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**CAIRO PAPERS
IN SOCIAL SCIENCE**

INFORMAL SECTOR IN EGYPT

Edited By

NICHOLAS S. HOPKINS

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GAMALIYYA: INFORMAL ECONOMY AND SOCIAL LIFE IN A POPULAR QUARTER OF CAIRO

GEORG STAUTH

"It is life itself -- here in its economic branching-off -- that with all its drives and overflowing wants, its own changes and differentiations, grasps the dynamic of the whole movement: Being in itself formless, however, it can turn itself into a phenomenon as form only."

-- Georg Simmel, *Der Konflikt der modernen Kultur*, München, Leipzig, 1926, p. 7.

Introductory Remark

This paper deals with the economy of common people in old, Islamic Cairo. It attempts to investigate some of the most characteristic features of the relationship between industrial relations and social life in Cairo, a metropolis of the Third World. The subjects studied are forms and functional differentiations of economic activities related to the rise of an informal industry of aluminum products in the quarter of al-Gamaliyya. An attempt is made to describe the separate spheres of social life to which all economic activities remain essentially related. Finally, an analysis is made of the relations between various social groups involved in the new informal industry of the quarter. One of the most important themes of this paper is the rise of new strata of the local rich people and their emergence as notables and intermediaries between the common people and the government. Their position is of crucial importance for the function of popular economy and the order of life. The essay covers the period from October 1981 to November 1984. During this period we were in the field for three stays of two to three months each. Beginning in the height of the *Infitah* period, the period of the so-called economic liberalization, the study relates to a time of rapid change, of which the transition from the donkey cart to the Suzuki pick-up truck as a means of urban mass transport is the most obvious feature.

The study focuses almost exclusively on the material recorded during the field stays; it relies on observations and interpretations of talks. On a much smaller scale than the usual social study of the "informal sector", our study encounters the conditions of practical life from inside, from a perspective of individual life experience.

I. Urban Proto-Industrialization and the Bazaar

The research perspective of historians has stressed the analysis of patterns of industrial work which antedate industrialism. One of these perspectives -- "industrialization before industrialization" -- described schemes of industrial production in rural areas based on domestic commodity production. Within this perspective it was shown how a combination of peasant subsistence production and market-related domestic industries formed a background pattern for the regional and then interregional extension of markets and then continued to play an essential role throughout the various stages of capitalist transformation, even in periods of extensive capitalization. A main argument is that a specific relation between subsistence production, domestic commodity production and merchant capital provides the necessary infrastructure for a new stage of mechanization. The productive unit here remains the household of the small peasant (Kriedte, Medick, and Schlumbohm 1977).

In this paper we shall point to the small-scale street workshop as the essential unit of production in an urban informal economy and we suggest making use of the following features as distinctive of the street workshop and the socio-economic dynamics to which it is subjected:

1. employment of non-factory industrial labor
2. indirect dependency on big capitalist enterprises for raw material and further distribution of products (in our case such enterprises are state-owned)
3. direct dependency on merchant capital
4. close relation between work and residence, working and living relations
5. flexibility in the application of available technology, labor and relations of production
6. regulating and integrating functions towards the lowest strata of the urban poor with irregular income opportunities
7. securing and reinforcing of community relations and norms through the solidarity networks among the owners and workers of the street workshop.

The introduction of the concept of the informal sector into recent debates of processes of capitalist transformation in the peripheries (Hart 1973; Sethuraman 1976; Papola 1980) and of non-employed labor within the capitalist centers (Gershuny 1979; Gorz 1980; Berger 1982) has served a useful, if limited function: The fruitfulness of the concept of an "informal sector" lies in that it has emphasized the nature of continuity of non-capitalist forms of production in economic development and their respective redefinition in capitalism.

The great danger of this approach, however, is that it has led us to view informal production schemes exclusively in terms of "survival strategies" of the poor and thus as a "nature-bound type of social policy" (Elwert, Evers, Wilkens 1983; Simon 1984). The following description of the socio-economic dynamics in al-Gamaliyya, an old Islamic quarter of Cairo dating back to the Fatimid period, will include a discussion of some implications of these dynamics on the national level from the perspective of the local life experience. More specifically, I shall isolate the major dynamics of continuity

and restructuring of economic and social institutions and only then seek to determine how a specific local population fails to make use of the local institutions in terms of its so-called "survival strategies". Although the social forces of the quarter contribute to the practical reformation of economic and social institutions, they fail to gain any influence on the real content of both local and overall economic social policies. One of the most striking features of these dynamics is the process of redefinition and recreation of the small street workshop (*warsha*) -- once an integral part of the Cairo bazaar economy. The *warsha* today is a small industrial unit within the organization of production of aluminum housewares, of which only a very small portion is still sold within the remnants of the old bazaar, namely the Khan el-Khalili and the Muski. At the height of the aluminum boom (1981/82), the *warsha* recovered its old functions of a social institution in the street life of the quarter, whereas it gradually disappeared in the time of crisis (1982/83). At such times the street workshop is replaced by more effective and intensive units of production situated in the side streets of the quarter and in other areas of the town.

Sociological evaluations of the industrial relations of the "Islamic city" remained tied to the perspectives of Orientalism (Said 1978, 1985; Turner 1978). While admitting some of the postulates we might turn away from this debate and neglect universalizing historicism in order to be able to create "a new type of analysis of plural, as opposed to single objects" (Said 1985:11). Social scientists have identified some rather basic features of the bazaar economy which cannot be denied as factors of modern economic development. While Weber's conceptual separation of nuclear family, household and enterprise (Weber 1980) has attracted much debate, it has also provoked arguments questioning the significance of such conceptual separations within the system of the modern world economy (Smith, Wallerstein and Evers 1984).

The bazaar economy is an issue in its own right. Although family life and working place are clearly separated within the social life of the bazaar quarter, the emerging enterprise remains tied to the social relations embedded in the local community of the quarter. As Clifford Geertz (1963, see also 1978) has pointed out, the bazaar is an economic system with a special way of life and a place of communal activities reaching into all aspects of society. It is a social mechanism for trade and commerce, but also a socio-cultural world, complete in itself. Eugen Wirth (1974/75) has stressed the fact that the presence of the bazaar distinguishes the Islamic city from the European city. He defines the bazaar as the economic core located in the center of the Islamic city remaining exclusively reserved for economic activities like trade and commerce, public and private services, wholesale and retail business as well as production and trade handicraft. Geertz (1963) defines the bazaar-centered economy as a flow of economic goods and services, regulatory mechanisms (like sliding price systems and credit relationships) and as a separate social and cultural system in which all those mechanisms are embedded. For our case it is important to note that the bazaar is not only a simple distributive apparatus but also a productive and manufacturing apparatus. Small commodity production and exchange,

entrepreneurs and traders, workshops and markets cannot be seen as separate elements; they are interwoven parts of a whole economic system. The place of work which arose from it was the small street workshop.

