Main Characteristics of refugees and asylum seekers living in Egypt

Egypt’s capital Cairo hosts one of the five largest urban refugee populations in the world. This assessment is based on the number of asylum seekers received by UNHCR. However it is impossible to give precise numbers for refugees in Egypt and ‘guesstimates’ range from 500,000 to 3 million (Zohry, 2003).

The flow of refugees and asylum seekers started in the 1990s as a result of civil wars and political instability in the Horn of Africa, especially in Sudan, Eritrea, Ethiopia and Somalia. (Roman, H. 2006) In addition there are those Iraqi refugees who have increased considerably as a result of the political instability and economic deterioration in Iraq. Since the late 1990s, the United Nations High Commissioner for Refugees' (UNHCR) Cairo office has seen a significant increase in the number of asylum seekers. In one year, between 1998 and 1999, the number of asylum seekers doubled. In 2001, the number of asylum seekers was 13,176, which represents a 96 percent increase from 1998. Of the thirty nationalities of refugees known in Egypt, Palestinians form the largest group, followed by people from Sudan, Somalia, Ethiopia, and Eritrea. Other nationalities come in smaller numbers: Afghanistan, Liberia, Sierra Leone, Yemen, and Burundi. In Egypt, UNHCR, not the Egyptian government, determines refugee status. UNHCR also has responsibility for stateless people in Egypt. However, thousands of refugees denied recognition by UNHCR continue to live in Egypt. Although all refugees in Egypt face similar hardships and most rank among the poorest of the poor, each community in Cairo has its different cultural and religious background that makes it unique (Zohry, 2003b). A significant feature of refugees and asylum seeking populations in Egypt is the growing number of Somalis and, more significantly, Iraqi arrivals (UNCHR 2008). The number of Iraqis currently living in Egypt is unknown. Based on entry data in Egypt it is claimed to be between 100,000 and 150,000. However, as late as January 2011, only 7,500 have registered with UNHCR. It is estimated that the refugees registered with UNHCR represent 64% of all Iraqi refugees; the total number would therefore be around 17,000. Yet it is important to note that since late 2006 a restrictive visa policy has been introduced to limit the influx of refugees (Fargues et al., 2008).

Table 9. Refugees living in Egypt by country of nationality, main nationalities, selected years over the period 1996-2011

Country of nationality	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2009	2011
Palestine	15	32	-	-	-	134	70,195	70,215	70,245	70,255	70,024	-
Sudan	1,461	1,587	1,863	2,577	2,833	4,659	7,629	14,178	14,904	13,446	9,818	10,000
Somalia	3,493	3,546	3,119	2,568	2,610	1,177	1,639	3,068	3,809	3,940	6,096	7,000
Ethiopia	47	59	44	56	54	102	111	329	481	516	492	-
Yemen	559	631	669	678	683	628	412	344	319	209	205	-
Iraq	-	-	-	-	-	-	-	-	-	-	6,572	7,500

Source: UNHCR

Table 10. Asylum applicants living in Egypt by country of nationality, main nationalities, selected years over the period 1996-2011

Country of nationality	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2009	2011
Sudan	2,057	1,384	4,953	5,202	12,206	9,529	6,253	5,726	9,720	2,400	2,523	11,942	12,500
Somalia	113	112	197	647	1,822	2,559	1,977	224	340	538	1,135	124	200
Ethiopia	97	384	295	-	547	545	299	325	289	189	193	266	-
Eritrea	14	20	-	-	211	224	59	55	106	153	208	554	-
Iraq	26	27	-	-	64	23	92	57	20	133	2,870	-	100

Source: UNHCR

Table 11. Population of concern of UNHCR living in Egypt by age group and sex, 2005

Age group	Females		Males		Total	
	Number	%	Number	%	Number	%
Less than 5	1,568	14.1	1,828	9.7	3,396	11.3
"5-17"	2,817	25.3	3,114	16.4	5,931	53.4
"18-59"	6,502	58.5	13,855	73.2	20,357	183.2
More than 60	149	1.3	118	0.6	267	2.4
n.a.	77	0.7	19	0.1	96	0.9
Total	**11,113**	**100.0**	**18,934**	**100.0**	**30,047**	**270.4**

Source: UNHCR

Several reasons might explain Egypt's attractiveness. Egypt, for a start, has one of the largest resettlement programs in the world, both through the UNHCR and through private sponsorship programs to Canada, Australia, the US and Finland. With Sudanese and Somali Diasporas in many of these western states, resettlement programs constitute a huge incentive.

