IMPORTANCE, DEVELOPMENTS, AND PROBLEMS OF THE COTTON SPINNING INDUSTRY IN EGYPT

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University of California 
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Importance, Developments and Problems of the Cotton Spinning Industry in Egypt

Section I: Introduction

The cotton spinning and weaving industry in Egypt was established at the end of the 19th Century and the beginning of the 20th Century. The establishment of this industry is essentially due to the cultivation of cotton in the country, on one hand, and to the importance of the local market, on the other hand. In fact, Egypt is considered one of the first countries in the world, following the United Kingdom, in which the cotton spinning industry was established.

The production of cotton yarn began in 1911. It was undertaken by manual processes in a factory owned by the National Weaving Company. It is needless to say that the First World War gave a big push to the industry in Egypt because imports were stopped and the local production increased to cover the domestic needs.

In 1927 Bank Misr established the Misr Company for spinning and weaving at Mehalla El Kobra. The establishment of this industry by the Bank Misr had many favorable repercussions on the industry as a whole in Egypt. It participated in the training of a large number of workers and technicians.

The industry was revised again during and after the Second World War. The capacity of the production increased in order to satisfy the local needs of textiles following the interruption
of imports. However, the industry faced many problems at the beginning of the fifties, partly because of international competition and partly because of the technological obsolescence. There was no replacement and maintenance of the machinery which was working at full capacity during the war. Production diminished and, hence, exports regressed.

Special attention was given to the industry since 1952. Machines were renovated, new factories were established, and the existing factories were enlarged. New mills were set up and modern technology was adopted. In order to help the spinning and weaving industry, the Cotton Textile Consolidation Fund was established in October, 1953. This Fund aimed at solving the problems facing the textile industry in Egypt. The main aims of the Fund were:

1. Encouraging textile exports.
2. Encouraging studies and research aiming at supporting the industry.
3. Promoting the local marketing of textiles.
4. Raising the technical standard through training of workers and modernisation of machines.
5. Giving financial assistance to the industry through loans.
6. Improving the standards and quality of production according to international levels.
Section II: Place and Developments of the Egyptian Cotton Spinning Industry

Unfortunately, we do not have special data about the spinning industry alone. The data concerning this industry were usually mixed with that of the weaving industry. This is true particularly for the statistical data about manpower, wages, value of production and value added. In addition, it seems difficult to make a relatively long series of the principal variables of the industry (investments, wages, costs, value added, and so on). However, we can analyse what is available for us to illustrate the role played by the textile industry in Egypt, its place and its development during the past 25 years. In 1952, the spinning and weaving industry absorbed about 50% of the total numbers of workers in the Egyptian industry as a whole, but this share has dropped to about 35%. About 40% of the total value added of Egyptian manufacturing was achieved in the spinning and weaving industry in 1952; this percentage is now about 25-30%. The production of cotton yarn increased from 56,000 tons in 1953 to 171,000 tons in 1962 (i.e. by 115%) and to 231,000 tons in 1980 (i.e. by 90%). This indicates that the rate of growth of the volume of production slowed down during the last twenty years compared to that prevailing in the fifties and in the beginning of the sixties. The number of spindles rose from 577 thousand in 1953 to 2,566 thousand in 1980 (i.e. by 545%), that of looms from 16,000 to about 28,000 in the same period (i.e. by 75%).
We can illustrate these developments in Table 1.

Table 1: Evaluation of Principal Technical and Economic Indicators of Egyptian Cotton Spinning and Weaving Industry

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Spindles (1000)</th>
<th>Number of Looms</th>
<th>Cotton Consumption (1000 Kant.)</th>
<th>Yarn Prod. (1000 tons)</th>
<th>Average Count (Prod.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1953</td>
<td>577</td>
<td>16</td>
<td>1526</td>
<td>56</td>
<td>17.5</td>
</tr>
<tr>
<td>1962</td>
<td>1340</td>
<td>22</td>
<td>2744</td>
<td>121</td>
<td>21.5</td>
</tr>
<tr>
<td>1978</td>
<td>2358</td>
<td>23.6</td>
<td>5059</td>
<td>210</td>
<td>24.9</td>
</tr>
<tr>
<td>1980</td>
<td>2566</td>
<td>27.8</td>
<td>5600</td>
<td>231</td>
<td>24.0</td>
</tr>
</tbody>
</table>

Source: Year Book of the Federation of Egyptian Industries (various years).