In Cairo the bazaar was located between the northern Bab al-Futuh and the southern Bab Zuwaila, the huge gates in the old Fatimid town wall. Janet Abu-Lughod has described in detail the relation between the bazaar and its environment: within the whole business district specialization was extremely high. Each trade and product had its own area within the market complex. In the more commercialized sections, situated immediately around the bazaar, there was an intermingling of residential, industrial and commercial uses. The natural consequence was the formation of an area of living and working in which production publically took place. This public production, as an extension of the bazaar, was located in small workshops in the streets (*shari'*) of the popular quarters (*darb*). Each quarter had a specialized small scale production and the entrepreneurs were the suppliers of the bazaar. But the division into a lot of *durub* was not dictated only by technological or economic conditions. Of course, the technological functions of the particular quarters unified the inhabitants on an economic level, but the cohesiveness of each area was also strengthened by the relationship between ethnic identity and religious and regional ties. Seen historically the big bazaar of pre-industrial Cairo developed the manufacturing base of the neighboring quarters and created the base for the manufacture of aluminum products of today's industries in the quarter.

Al-Gamaliyya was always strongly tied to the bazaar during its whole history. Located in the heart of the old Fatimid city, and therefore immediately connected to the bazaar, merchants, master craftsmen and artisans lived in this quarter. The industrial and commercial life of the city depended on these groups. Orientalist studies of urban life in the Mamluk period and the early days of nineteenth century Cairo in the main dealt with the dominant groups of the urban strata (*ahl al-mudun*). In this perspective social groups in urban Cairo seem almost totally to consist of the dominant strata of the '*ulama*', *multazimun*, and the *tuggar* (Lane 1835, Lapidus 1967, 1970, and 1969; Baer 1982; Raymond 1968, 1974). The social rule of the popular masses (*al-'ama*) and their cultural roots in the rural peasantry (*ahali al-aryaf*) have been, with the exception of Baer (1982:225-252) and Raymond (1968:104-116), totally neglected. Much of the popular social life in the town was, even in the nineteenth century, still viewed in terms of the peasantry and its deeply rooted culture (Baer 1982). Town life for peasants settling in the city was seen as a hell of permanent co-habitation with soldiers, but this gives only a mild impression of the big threat that urban culture imposed on ordinary people from the countryside (Baer 1982:8). On the other hand Gabriel Baer's work on the Egyptian guilds and Raymond's study of the eighteenth century artisans of Cairo point to the long established tradition of urban social and economic organization of popular masses. Attention was also paid to the role of these popular masses in famine and bread riots. Within the organization of social and economic life, the patterns of reciprocity and social control of the urban

masses had to be obeyed. Thus the patterns of mutual help and conflict arbitration were evoked by Gabriel Baer (1982:163-164). While such patterns might have served as the armature of solidarity of urban masses, attention has also been drawn to the rather ambiguous status of the lower strata of the 'ulama' and of the role of outlaws (*al-harafish*) and the masses of children (*'ayal*). Sawsan El-Messiri has pointed to the ambiguous role of the popular leaders (*futuwwa*) both in times of rebellion and in everyday life (El-Messiri 1977).

It was stressed by Janet Abu-Lughod (1971) as well as by Jacques Berque (1974) that the function of these old Cairo areas like al-Gamaliyya have changed little until today. Although the types of industries established in these quarters have varied over the centuries, the social organization and the patterns of social life and economic organization continue to form the backbone of the social structure of urban Cairo. The quarter of al-Gamaliyya is still characterized by an integration of economic and social structures.

As in earlier times the economic relations rely on both strong interference from the outside world and on the bonds derived from the social relations of the quarter. The various street workshops today are still linked through a marketing system which has the traits of what Geertz called the bazaar economy. Although both -- the units of production and the system of their interlinkage -- can be rooted in the historical structures of the bazaar system, thus depending on industrial policies of the colonial and the post-colonial regime, a "firm-type" economy emerged in the quarter centered around the production of aluminum houseware commodities which then became separated from the bazaar and emerged as a distinct system (Semsek and Stauth 1987). However, the structures we find in the production street of al-Gamaliyya differ quite strongly from what Geertz called a "firm-type" economy, although we can observe "a systematically, yet simply organized firm-based business-pattern, dedicated to long-term economic ends" (Geertz 1963:48). We can observe the strong involvement of respected shopkeepers and manufacturers, and even of a bourgeois stratum, which developed its own class status both inside and outside the quarter, while individualistic and speculative trading patterns remain tied to the networks based on the units themselves. The system as a whole has to be viewed in terms which allow for the rise of a firm-type economy rather outside the local context itself and which is based ultimately on economic, political and social control of the production street and the processes which remain tied to it as a whole. While the bazaar-type economy shows a continuous existence, both on the level of the interrelations among the street factories themselves and the social surrounding inside the quarter, one can also observe the emergence of a firm-type economy occurring outside the quarter but essentially based on it. The monopolization of relations to the larger frames of the society, and the mechanisms which allow for access to raw material, as much as the sale of the products (see also Geertz 1963:65), lead to the construction of a firm-type economy based outside the local context. All these relations become more clear, however, if we look to the structure of processes of production within the street itself.

II. The Street, A Pattern of Industrial Relations

The following analysis of the specific nature of industrial relations of the street workshops of al-Gamaliyya draws on 13 individual cases. All these workshops are situated in the main street itself or in its immediate vicinity in one of the small side streets or courtyards. All in all they are located within a stretch of about 400 meters along Al-Gamaliyya Street, together with side streets and alleys, midway between the al-Husseini Mosque and Bab al-Nasr. The aluminum workshops -- although, at a casual glance, they even give a characteristic appearance to the street -- are dispersed among other workshops of carpenters, machine repairs, hardware sales, and also butcher shops, coffee houses and other more traditional activities such as dealers in beans, coal, paint, etc.