However, the number of refugees who remain in Egypt, especially those who have not been granted refugee status, is also significant. Without legal status and protection in Egypt, and often unable to return to their countries of origin, these people live on the margins of society, struggling to secure their livelihoods as illegal 'aliens' within the socio-economic and policy context of contemporary Egypt. The vast majority choose to live in Cairo, where they daily negotiate space, their identity, and reconcile cultural and religious differences (Grabska, 2006).

6.2 The socio-economic integration of refugees living in Egypt

Access to Education

Legally-speaking, Egypt is committed to the international treaties that guarantee all children free access to primary education irrespective of their status. However, in practice, children of refugees and asylum seekers have difficulty in accessing free education. All children must have a valid residence permit as a precondition to their enrolment. For higher education, access is possible: however, it is costly. (Bawdy, 2008)

The right to education and the actual access to education for refugees have to be seen in the context of the overall education situation in Egypt, which is characterized by high illiteracy rates and a large number of dropouts.

According to the 2010 Egypt progress report on the Millennium Development goals (MDGs), Egypt has been moving steadily on the road towards achieving universal primary education. The report cited the results of the Egypt Demographic and Health Surveys 1995 and 2008. Around 90% of children (6-12 years) were attending school in 2008 compared to 83% in 1995 (Egypt MDG Progress report, 2010).

However, not attending school and dropping out is still a major problem. According to the results of the census of population 2006, there is still a sizable number of children (6-18 years) dropping-out. This is also linked to level of poverty. Certainly, the findings of the EDHS 2008 indicate that the percentage of children (6-12 years) who have attended school is positively correlated with the level of the wealth index. About 84% of children (6-12 years) in the poorest households have attended school as compared to 94% among children in the richest households (Egypt MDG Progress report, 2010).

The quality of education in Egypt is another significant issue. The problems are numerous, ranging from a poor curriculum, emphasis on rote learning, poor quality of teachers, overcrowding in schools and poor facilities (Wesal, 2003). These problems and the lack of resources characterize the educational system in Egypt and hinder full access to education for refugees.

In December 2000, the Minister of Education announced a plan to address the lack of public primary education for Sudanese children and in 2001 a ministerial decree was issued. The decree is problematic in two ways. Families are required to present extensive documentation, including a birth certificate, last schooling level certificate, an identity document with legal residence permit, and a letter from the Embassy of Sudan. A second obstacle is the resistance of Sudanese refugees to the idea of local integration: they prefer English-language teaching, never mind how few opportunities are available, as preparation for their hoped-for resettlement to English-speaking countries in the West. Their resistance to Arabic teaching is also related to their deep-seated aspirations for an independent Southern Sudan where, as one Sudanese man put it, “Arabic is not going to be the main language” (Zohry, 2003).

Access to Work and Job Opportunities

Although, legally-speaking, refugees are allowed to work in Egypt, there are obstacles that hinder their accessibility to the labour market. In order to work, any foreign national must obtain a work permit. The employer must apply for the work permit and is subject to several criteria, including the number of Egyptians working in the organization and the activities of the organization. Once the application is approved, the employee has to submit an HIV test result, travel documents, a copy of the refugee’s passport or any other legal document such as a UNHCR refugee card, and a letter of reference. Subsequently, the employer has to pay a work permit fee amounting to LE 1,000. As foreign nationals are not allowed to compete with the local workforce, they are barred from certain professions such as tourism, oriental dancing, exports, etc (Badwy, 2008).