Section III: Structural Changes in Consumption, Production and Exports

This section will concentrate on analysing in detail the developments and the structural changes of production, domestic consumption and exports of raw cotton and of cotton yarn. It seems necessary to consider the development of production, consumption and foreign trade of raw cotton before analysing the situation of the cotton spinning industry in Egypt. This necessity comes from the fact that the cultivation of cotton constitutes the basis or the principal motive which encouraged the industry of cotton spinning in Egypt. According to the principle of comparative advantage cotton was cultivated in Egypt not only to serve local considerations but also to
participate in solving the problems of the balance of payments.

The mutual relationship between raw cotton and the cotton industry can be understood also from the point of view of the industrialization of the country. As the Economy develops and with the promotion of industry, the share of raw cotton in the total exports diminished and was substituted by yarns and fabrics of cotton. On the other hand, the development of the spinning industry augmented the local consumption of cotton.

Table 2 gives us useful indicators about the cotton situation in Egypt. The last decade (1970-1980) witnessed

Table 2: Evolution of Production, Consumption and Exports of Raw Cotton and Cotton Yarn in Egypt, 1969/70 - 1979/80

<table>
<thead>
<tr>
<th>Items</th>
<th>1969/70</th>
<th>1979/80</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acreage (000 Fed.)</td>
<td>1621</td>
<td>1196</td>
<td>-24</td>
</tr>
<tr>
<td>Production (000 Kant.)</td>
<td>10828</td>
<td>9471</td>
<td>-13</td>
</tr>
<tr>
<td>Average Yield (K/F)</td>
<td>6.68</td>
<td>7.92</td>
<td>19</td>
</tr>
<tr>
<td>Local Consum. (000 K.)</td>
<td>3686</td>
<td>5800</td>
<td>57.</td>
</tr>
<tr>
<td>Exports (000 K.)</td>
<td>6437</td>
<td>3361</td>
<td>-48</td>
</tr>
</tbody>
</table>

| Cotton Yarn                  |         |         |        |
| Production (000 T.)          | 164     | 218     | 33.0   |
| Exports (000 T.)             | 46.4    | 44.9    | -3.3   |

| Local consumpt. of raw cotton/production, % | 34% | 61.2 |
| Exports of raw cotton/production, %          | 59.4 | 35.5 |
| Exports of cotton yarn/production cotton yarn, % | 28.3 | 20.5 |

Source: Calculated from the statistical data of the CAFMAS and Year Book of the Federation of Egyptian Industries.
several developments (growth and structural changes) in the production, local consumption and exports of raw cotton and cotton yarn. While the cultivated area of cotton decreased by 24%, the downfall in production was by 13% only. This is due to the increase of the average yield by 19%. Increase of the average yield by 19%. Local consumption of cotton shows a great increase of about 570%. Exports of raw cotton decreased by 48% during the period 1969/70 – 1979/80. They decreased at a rate exceeding three times that of production. The increase of local consumption of cotton can be considered the main factor, but not the only one, which greatly affected the volume raw cotton exports by the country. The trade-off relation between domestic consumption and exports can be seen from the following ratios: the local consumption of cotton relative to production rose from 34% to 61% between 1969/70 and 1979/80. In the same time exports as a percentage of production fell from 59.4% to 35.5%.

Section IV: The Situation of the Egyptian Cotton Spinning Industry

We will now analyse the situation of the cotton yarn industry. This industry involves many public sector mills spread over the country.

1. The Production of Cotton Yarn:
   a. The Rate of Growth: The data available in Table 3 shows the production of cotton yarn for the year 1952 and the period
Table 3: Production of Cotton Yarn
(1000 Tons)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>55.7</td>
<td>142.5</td>
<td>179.0</td>
<td>190</td>
<td>210</td>
<td>212</td>
<td>218</td>
<td>231</td>
</tr>
</tbody>
</table>


from 1966 to 1980. It can be noticed that cotton yarn production increased in absolute terms from about 56,000 tons only in 1952 to 231,000 tons in 1980, an increase of 312%. However, if we analyse this increase in the quantity of production of cotton yarn according to a method by which we can see the evaluation in different periods, we shall remark that there are two phases: The first phase, one of considerable expansion, was from 1952 to 1972. During this period the production rose by an annual rate of about 6%. The second phase, one of relative regression was during the period 1972-1980. The production of cotton yarn was augmented in absolute terms, but the rate of growth slowed down; it became 3.2% compared to 6% during the first period.