The aluminum workshops altogether form a type of invisible assembly line. Raw material goods are exchanged among the different workshops, products are processed from one workshop to another, waste material is recycled and redistributed. However, the whole of the "laboratory" is based on the small-scale commodity production of the individual units. The products of these units, be they finished or semi-finished products, are sold upon leaving the workshop. The raw material inputs, when entering the workshops, have to be paid for, and thus all external services are fully monetarized. Most of the workshops are licensed by the state and a workshop with a first rate state license is provided with a specific amount of aluminum every month by the state-owned aluminum factory. This aluminum is of high quality and is sold for a specific price fixed by the state which is still cheaper than any other aluminum on the market.

The individual workshops are specialized and reflect different levels of involvement in the market. There are workshops which specialize in both semi-finished and finished products and are also equipped to process recycled raw material. Others specialize in one specific product and thus appear as rather autonomous units. There are altogether about 200 aluminum workshops in al-Gamaliyya, while in the particular production street observed here, there are about 20 aluminum workshops of different sizes. None of the units employs more than 12 workers and or has more than 4-5 different machines.

In the smallest unit we find a father and his son working in shifts on a machine which cuts the aluminum tin into round pieces to be then finished in another workshop as a tin box (type D). The space occupied here is not more than 6 square meters. There are also units where two men work at a modern hydraulic press, cutting aluminum sheets into square pieces and although the space occupied here is very small, the productivity of the place is very high. In another type of workshop one might find three or four men working on a huge spinning lathe with which big round aluminum plates are formed into washing drums (type A). These drums then are used for the production of washing machines in state-owned (public sector) factories. Other typical units are based on the work of rolling machines with which aluminum plates, recycled from the wastes of other workshops, are rolled down to sheet metal which then has

to be transported to a nearby oven, part of another workshop, then has to be brought back to the original workshop, is cut down there into round pieces by a cutting machine and is then processed by a spinning or turning lathe, again established in the same workshop, to pots of varying sizes. In such a workshop the end products as well as unfinished material in various stages are immediately sold off if good opportunities are offered (type B).

TABLE 7.1

ALUMINUM WORKSHOP TYPES IN GAMALIYYA

A. Licensed Workshop

product: mainly washing machine drums
 machinery: big turning lathe
 labor: 3-4 young men, skilled
 relations: wage

B. Licensed Workshop

product: pots of small and medium size
 machinery: turning lathe
 cutting machine
 rotation machine
 labor: 6 to 12 young men, skilled and unskilled
 relation: self-employment and wage

C. Licensed Workshop (Combination of A and B)

product: pots and drums of all sizes
 machinery: big turning lathe
 cutting machine
 rotation machine
 oven
 labor: 10 to 15 young men, skilled and unskilled
 relation: wage and self-employment

D. Licensed or Non-Licensed Workshops (no 90% input)

product: mostly semi-finished pieces, boxes
 machinery: cutting machine, other small machines
 labor: 1-2 men, skilled
 relation: self-employed

E. Licensed Repair or Spare Part Workshops

services
 machinery: mixed very high or very low technology
 labor: 1-2 men
 relation: self-employment and wage

F. Local Merchants

Some workshops specialize in the production of washing machine drums, in which case they need first quality raw material, and thus a first class state license in order to gain access to it. All other workshops in one way or another depend on material recycled from the waste of this first category of production. The waste is gathered from various first class workshops, then transported to a nearby desert area (in the Muqattam Mountain) where it is melted down in foundries to a new second-rate quality aluminum which then is brought down to the quarter again in the form of small (30-35 cm) but thick (5 cm) slabs which then have to be rolled down to workable sheet metal again.

The types of labor and capital employed in the various workshops of the street suggest that the workshops themselves contribute little to the accumulation of capital. The street industry is characterized by an integrated small-scale commodity production embedded in the social life of the quarter. This becomes even more evident if one surveys the "enterprises" grouped around the different workshops: there are various coffee houses and coffee shops of different functions, size, and equipment. The two big coffee houses of the street are crowded almost all day and offer to both insiders and outsiders of the quarter the service of a leisurely place at all times of day. The numerous small coffee shops of the street deliver sitting facilities and drinks to the workshops. There the workers are served in their coffee breaks but also any customer of the workshop would be served tea or coffee with a chair and a little table. The workers, the owners, and their clients thus are provided with food from within the street, not from their nearby homes in the quarter.

Street food vendors and regular shops sell various ready-made traditional snacks like *ful*, *ta'miyya*, *kushary* and the like. And for those who can afford it there are fried fish or meat snack shops. Likewise vendors and shops sell a great variety of fruits and juice, changing with the seasons. In the street there are also various repair shops for household equipment (type F). Many such repair shops consist only of a place in the street where the craftsman has established his working place under the blue sky. The owners of the well-established workshops and coffee houses maintain specific relationships with the mobile traders and craftsmen in the neighborhood.

The following scheme gives an overview of the various industrial relations among the different workshops. All the established workshops get their inputs of raw material through formal, legalized, licensed state-commercial organizations. Today, in contrast to Nasser's time and as a result of the open-door policies, these inputs of high quality raw material, as they are distributed by the public sector for a relatively low price, can also be supplemented by good quality material brought in from the international market by private import companies. The workshop can also acquire raw material of low quality from the local recycling system which emerged in the early 1970s. These inputs are transformed on various levels inside the workshops: they produce, either in cooperation or individually, a final product which goes to the local market. The waste is then sold and processed within a recycling system which functions as an informal resource of raw material. Supporting the productive units of the aluminum industry we find other

workshops which exclusively function as repair services, for spare parts, and for other materials. Finally, and quite closely linked with these services for the workshops, we find a commercial network linked with the sale of investment commodities, spare parts and machinery, etc.

III. The Workshop, a Place of Work and of Social Life

The workshop is a unit of production within the production street. It functions not only as a place of work but also remains a major locale for social interaction among the people of the quarter. Being open to the main street, the workshop serves both as a place of communication and as a place for machinery. Since the machinery appears as archaeological relics of early times of industrialization, the frequent pauses for repair offer many breaks for chats in the course of daily work. But also the arrival of a merchant or the entrance of a friend or a relative would result in interrupting the machine. The interdependence of communicative and productive functions structures the scene. To a selected group of people, the workshop also provides a public telephone or a water tap, and it becomes an institution of social order in the street life in front of and around it. This unit of production, being a place of economic enterprise, remains socially embedded, even in its internal relations and its particular organization of the labor process.