Based on bilateral agreements and special relations, some foreign nationals, such as Palestinians, Sudanese nationals, Italians and Greeks are exempted from paying the high fees. A potentially significant for any Sudanese citizens in Egypt was the signing of the Four Freedoms Agreement in September 2004 between the governments of Egypt and Sudan guaranteeing freedom of movement, residence, work and ownership of property for nationals of these two countries (Grabska, 2006).

Access to Health Care

In February 2005, the Minister of Health issued new regulations allowing access to public primary and preventive healthcare services for all foreign nationals residing in Egypt. It was agreed that forced migrants would pay domestic fees for the services (Grabska, 2006). However, it is noteworthy that the problems facing the national health system may discourage or prevent refugees from accessing medical services. The national health system is significantly stretched in its capacities, thus making it difficult to treat the sizeable refugee community in Egypt: there is already a struggle to meet the needs of the local population (Ahmed et al., 2008).

To conclude, the difficult social and economic environment in Egypt constitutes real obstacles for refugees looking to enjoy their economic and social rights.

7. Remittances and development in Egypt

7.1 Remittances in the Egyptian Economy

At the macroeconomic level, remittances constitute a major source of foreign currency for Egypt along with Suez Canal receipts and tourism. According to official data, remittances of Egyptian migrants increased from 2952.5 in 2001/02 to 7805.7 US million dollars in 2007/08 (table 12).

Table 12. Remittance flows to Egypt ($US Million), 2001-2009

Fiscal year	Number	Annual rate of growth
2001-02	2952.5	
2002-03	2962.6	0.30%
2003-04	2999.6	1.20%
2004-05	4329.5	44.30%
2005-06	5034.2	16.30%
2006-07	6321.0	25.60%
2007-08	8550.2	35.30%
2008-09	7805.7	-8.70%

Source: Central Bank of Egypt

In 2008-09, there are four countries, from which more than 4/5 of remittances (table 13):

1. US: 29% of total remittances.
2. Kuwait: 20.4 % of total remittances.
3. UAE: 17.7% of total remittances.
4. Saudi Arabia: 12.5% of total remittances.

The concentration of remittance flows in these countries is probably correlated with two important facts:

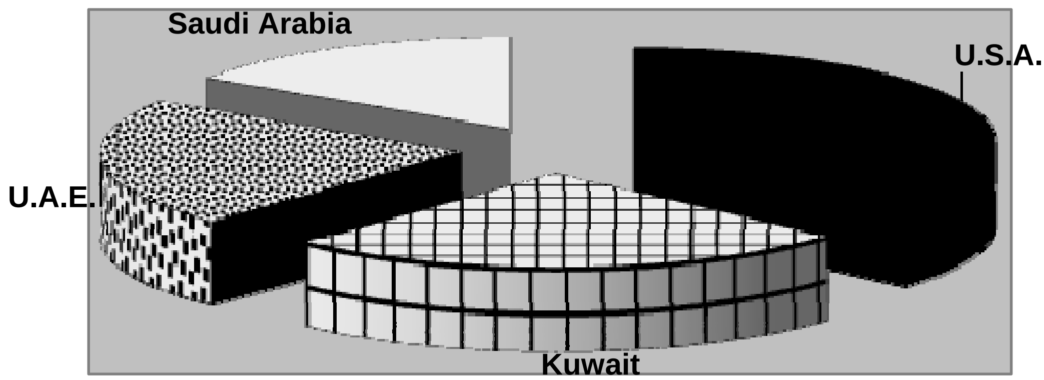
- These countries constitute major points for most Egyptian migrants.
- The relatively high share of highly-educated and skilled labour migrants in these countries.