This may be explained by internal problems facing the cotton yarn industry during the last ten years. The internal problems are of a technical nature; the machines were not renovated for a long period in order to keep pace with the technological evolution in the competing countries. There is also the problem of efficiency concerning the utilization of
high cost extra-long and long staple cotton in making coarse and medium fibers. Internal problems can be found also in the system of marketing, fixing prices, and subsidies to popular clothes. In addition we can not deny the institutional and organizational aspects of the problem.

The external side of the problem can be found in the severe competition of other production countries and the competition of synthetic fibers.

b. Evolution of Production According to Average Count:
Despite the importance and the utility of this kind of data, our analysis is limited by two factors: first, the period covered is very short, only from 1960 to 1973; and second, the average count concerns only three groups, less than 24, 24-60, and 60 or more. According to available data and in the light of the constraints above, we can notice that the production of coarse yarn (less than 24 count) rose absolutely from 60.3 thousand tons in 1960 to 103.5 thousand tons in 1973. But its relative share fell from 68.87% of the total yarn production to 57.87% between 1960 and 1973.

During this period, total of cotton yarn production increased by 75% while that of coarse yarn increased by 51%. The quantity of production of medium and fine count cotton yarn (i.e. count from 24 to 60) augmented considerably during the period 1960-1973. In absolute terms it rose from 32.2 thousand tons to 73.2 thousand tons (i.e. by 127%). In addition, its share became 42% of the total instead of 32%.

The development and the position of very fine yarn count
were not favorable compared to the two other groups. The quantity of production increased only by 40% vis-a-vis 51% for the coarse count yarn, 127% for the medium count yarn and 75% for the total. The share of very fine yarn count in the total remained constant from 1960 to 1971 (around 1.4%-1.5%). But it regressed to become only 1.2% in 1972 and 1973.

We can draw some useful conclusions from the above analysis. First, the cotton spinning industry tends to concentrate its production of yarns on the fine and the medium count (24 - 60). Second, this point can be related to other indicators. The average count improved, from 17.5 in 1953 to 21.1 in 1962 and to 25.7 in 1975 and 1976, but it regressed after that to become 24 in 1980. (See Table 1).

The local consumption of raw cotton by the local mills shows its structure changed. The consumption of long and extra long staples increased considerably from 28,000 tons in 1965 to 193,100 tons in 1978/79 (i.e. by 585%) while the consumption of all kinds of cotton rose by 36% only. It is clear that this situation had repercussions on the production of cotton yarn.

2. Evolution and Structural Changes in Local Cotton Consumption:

As mentioned above, not only the local cotton consumption increased absolutely, but its structure changed also. This can be seen from the data in Table 4.

This table shows the following. Cotton consumption of all varieties increased from 166.4 thousand tons to 226.7 thousand tons from 1965/66 to 1978/79 (i.e. by 36.2%). Consumption of long and extra long staple increased by a spectacular 585%; its
Table 4: Local Cotton Consumption, (1965/66 - 1978/79)

(000 tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>Long/Extra-Long Staple</th>
<th>Medium Staple/Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q</td>
<td>%</td>
<td>Q</td>
</tr>
<tr>
<td>1965/66</td>
<td>28.2</td>
<td>16.9</td>
<td>138.2</td>
</tr>
<tr>
<td>1971</td>
<td>89.0</td>
<td>45.3</td>
<td>107.3</td>
</tr>
<tr>
<td>1975</td>
<td>113.2</td>
<td>49.1</td>
<td>117.3</td>
</tr>
<tr>
<td>1978/79</td>
<td>193.1</td>
<td>85.2</td>
<td>33.6</td>
</tr>
</tbody>
</table>

Change
65/66-78/79,
percent  584.8 -75.7  36.2

Source: Calculated from: CAPMAS, and Year Book of Federation of Egypt Industries.

share rose from 17% only in 1965/66 (average) to 85% on the average in 1978/79. This situation can be partly explained by the decline of the production of medium staple varieties, their importance decreased from 36% in 1966 to 9% only in 1978/79; in the same time the share of long and extra-long staples rose to 91% instead of 64% only in the middle of the sixties.