There are various workshops of different sizes combining different functions and different degrees of sophistication in machinery. The machines are of low productivity and require a high rate of vital work potentials (labor input). The input of capital in the workshop is relatively low. The possession of a state license appears to be of higher importance than capital. Since there are other workshops, which are specifically engaged in manufacturing spare parts, in the repair or the reconstruction of machines, capital investment remains low even when old machines have to be replaced. This latter fact might help to explain why these machines are continuously used without any cleaning or maintenance. The rationality of the instrument lies in its pure function and utilitarian character as a means of production. It is understood in its immediate functional design, while its capitalist character, its systematic and monetary value remain rather disguised outside of the immediate context in which the instrument is consciously used.

The basic source of energy is electricity. The electric motors are linked with the various machines by transmission belts which leads to a considerable waste of energy. The essential equipment of most workshops consists of three different types of machinery:

1. The rolling mill (*makanat darfalla*)
2. The spinning or turning lathe (*mahratta qam'*)
3. the cutting machine or blanking press (*maqqs dawaran*)

Apart from the type A described in the scheme, where only wage labor is employed, the owner participates in the production process. And in many cases other family members contribute in work. In some cases the machinery of the workshop is a shared capital investment by various persons and in this case it

is considered as *shirk*, share holding, in the traditional Islamic sense. In some cases even one single machine had several proprietors. And in such cases the profit is divided between the owners of the machine according to their property share or their share in work. When one or both proprietors work on the same machine they calculate for themselves the local daily wage of about 7 pounds (in 1983). And they would also share the costs of wages in the case of hired labor. Wages in al-Gamaliyya are actually paid on a weekly basis.

Since the capital stock is relatively low, self-exploitation of labor rather than exploitation of hired labor is the basic source of profit. In case of illness or ruinous defects, or high repair costs of machinery, the relatives or even neighbors are asked for help. The work conditions in the workshop are poor; crowdedness and the organization of work make it tiring and dangerous. Measures of security are rather taken casually. Machines are noisy and the workers appear not be aware of the possible damages that could be caused by both the machines and the material. The moving parts of the machinery are unprotected and workers can easily lose their hands or even arms when their clothes catch between the different cog-wheels. And indeed, many such accidents have been reported. Children who are working with such machinery are much more in danger than adults. The breaking of transmission belts in a constant source of danger. If they break they fly through the workshop like a bullet fired from a gun.

Workers at the spinning lathes are highly specialized and very well trained. However, work there is dangerous and specifically when the aluminum plates are moved in at times when the motor is still moving and the lathe is still turning. Apart from this the lathing of the material leads to waste accumulating in the immediate vicinity of the machine and although the workers are used to it, damage to the eyes is not unknown. In the finishing process of the aluminum products the parts have to be boiled in a very strong solution and the vapors of this solution attack the lungs. The chemistry of the solution attacks the breathing of the workers very strongly and illnesses like asthma and bronchitis are not rare among the workers.

If we view the workshop here as an institutional unit which integrates both the necessary productive functions and the social network of the locality, we certainly have to stress that its "underdevelopment", i.e., its low sophistication of order and systematic action, results exactly from an undifferentiated pattern of social and economic functions. This low level of differentiation allows, however, for a high flexibility of the unit. A long working day and flexible working hours, as well as varying levels of labor intensity, have to compensate for the disadvantages of the out-dated machinery and irregular inflow of new material.

Wallerstein (1984) described the "household" as an institution of flexibility in a global economic system. I would like to stress here that the workshop fulfills a similar function.

In contrast to Wallerstein, who determines the flexibility of the household through its emergence as a pooling system of incomes -- the household there being defined in essentially economic terms -- it has been stressed that such

flexibility only appears because of the household's ability to link economic and non-economic relations (Wong 1984, Stauth 1984). This also is the case of the workshop: The social relations around it make a flexible economic function possible. Here the flexibility of the workshop derives from its ability to combine the social and economic functions.

However, before asking how a differentiation process in terms of a greater specialization of economic functions and an externalization of social obligations becomes socially acceptable, we shall first of all discuss in further detail the prevalent forms of this integration pattern of economic and social functions.

IV. The Flow of Goods and Services

All workshops of the quarter rely on the same sources of raw material. These sources can be distinguished as follows:

a) high quality raw materials

- The state supplies aluminum which comes from the mines and factories which were established as state enterprises in Nasser's time. The price of a ton of this high quality aluminum, which is sold in 6 mm thick plates of about 2 square meters, was L.E. 1,530 in al-Gamaliyya in 1985, about twice as much as in 1981; this high quality material is 95% aluminum.

- High quality aluminum is also occasionally distributed through the black market and by private merchants. This type of aluminum is imported by big merchants from the world market; it is more expensive than the government aluminum.

b) recycling of waste

- In the quarter itself waste from all workshops is recycled. It is brought to the foundries outside the quarter in the Muqattam area and redistributed afterwards inside the quarter. A ton of recycled aluminum in blocks of 15/30/5 cm cost in 1985 L.E. 1000; this *saba'iq* or alloy is only 65% aluminum.

If we look first to the state-distributed aluminum we should note that Egypt is a supplier to the world market, rather than a consumer of its local production. The relative importance of aluminum as an export, however, is low: in 1979 it was 44.6 million US dollars as against 381.8 million US dollars in cotton exports.¹

Egypt with its world market dependency and its large deficit of foreign currency and with a public sector with its own economic logic first seeks to export raw aluminum of high quality rather than to supply a relatively unproductive local aluminum industry. Thus the distribution of aluminum in

¹ See Statistisches Bundesamt Wiesbaden, *Länderbericht Ägypten 1984*, p. 50.

the local market remains controlled and rationalized by a state distribution system within which the access to aluminum depends on the state license.

To obtain a license means to face bureaucracy. The Minister of Industry and a commission of state-employed engineers decide on the appropriateness of an application. According to the official regulations a workshop is not to be opened in a building in which other people are living. This is specifically to protect flats and houses of people from the vibrations of the machinery. Furthermore, before being licensed ownership of the machinery has to be certified and workers have to be employed. Then an amount of raw aluminum will be fixed as a monthly allowance according to the number of workers. Specific provisions for security and technical arrangements have to be made in order to get a license. Fire extinguishers have to be installed, and the electric devices have to comply with official norms. The owner of the workshop also has to pay into a pension fund for the workers which amounts to around six Egyptian pounds per month. Successful or unsuccessful, the application and the commission's assessment cost two hundred Egyptian pounds and for the yearly extension of the license twelve pounds have to be paid (1982).