Table 13. Remittance flows to Egypt by country of origin of remittances ($US Million), 2001-2009

Country of origin of remittance flows	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Saudi Arabia	621.2	634.4	639.6	725.5	775.8	859.4	959.4	976.1
Kuwait	376.4	254.3	205.6	589.2	922.8	1106	1797	1594
UAEUAE	349.4	302.9	278.8	371.6	729	989.6	1392	1380.3
Qatar	45.4	48.5	46.2	63.8	109	102.1	131	140.7
Bahrain	54.2	23.8	7.1	10.5	47	21.9	77.6	36.4
Oman	11.3	14.9	15.5	18.4	24.9	17.7	31.6	27.5
Libya	3	1.6	2.7	2.1	3.5	5.5	33.2	20.5
Lebanon	10.3	18	14.6	20.6	27.6	24.6	18	22
U.S.	955.9	1025.9	1111.1	1619.6	1516.3	2080.3	2762.9	2269.1
France	47.3	63.3	63.4	68.7	49.8	53.5	61	50.2
Germany	89.1	125.9	131.1	230.5	198.4	209.6	229.3	208.2
Italy	32.4	48.3	64.3	74.9	54	42	71	72.3
Netherlands	12	22.4	36.6	25.9	19.3	32.5	17.7	19.4
UK	116	124	122.8	169.4	147.4	235.5	267.5	481.8
Greece	5.2	7.9	8.4	11.6	13.8	14.1	16.7	22.4
Spain	3.4	10.7	6.3	12.4	15.2	10.4	8.4	6.5
Switzerland	119.9	97.7	91.5	102.7	143.1	261	255.5	213.1
Japan	8.6	9	3.8	19.8	17.1	3	4.1	5.1
Canada	5.9	8.3	8.7	12.9	11.4	13.2	28.7	26.5
Others	85.6	120.8	141.5	179.4	208.8	239.1	395.4	233.6
Total	**2952.5**	**2962.6**	**2999.6**	**4329.5**	**5034.2**	**6321.0**	**8558.0**	**7805.7**

Source: Central Bank of Egypt

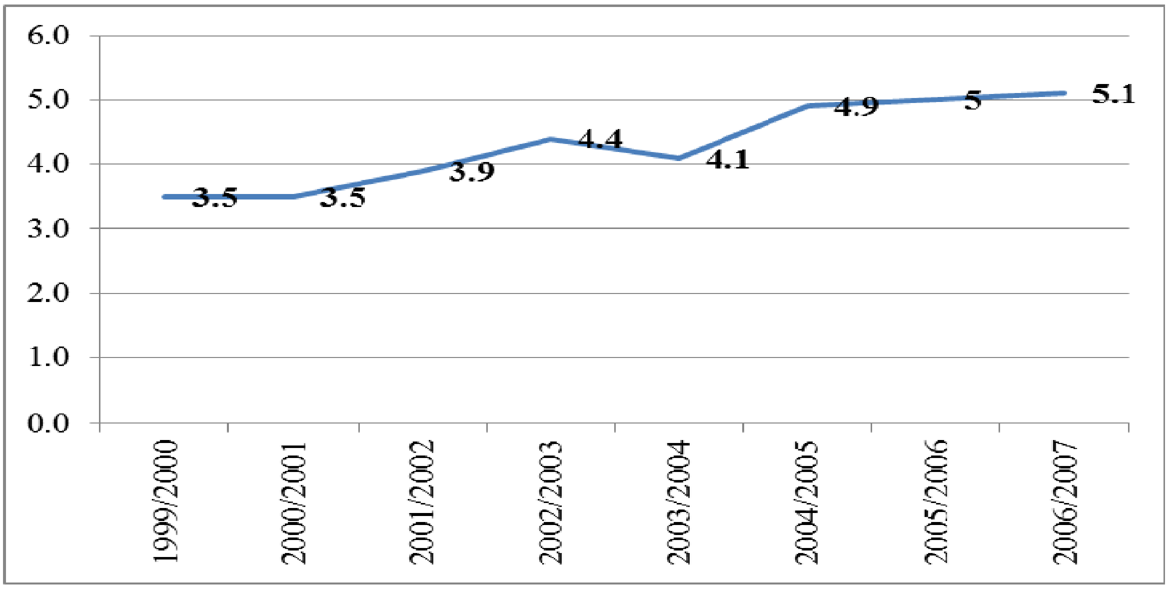
Fig. (1) Share of main countries of remittances flows to Egypt (%) (2008/2009)



Source: see table 13

Remittances of Egyptian Migrants as percentage of Gross Domestic product (GDP) show that the value of remittances tended to increase during the last 7 years as a percentage of GDP. Remittances as a percentage of GDP have increased from 3.5% in 1999/2000 to 5.1% in 2006.