The average workshop with up to five workers receives two tons of state-delivered raw aluminum per month. The price of the two tons amounted to 1,650 L.E. in 1981 (1985: L.E. 1,530 per ton) and depending on the type of the license, workshop owners have to pay about L.E. 600 taxes per year. The state allows only for a limited number of licenses every year, thus restricting the delivery of first quality aluminum to the local industry. The Ministry of Economics and Industry also maintains a waiting list for applicants for licenses and it is according to this list that aluminum production is planned for the following year.

The average workshop with five workers uses its two ton allotment in about one week. Thus the workshop becomes dependent on other sources of raw aluminum and specifically on the black market. To understand that there exists a black market in dealing with the raw aluminum we have to note of course that there are many former workshop owners who either by means of corruption or simulation pretend to continue aluminum production in their workshops in order to maintain their licenses. These people might have changed their business, might have retired, or might have always had in mind to develop a trading system rather than to resume production. They sell the aluminum which they buy from the state agency. They also help their clients to receive the necessary papers for opening a workshop and starting production.

The poorer strata of the workshop owners on the other hand are often unable to afford the full price of the aluminum which their license entitles them to buy. A lot of small workshops cannot advance the enormous sum of L.E. 3,000 necessary for the purchase of the two tons of aluminum every month. In this case one of the richer workshop owners or merchants, who possesses the necessary capital, enters the deal and buys the aluminum in the name of the smaller owner, using his license. Thus the rich owners, who now appear themselves as big black market merchants, pay L.E. 100 to each small

owner in exchange for the necessary papers to entitle them to buy aluminum on a large scale. Small workshops, which only dispose of very old and rudimentary machinery and thus are unable to work with the high percentage and high quality aluminum which they could buy on the official level, also sell their licences. For them even the type of their machines is only able to cope with the low quality of the recycled aluminum. Henceforth the sale of their licenses provides them with an additional income. Thus the state distribution and rationalization of aluminum on the local market creates the rationale of the black market itself.

In the production street there are two large establishments of ten to fifteen workers and up to ten machines of a sometimes rather modern origin which in the main work on the high quality material brought in through the state factories. In addition to these workshops there are many small ones which have one huge spinning lathe around which work three or four workers and which produce mostly either washing drums which are delivered to the state-owned washing machine factories or big pots for hand washing in households. These are the immediate users of top quality aluminum (type A, p. 10). On the other side we find the mass of the small workshops relying on a type of machinery which is suited only to recycled low quality aluminum. The workshop owners (types B and D) thus sell their licenses to the big owners and merchants. Thus the quality of the material and the machinery strengthen the differentiation between the small and the big workshop owners. Low quality, recycled aluminum is not suitable for the production of huge drums and pots. On the other hand old machinery and unskilled labor are not suitable for the type of work required by high quality aluminum.

There are four big merchants and owners of workshops who control the trading of high quality material and who maintain the structure of the black market in the quarter. These merchants not only control the aluminum production in al-Gamaliyya but also the markets of the provincial towns, like Tanta and Minya for example, and they also distribute high quality aluminum to these markets.

The aluminum wastes of the workshops are gathered and sold to the foundries established in the nearby desert area of the Muqattam Mountains. Formerly donkey and horse cart owners collected these wastes and transported them to the Muqaddam Mountains, but today some owners have their own Suzuki pick-up truck with which they also serve the smaller, remaining workshops. In the foundries the wastes are weighed and the price and weight are noted down. Payments are then done periodically on the basis of written accounts.

The founding procedures are simple and done by low technology. The wastes are thrown into a huge tub, the interior of which is laid out with a wall of firebricks and below this tub there is a huge cooker (*babur*) which consists of a burner and an air fan thus producing a very strong fire over which the aluminum is melted. The aluminum melts at a temperature of about 700 degrees C. and it takes about half an hour until this temperature is reached and the metal starts to melt. Here again during the melting process other wastes of

aluminum slag can be taken from the tub since these wastes are floating on the top of the melted metal. Together with the other waste, slag is thrown onto a scrap heap outside the foundry which is then the object of a small recycling process itself. The slag is collected by women and children of a group of Bedouin origin (*'arab*) settled in this area who leased the land on the basis of a traditional informal contract with the owners of the foundries. While the males of these Bedouin groups act as small merchants and dealers, the women gather small aluminum pieces in sacks and bring them back to the foundries. These women and children are paid according to the amount of aluminum they gather. They hardly earned more than L.E. 2 per day in 1983. The liquid aluminum is taken from the tub with a huge ladle and poured into steel molds of the following dimensions: 15/30/5 cm. After the aluminum has solidified the molds are opened and the new slabs are gathered and transported down to the quarter again. In the workshops which rely on the recycled aluminum, the slabs have to be rolled down to workable tin. This is done by a rolling mill and the slabs have to be passed five or even six times in separate processes through this machine.

V. Industrial Relations as Social Relations

The workshops are situated among mosques and tombs of saints and other religious monuments like the public fountains for charitable water distribution and the Koranic schools, but sometimes we even find them established within a *wakala* (the old caravan trade-yards or caravanserais). These monuments all have a deeply rooted significance in the history of the town. But workshops are also situated among coffee houses and food shops, interspersed with monumental ruins and new buildings. They are surrounded by peddlers, street merchants and petty craftsmen, who maintain close social ties with the workers and the owners of the workshops.

The social relations of the different workshops result from the patterns of the local division of labor and from the more practical and spatial relations entailed in the structure of the quarter. Furthermore, as we have described above, the workshops themselves are units of social interaction and institutions of social life. It is through the street and the places of the workshops that a public dimension of communal life is constituted. We find both a practical representation of reciprocal norms in the dealing between the different workshops on the one hand and the expression of symbolic defense and representation of such norms in the public dealing on the street, as they are linked with the private ones in the living spheres of the alleyways (*harat*). Thus neighborhood help and self-help in and among the various workshops is a very essential relation (*muzamlā* = reciprocal help). Mutual help in Gamaliyya today is a norm which any owner of a workshop has to obey, even though he might think in some situations that offering such help threatens his own economic welfare. If a machine breaks down, or a specific instrument is needed for its repair, the owner turns to the neighbor for help. None of the workshop owners has a complete set of tools, whether for repair or for normal

work operations, and we found a constant exchange of such tools going on between the various workshops. Sometimes a neighboring workshop owner could replace his neighbor if he falls ill or is absent for any other reason. Thus we often found that a neighboring workshop owner deals with his neighbor's customers without any constraint. However, it would be considered *'aib* (shameful) if a neighbor took advantage of the absence of a friend to steal his customer.

Workshop owners drink tea together in groups and they use the benches and chairs of a nearby coffee house while listening to radio transmissions or even watching T.V. Gossip and news are exchanged, comments are made on people passing by, information on the latest and best deals are exchanged, politics are discussed, etc. It is within this public sphere of the street, of gossiping and of showing off, where women can be blamed for lack of "shame" and men can lose their "honor". There is an exchange of cars and motorcycles among the younger owners, insofar as they remain on good terms with one another. And there are common leisure time activities, of which sitting together (*'ada*) is the most common one. For any *'ada* there is a core group of friends (*shilla*) which organizes the meetings, the smokes and the beverages. However, the *'ada* could include members of various generations and of various actual concerns: it could include passers-by, relatives, customers, and individual friends. Normally the *'ada* is the occasion out of which various other activities are organized such as the visit to the cinema, watching a football match, participation in a marriage feast. The core group decides what to do, where to go and whom to include.

If we then look to the individual workshops and how they relate to each other, how alliances are constructed among both the owners and the workers of the various workshops, we could distinguish different patterns of interlinkage, of which I will shortly describe the most obvious ones.

Various workshops and specifically the ones of type A are owned by the same family or person. There are four workshops, for example, owned by an old family of notables whose family house is in the quarter but whose members live in modern flats in more fashionable quarters of Cairo. Other members of such honorable families have left the quarter, because they never entered into the aluminum boom and instead opened factories in old Cairo in their old trades (e.g., soap), like the famous Sha'ban family which maintains only a bookshop near the Azhar. There are also five small workshops in the locality which belong to the big *huggag*, who otherwise own factory-like enterprises in nearby areas (such as Hara Yahud or Dirasa). Among these some started as offspring of rich copper merchants for the bazaar like Hagg Sabah and Hagg Subhy, while others like Hagg Sha'ban and Hagg 'Iraqi. made their way up from the lowest strata. It is symptomatic for the dynamics of the quarter (as well as of symbolic importance for the whole country, as clearly demonstrated in the novels of Naguib Mahfouz), that Hagg Sha'ban gained his high status and wealth through a love story and subsequent marriage with the daughter of a rich merchant. It is obviously this charisma that led him to introduce aluminum production to al-Gamaliyya during the Nasser period. But

what people tell us of Hagg 'Iraqi. is less charitable: he only made it through work, cunning and tyranny, they say.

In the workshops of all these owners we find only young strong workers who are employed on a wage labor basis and who are still living in the quarter. Many of them are recruited from poor families who found asylum in a former factory building or in one of the *wakala* -s or in tents in the side streets, because their houses had collapsed. They are mostly unmarried youngsters from sixteen to twenty-four years old having close relations among each other, both in work and in social life. They spend their leisure time mostly in the coffee houses or in the quarter and they leave the quarter only on weekends to watch a football match or to see a movie. While the youth of the workshops of the big merchants hang around in groups, there also seems to be no open competition between the aluminum "kings" of the quarter. Their spheres of interest are clearly separated and the superiority of Hagg Sha'ban is accepted by Hagg 'Iraqi.

Another strongly structured pattern of interlinkage between workshops is the exclusive interdependency established through production and market networks. An interlinkage pattern of this type we find among workshops of type D and B. The most obvious example here is the relation between two elderly men, each owning a small workshop, collaborating together in producing tin boxes. One man works with his son, while the other employs a young man. Both workshop owners live in the quarter, but they do not participate strongly in the social life of the street. They rather represent the calm and stable type of craftsman whose life is determined by family responsibilities and work.

Another workshop of this type, equipped with most advanced technology, is a dynamic center for the other workshops: here all big aluminum plates of high quality are cut down to a workable size by a very modern and newly imported cutting machine. The owner of this workshop does not live in the quarter. He is considered as a very clever man of the modern type and has sent his son to the university. He has employed a young man with whom he works together in the workshop. Suzuki drivers, who bring material for the big workshops, donkey cart drivers, who bring material for the small ones, owners of small workshops and passers-by in the street stand together in front of this place, exchanging news, views, and gossip. Since all workshops which have a state license and access to high quality aluminum have to use the services of this workshop, it is a busy place during all times of day. However, here again the owner of this workshop does not participate intensely in the social process of the quarter and the function of the space in front of this workshop as a center of contact is limited to the industrial process itself, since the owner has no social interest inside the quarter.

A more socially defined pattern of interrelation between the workshops is the one of vicinity and neighborhood. Here we could point to two significant cases of the type C. One is a rather big workshop of about 11 workers, owned by 3 brothers, situated in a little side street (Darb al-Asfar). They also have a small shop displaying the finished products for sale just nearby. The eldest of

the brothers maintains good social relations with the other workshop owners and specifically with the big merchants. He spends most of his time socializing in the coffee house or walking in the street and chatting with other workshop owners. His younger brother sits most of the time in front of the workshop and controls the work or transports material and goods back and forth between the quarter and the Muqattam area. He is considered as the "strong-arm man", the *futuwwa* type. The youngest of the brothers, about 13 years old, however, is a normal worker in the workshop. The second workshop of this type is in the hands of a 24 year old man, offspring of a traditional craftsman who still formally owns the place. The workshop is situated in Shariya al-Gamaliyya itself. This latter workshop only had 5 workers including the young owner, his younger brother of about 17 years, and 3 youngsters between 7 and 12 years, two of them being the children of a widow peddling fruits on the sidewalk near this workshop. The other child is the son of a neighbor in the nearby building where the young owner lives.

These young aluminum workshop-keepers, together with the owners of a nearby foodshop, of the two coffee houses, and a radio repairer formed, until 1982, the "golden youth" of the locality. They all felt they were at the entry into a new world of high aspirations. Imitating the big *huggag*, the *kabir*, they protected beggars and peddlers, drank and went on feasts with their own workers, installed tape recorders and television sets in their workshops, and in a rather amiable mixture of attitudes of religious defense, modesty, politeness and sexual harassment attempted to seduce what they called the passing *harim*, women of both local and foreign origin.