Table 14. Remittance flows as % of Gross Domestic Product, 1999-2007



Source: Central Bank of Egypt

Concerning the trend of remittances of Egyptian migrants since the oil boom, the following 4 phases can be distinguished:

1974-1984

During the period 1974-1984, remittances tended to increase at a high rate (30.8% annually), with the exception of 1981, when remittances slightly decreased with the turning point of migration. This increase reflected the increase in oil prices (in 1974 and 1979) and thus the increase in the demand of Egyptian workers in oil Arab countries. For this first phase, international migration in the Arab region has been interpreted in terms of labour market demand and supply. In general, this stage reflected the former role of the Arab labour market in achieving a balance between the flow of labour from countries that were highly populated with few natural resources to other countries that were highly endowed with oil and scarcely populated (Batool, 2005).

1985-1989

In the mid-eighties, oil prices tended to decrease and with them oil revenues. As a consequence the demand for Egyptian workers slowed and an inflow of return migrants emerged. These changes negatively affected remittances. Remittances fluctuated showing but the trend was downwards. Remittance decreased from 3963 million dollars in 1984 to 3293 million dollars in 1989, at -3.6% annually. This is considered a sharp decrease compared to the high increase rate in the previous phase (30.8% annually). The new era of restrictive measures reduced the number of projects and thus the number of employment opportunities. In many cases, the Gulf countries imposed taxes on immigrants, and also refrained from offering services to a large part of the existing labour force.

1990-2001

With the exception of the years 1992 and 1993, the data show a stable, but slightly decreasing trend in remittances. The upsurge in 1992/93 is explained partly by the fact that the Middle East, especially the Gulf area began to return to normality again after the second Gulf War and also the need to rebuild after the war.

The decline after this upsurge is attributed to the fall in oil prices in the Gulf countries that represent the major destinations for temporary Egyptian migrants. Poor exchange rates and general economic conditions in Egypt also discourage Gulf migrant workers from sending money home. Remittances declined during 1992-2001 faster than they did in the previous phase (at –8% annually). Net remittances decreased from 4257 million dollars to 2876 million dollars in 2001 at –3.5% annually. An obvious downward trend emerged during 1997-2001, reflecting the deceleration of the world economy after the collapse of the East Asian Financial markets 1997. Remittance decreased at –6.1% annually during the period 1997-2001 (IOM, 2003).

2001-2008

According to official data, remittances of Egyptian migrants increased from 2843 million dollars in 2000/01 to 8550.2 million dollars in 2007/08, i.e. an average annual growth rate of 17.5%. This increase is considered a huge increase especially if it is compared to the trend in the previous decade (phase 3). Most of this increase took place in the last three years (2004-2007). Remittances increased at 1.8% annually 2000/01-2003/04 *vis-à-vis* 29.5% 2003/04-2007/08. ***This increase may be attributed to two principal factors:***

- *The improvement and stability of the value of the Egyptian pound*. While the pound has depreciated 37.9% during the period 2000/01-2003/04, it appreciated around 9.1% during 2003/04-2005/06. The exchange market has enjoyed a reasonable degree of stability in the last years.
- *The upsurge in oil prices in the last two years:* Remittances of Egyptians working in the neighboring Arab petroleum countries (Saudi Arabia, Kuwait, UAEUAE, Qatar, Bahrain, Oman and Libya) constitute 45.1% of the total remittances of Egyptians working abroad during 2000/01-2006/07. This upsurge was expected to result in higher demand for workers from labour exporting countries including Egypt. And increase in remittances of Egyptians working in the neighboring Arab petroleum countries constituted 69.6% of the increase in total remittances during 2003/04-2006/07. However, the financial crisis had an impact on the flows of remittances as a result of the economic slowdown in the U.S., the decline in oil prices, and the increased number of return migrants. The aggregate flows of remittances to Egypt have declined in 2008/09 by about -8.7% compared to 2007/2008.Looking at the remittance flows from the major countries that represent the main senders of remittances to Egypt; it is evident that flows from the U.S.(the country most struck by the financial crisis) and also from Kuwait have witnessed a decline of respectively -20% and -11.3% consecutively in 2008/2009 compared with 2007/2008. Overall, the remittances inflows from the GCC countries have witnessed a decline of-5% over the same period.

On the other hand, analyzing the trend of the annual growth rates of the different sources of foreign currencies in Egypt; it may be concluded that with the exception of Suez Canal dues, remittances are one of the country’s most stable sources of external finance. When ranking the main external sources of finance for Egypt according to degree of stability during the last decade. Remittances came in second after Suez Canal Dues. After remittances comes: travel and tourism receipts, exports of goods, official transfers, petroleum exports and the last FDI flows. (Nassar, 2008)

7.2 Remittances and development

There has been much debate on the developmental role of remittances. Remittances can contribute to reducing inequalities resulting from globalization; migration can improve welfare in the country of origin as migrants accumulate savings overseas that, given the low wages and capital market distortions, might not have been possible without migrating. Second, overseas work may enable emigrants to acquire new skills and/or enhance human capital accumulation. Moreover, attractive investment opportunities in the country of origin can capture remittances for the stimulation of production and employment. (Nassar, 2006)

In Egypt, Adams (1991) uses income data from households with and without migrants to determine the effects of remittances on poverty, income distribution, and rural development. The study is based on a survey of 1,000 households conducted in 1986/87 in three villages in Minya Governorate. In a second round of the survey, 150 selected households were interviewed about their spending behavior. International remittances are shown to have a small but positive effect on poverty. The number of households living in poverty declined by 9.8% when predicted *per capita* household income (estimated household income divided by the number of household members) included remittances. Remittances accounted for 14.7% of the total predicted *per capita* income in poor households. Research on the use of remittances shows that a large part of these funds are used for daily expenses such as food, clothing and health care. Funds are also spent on building or improving housing, buying land or cattle and buying durable consumer goods. Generally, only a small percentage of remittances are used for savings and “productive investments”, i.e. for activities, which can generate income and employment. Egyptian data indicate that about 74% of migrant households spent the largest share of funds received from relatives abroad on daily household expenses: buying/ building/renovating a house and financing the education of a household member, respectively 7.3% (second) and 3.9% (third). Remittances in kind mainly include clothes and electronic equipment (IOM, 2003).

Zohry (2005) carried out a fieldwork study in two research areas in Cairo and Upper Egypt. The study aimed at assessing and comparing living conditions of international, internal migrants, and non-migrants to assess the differences in household conditions as related to remittances and migration experience. The fieldwork revealed that large proportions of remitted funds are used for daily expenses such as food, clothing and health care. Funds are also used for building or improving housing, buying land or cattle, and buying durable consumer goods. However, it was found that a minor share of remittances is used for savings and “productive investments”, i.e. for activities with multiplier effects towards income and employment creation (Zohry, 2005).

Using the data set of the Social Capital Survey in Egypt, it may be concluded that remittances play a major developmental role in Egypt. It is evident that households, who receive remittances, have a relatively higher mean for standard of living (30.05 vs. 28.51) and basic need index (6.6 vs.6.0) than the households, who do not receive remittances. This is clear also as the percentage of households, who own their house is relatively higher among households who receive remittances rather than the other group of households, indicating a relatively higher living standard.

On the other hand, looking at the social capital index, the opposite result occurs as the social capital index for households, who receive remittances, is lower than the value of index for households, who do not receive remittances (0.58 vs. 0.61). Our interpretation for that is because these households are better off their involvement with the community is not so much needed.