In an earlier work I have pointed to the process of "totalization of norms" in which the construction of a social public by means of a continuous bargaining for "symbolic capital", the construction of economic and social power leads to an imaginary separation of norms and practical life and to a situation of permanent "bargaining for reality" (Stauth 1984; for further elaborations of this point see Semsek 1985; for the social context of a Moroccan town see Rosen 1984). The normatively grounded attitudes of sexual segregation, reciprocity and arbitration turn into what Bourdieu calls "norms of utility" (1980). The close ties and patterns of interlinkage of social and economic relations lead to a reconstruction of public social life, the world of men, which makes simulation of normatively constructed attitudes the most significant form of public social life.

The interlinkages here are strengthened by the fact that both working and social relations have to be maintained in the immediacy of the place (*hitta*). These relations are those of a stratum of young workshop owners both married and unmarried. They all tend to separate from their families, e.g., leave wife and children in their parents' house. One of them maintains a separate flat which is also a separate place of contact and social interaction. The vicinity and the close social ties enable a social commitment which is oriented toward the street, both in terms of working and leisure relations.

VI. Integration and Conflict: Social Groups

What are the symbolic means of the formation of economic and political power in the quarter? As we have described, the industrial relations form a network by which access to state-controlled resources of raw material is secured. These relations form a hidden social structure on which the industrial production as a whole depends. The state-controlled distribution of aluminum created a stratum of brokers between the state agencies and the neighborhood workshops. These brokers make full use of the space for economic power given to them. Thus they control the distribution of aluminum inside the quarter not only on the level of access to the official raw material but also through a black market and a related recycling process which was created by them.

The power of the big dealers, however, cannot be understood only in terms of the relations between the state agencies and the local community. The quarter and the social groups acting in it maintain mechanisms of material and symbolic interaction which in themselves constantly replace legally administered and formally regulated relations. Let us, therefore, look to the social groups inside the quarter and then to the relations maintained among them.

Gabriel Baer in his "Popular Revolt in Ottoman Cairo" (1982:225-252) distinguishes basically between three major social groups in the Islamic quarters of Cairo, specifically in what he called the "Hussainiyya" Quarter. The indigenous rich merchants (*tuggar*), who had established family ties with the Ottoman and Mamluk rulers, were a rather informal and amorphous group, described in the historical sources which Baer uses as *al-kabir*. As a second group he speaks of the small merchants and owners of shops, workshops and stores which were called the *ahl al-aswaq*. Furthermore he speaks of people without capital, people who do the dirty work and are involved in immoral life and who could include a whole range of various professions such as cooks, sellers of various dishes in the streets, blacksmiths, water carriers, donkey and camel drivers, porters and ferrymen as much as servants and certain kinds of beggars, prostitutes and finally even vagabonds and pickpockets. These people were called *al-'ama*. Obviously linked with this latter group and as specific groups within it two other categories can be distinguished. One is the *zu'ar* which is an organized group of armed bands of youth which is meant to defend the quarters against Bedouins and other intruders (Baer 1982:230), and the other group is the one of the children, *al-sihar* or *al-awlad* or *al-af'al*. These groups together with beggars are described as having played major roles in the riots of the 17th, 18th and 19th centuries.

Certainly contemporary people like Hagg Sha'ban represent a class of the rich merchants (*tuggar*) and again, the small workshop owners and shopkeepers and coffee house owners in the street could easily be compared with the *ahl al-aswaq*. The picture would be incomplete if we omit the masses of people who linger in the street with small informal businesses (*al-'ama* or *al-suqa*). This is the stratum from which the young are recruited for the

workshops and of course the workers of the workshops are in a rather privileged status as against the mass of these people without any "capital".

The ambivalent function of the big merchants, the *huggag*, today is obvious: they are the real capitalists, separated socially from the quarter and living outside in the modern world of Cairo, while they use the quarter as their business center. On the other hand they remain arbitrators and religiously sanctioned leaders within the quarter. Nowhere in Cairo is the position of a *hagg* so regionally and symbolically tied to a specific economic and social position.

The strong social relations between small workshop owners and the skilled workers (*saby*) they employ in their workshops, is part of a pattern of reciprocity and of expectations linked with the hierarchical structure of age-groups and the life cycle as a whole. Whatever the real kinship may be, one would be expected to be trained in a workshop, to become a strong worker and -- as a young man (between 30 and 40 years) -- to create a workshop of one's own. This requires strength, knowledge, social performance among fellows and towards the community. Those who do not make it within this structure of the "workshop" are likely to fall back into the insecure life styles of the very poor. These masses of the insecure -- which refer so strongly to the *'ama* -- find a certain protection in their business through the workshop owners and their workers and it is the social groups surrounding the small workshops that finally reintegrate these insecure masses into the public life of the street.

The overarching and integrating function for these groups is secured by a social institution which refers to both the traditional groups of the *zu'ar*, the *atfal*, and the *futuwwa*. The *shilla* is the basic informal social institution among the youth of the quarter. Going beyond "class" and social differentiation, it integrates members of the various groups described above. The *shilla* defines an open group situation in which a number of men participate, having as its nucleus a strong core group of 3-5 friends. This core group of a *shilla* has the following constituting features:

1. They live in the same neighborhood (*hitta*),
2. They belong to the same age group,
3. Some, but not all, of the members are kin,
4. They work together in the same or in neighboring workshops, or
5. They share the same interests in leisure time.

These focus groups have their specific meeting times and places and there are an unspecified number of persons who, on various occasions, participate in the activities of a focus group. Thus the *shilla* has to be understood as the center of a group rather than a group with fixed and stable social relations. This is the traditional extension of co-residence and kinship relations, which the *shilla* then translates into the field of professional and economic life. Professional and economic relations, while they strengthen the social ties deriving from the alleyway social milieu, are part of public social life. In fact, the representation of such group ties in the main street is a very important pattern of social ranking. The street becomes the place where

kinship and friendship alliances are demonstrated. It is the *shilla* which allows for an effective display of such alliances in the public.

This functional understanding of the *shilla*, however, shortcuts the fact that the *shilla* is a social institution of its own: it comprises all elements of an "anti-structure", it "happens to exist", it arises out of occasions in everyday life and only through this unintentional happening can a reinforcement of social relations be achieved. In fact, these "open happenings" of social interaction give also room to the definition and redefinition of the social status of individual group members within the *shilla*. Thus, of course, the frame of reference of the *shilla* is related to strategic actions of its members in order to improve their economic and social status. Being the occasion for the display of power and wealth, the *shilla* also entails the possibility of losing honor. As a happening it entails all the necessary flexibility and the undefined, informal channels of relations through which strategic interests can be pursued without appearing to be strategic interests. The *shilla* plays an enormous role in the regulation of relations among the various social groups in the quarter and specifically among workshop owners and their workers. It has the function of a bridging institution between the disintegrating forces of divergent economic interests appearing on the level of industrial relations and the integrating and social forces of primordial relations maintained within the social life of the quarter.