Remittances contributed to a safety net for households, as poverty incidence is far lower for households, who receive remittances than among households, who do not receive remittances (10.78 vs. 20.67). Households, who receive remittances have less difficulties in spending on food (88.82%) vs. households who do receive remittances (81.13%).This fact is also true for rent expenses (94.81% vs. 88.71%), for medical expenses (84.83%vs 71.72%), for clothing (84.83% vs. 71.72%) as well as for educational expenses (73.85% vs.62.39%). Moreover the ratio of households, who have an income sufficient to cover their emergencies, is higher among households, who receive remittances than compared to other households (60.27% vs.58.81%). Also the households who believe that their income is covering their basic needs is higher than the other group of households (89.82% vs 75.33%). Moreover migration has a positive impact on receiving services such as educational and medical services. For educational services 62.4% of the households, who received remittances are receiving educational services vs. 58% for the other group of households. The same applies to access to health services where the percentage is 80.8% vs. 72.98% for health services for households who receive remittances and for the other group, consequently. In addition, households who receive remittances do not resort to financial aid as a coping strategy in difficult situations as much as the other group of households. (UNDP, 2002)

Another study focused on the remittances flows from Egyptian migrants in Germany. The study clarified that the remittances flows were mostly used in investment, this could be explained in terms of two main factors: first, Egyptian migrants in such countries usually originate mainly from wealthier upper middle-class families in Egypt; and second, the spouse and children often accompanied them or they founded families in Germany and, thus, the majority has only less important relatives left in the home country.

Therefore, remittances were not made regularly but are linked to a specific need, i.e. the amount remitted depends on the particular need of the family member asking for money.

The most important purpose for remittance, however, seems to be the acquisition of real estate. In the case of older migrants this serves not only as an investment saving. Apartments and houses in Egypt are often used as secondary residence. Nevertheless, the study emphasized that many of the interviewees remitted money to Egypt for investment purposes. (Vadean, 2007)

It can be concluded that remittances of Egyptian migrants tend to have a positive developmental impact on migrants' households in addition to contributing to investment purposes. However, there is still a need for increased efforts to maximize the positive impact of remittances flows and to provide suitable channels to create productive investments with a bigger impact on a wider range of population.

Conclusion

The paper highlighted the recent patterns of outward migration from Egypt. Egypt's principle migration legislation, law number 111 of 1983, makes a clear distinction between permanent and temporary migration. According to official data from the Central Agency of Public Mobilization and Statistics, by 2006 there were about 2.85 million Egyptians who were residing and working abroad. About a third of Egyptian migrants are permanent migrants (heading mainly to the developed world), while the majority of the Egyptian migrants are considered temporary migrants (labour migrants heading to the GCC countries). The second and third sections examine the main characteristics of Egyptian labour emigration. It is evident that permanent migration is a major source of "Brain Drain" from Egypt. Egypt is losing highly-skilled citizens to developed countries, in other words, migration rates are higher, the higher the educational attainment. The fourth and fifth parts tackle the relevance of migration to the labour market in Egypt. Despite the fact that migration provided an important safeguard against higher unemployment in Egypt in past decades, particularly in the 1970-1980s, this option for employment abroad seems to be closing down for many reasons. There are three main factors pushing highly-skilled and medium-skilled labour out of Egypt. They are mainly: the low private rate of return on education in Egypt; limited employment opportunities in the formal private sector; and shrinking employment opportunities in the government sector; as well as an increasing unemployment rate, especially among the educated.

The paper then examined the profile of the forced migrants living in Egypt. Cairo hosts one of the five largest refugee populations living in urban areas' in the world. Of the thirty nationalities of refugees based in Egypt, Palestinians form the largest group, followed by Sudanese, Somalian, Ethiopian, and Eritrean nationals. The paper examined the access of the refugees' population in Egypt to economic and social rights; however, it is evident that the overall difficult social and economic environment in Egypt constitutes real obstacles hindering full access to refugees and economic and social rights in terms of access to job opportunities, education and health care.

The last section of the paper analyses the importance of remittance flows to Egypt. The paper highlights the economic as well as the socio-economic impact of remittances in Egypt. There are four countries that constitute the major sources of remittances for Egypt (the U.S., Kuwait, the UAEUAE and Saudi Arabia). The paper concluded that Egyptian remittances tend to have a positive developmental impact on the migrants' households, in addition to contributing to investment purposes. However, there is still a need for increased efforts to maximize the positive impact of remittances flows, providing suitable channels to create productive investments that might then have a bigger impact on a wider range of the population.

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