VII. Real and Symbolic Capital: The Introduction of the Factory System and the Decline of Social Relations

As against the throbbing life that we once found in our place in *shari'a* al-Gamaliyya when we started research in 1981, al-Gamaliyya, was a calm and unexciting place when I saw it again in autumn 1985. The small workshops of the types A and C had closed down. Of the workshops of type B only the one of the three brothers still existed (however, only 7 workers still worked in it). The brothers had lost all their pride and they had stopped producing pots by themselves. They had sold out their license to Hagg 'Iraqi, and the only function of the workshop was to roll down the slabs of recycled aluminum to sheet metal for the new factories of Hagg 'Iraqi.

The *shilla* had disappeared from the public life of the street. There was less time to be spent for tea and coffee. Everybody was busy earning his living; there was no time for drinks, for games, for smokes. Police moved openly in the street, and fixed working hours for the remaining shops had to be obeyed. Social life had vanished from the public, the street had lost its function for the social life of the quarter. The workshop, where it still existed, had lost its integrating functions; it had declined to a mere economic institution.

Hagg Sha'ban, the dominant figure, the arbitrator and charismatic "chief" of the quarter, had lost his clientele of small, independent workshop owners. He had lost the game and moved into other business. Hagg 'Iraqi and the other big *huggag* had extended their manufacturing units in Hara al-Yahud and

Darasa into factories with up to 100 workers, some of whom were former workshop owners themselves.

Hagg 'Iraqi brought in young Sudanese migrant workers, some of them student dropouts from al-Azhar University. The homeless families from the collapsed buildings were moved to Salam City, in the dull suburbs of metropolitan Cairo, two hours tram ride away from the quarter. Hagg 'Iraqi with all his ascetic senses for real capital and his friends from the police station (*qism*) governed the place which once seemed so exclusively dominated by a local strong man, of the Ibn al-Balad type, who was dedicated to the protection of the *harim*, to bodily and symbolic power, to defense and arbitration. Hagg Sha'ban with his two types of symbolic capital had lost his influence. The quarter as a whole had lost its symbolic significance in the social life of the urban poor of Cairo.

VIII. Conclusion: Informal Economy, Social Life and Communality

In describing the social groups relating to the aluminum industry in the streets of al-Gamaliyya, we were not so much concerned to establish that people work in relatively open and unregulated working relations, use almost exclusively local resources for their work, rely on family ownership in their small-scale enterprises, use largely labor-intensive technology, depend on a very spontaneous form of skill acquisition and go into unregulated competitive markets. Furthermore we were not trying to prove that these characteristics apply to what could be called the "informal sector" of Cairo. The problem raised here is rather the one of interaction (or opposition) between an economic mechanism which remains tied to the overall social economic system on the one hand, and the practical everyday needs formulated within the given social relations in the popular context of urban life on the other. In this way we attempted to shed some light on the processes maintaining and integrating an alien mechanism within and from the backstage perspective of an urban popular setting. It is, as we have attempted to describe, the social conditions which play a determinative and important role in both maintaining and restructuring the type of economic system applied in the local context. Thus "informality" has to be seen as a specific means of adaptation to the economic system, applied in the pre-existing communal context. The industrial relations, being the informal economy of al-Gamaliyya, are embedded in the social life and in the social relations of groups inside the quarter. The workshop, not only through its historical roots, but also in its actual meaning, remains an institution of normative importance. However, its strong economic dependence and determination cannot make it an institution of defence and protection of social interests of the poor.

The discussion on the "informal sector" was predominantly shaped by the problems:

a) of its functionality or disfunctionality for systemic-rational forms of industrial production and development;

- b) of its historical roots and its structural formation as it relates to various modes of production and/or their articulation;
- c) of its function of securing survival for the poor and social dropouts, i.e., as an alternative to social welfare without a welfare state;
- d) of its potential for socio-cultural resistance and delegitimation of the modern state.

I have presented here a case which points to the necessity of integrating the various perspectives in an approach to the subject.

I laid stress in my observations on the "workshop" as an institution within the informal economy that articulates economic and social forms of interaction, and it is only through this articulation that it gains many of the characteristics of flexibility so strongly appreciated by the apologists of the concept. One might note here that the pure economic attempt to explain such a flexibility mainly argues for systemic organizational factors which remain meaningless since in such a perspective the "firm" remains a better organization, both in terms of the local agent as well as in terms of general interest of capital.

We also might deny the explanatory significance of a pure historical perspective, such as might arise from Geertz's confrontation of bazaar and firm type enterprises. In such a perspective one would clearly fall back on views of heterogeneity and articulation and finally "backwardness", which would exclude an understanding of the workshop as an essential "modern" institution, being created through modern responses towards economic and social needs.

This leads us to support the suggestion made by Wallerstein, that wage remains a dominant source of income only in core states, while in peripheral areas various forms of utilization of labor continue to exist (1974:86).

Clearly, on the structural level the floating character of capital leads to a search for flexibility and virtual utilization of all forms and relations of production. However, when this becomes possible, and how an institution then is shaped within the local context, depend on the need of subsistence and the strategies of survival developed by the individual producers, the human agent. The overall historical continuity of subsistence production, and specifically the "modern" role it plays in an international economy, here is an argument in itself. It is within the frames of this form of production for immediate consumption, in the house, in the field, and in urban space, that the moral concerns of the "just life" and the "strategies for survival" are formulated. These strategies and concerns cannot replace institutions of social welfare, since they remain essentially tied to economic institutions (household, workshop). They must fail in their functions when the global ratio of capitalist mechanisms leads to a decline of availability of income and resources.

There is a vicious circle of preventing social differentiation by predominantly local interests. These interests aim at integrating social and economic relations up to a level where the utilization of "community" turns into a source of accumulation. This might signify the essential modern role of the "informal sector". However, these very interests prevent stable communal

action on a higher level of responsibility. This, then, is exactly the point where the "informal economy" cannot compensate for "welfare", and functionally differentiated services.²

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