One can argue, however, that the change of production structure of cotton does not constitute all the aspects of the explanation. In fact this trend can be due also to a deliberate policy by the spinning industry to utilize long and extra-long staples. It would have been, perhaps, more rational to import medium and short staple varieties of cotton rather than to use a valuable varieties to produce coarse and medium yarn count.
Another option may be to cultivate the American varieties (short staple) cotton to satisfy the needs of the local industry.

The above analysis sheds light on one of the problems of the Egyptian spinning industry, i.e., utilization of long and extra-long staple of higher costs (relatively) and higher quality to produce coarse s and medium count yarns. This is a paradoxical situation. In order to fill the gap between the needs of local mills for short staple varieties and the decreasing share of these varieties in the domestic production, the government imported about half a million kantars (520,000 k) of American cotton in the season 1977/78 (and about 24 thousand tons in 1976/77).

3. Exports of Cotton Yarn:

We now analyse the development of the cotton yarn exports of Egypt.

a. The Growth or the General Evolution of Egyptian Cotton Yarn Exports: Cotton yarn constitutes an important source of foreign currencies in Egypt. These exports occupy the third position after raw petroleum and raw cotton in the total of commodity exports of the country.

The importance of cotton yarn exports can be clearly shown through the data of Table 5. The data of Table 5 shows not only the growth of Egyptian exports during the last decade (1968-1978) but also the structural changes in these exports. While total exports grew by 40%, exports of raw cotton—which constitute the major source of foreign currencies until the
### Table 5: Main Egyptian Commodity Exports

<table>
<thead>
<tr>
<th></th>
<th>1968</th>
<th>1978</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>L.E.MIL</td>
<td>%</td>
<td>L.E.MIL</td>
</tr>
<tr>
<td>Raw cotton</td>
<td>121.1</td>
<td>44.8</td>
<td>200.0</td>
</tr>
<tr>
<td>Petroleum</td>
<td>7.2</td>
<td>7.2</td>
<td>481.8</td>
</tr>
<tr>
<td>Cotton Yarn</td>
<td>29.9</td>
<td>11.1</td>
<td>86.0</td>
</tr>
<tr>
<td>Rice</td>
<td>44.9</td>
<td>16.6</td>
<td>35.2</td>
</tr>
<tr>
<td>Others</td>
<td>67.2</td>
<td>24.8</td>
<td>567.7</td>
</tr>
<tr>
<td>Total Exports</td>
<td>270.3</td>
<td>100</td>
<td>1370.7</td>
</tr>
</tbody>
</table>

Source: CAPMAS, National Bank of Egypt (Economic Bulletin), and the CTCF 1980.

Beginning of the sixties—grew by 65.2%. Exports of cotton yarn rose by 187.6% and exports of rice decreased by 21.7%. Exports of petroleum increased in a spectacular way, i.e. by 6591%. It can be noticed that about 43% of the increase in exports as a whole was due only to petroleum exports during the period 1968-1978.

Concerning the structural change in Egyptian exports, the data of Table 5 show that cotton yarn still occupies the third place in our exports. They were ranked after raw cotton and rice in 1968, and they were are behind petroleum and raw cotton in 1978. However, the importance of cotton yarn exports decreased; its share declined from 11.1% in 1968 to 6.3% in 1978.

Most of the absolute increase in the proceeds of cotton yarn exports can be due to the favorable evolution of export prices despite the unfavorable trend in in export volume.
Between 1968 and 1978, quantities of cotton yarn exports decreased from 42.6 thousand tons to 35 thousand tons, i.e., by 18%. During the same period, the value of cotton yarn exports increased from 30 million L.E. to 86 million L.E., i.e., by 187%. In conclusion, we see that the average export price increased from 704 LE/ton to 2457 LE/ton during the same period, i.e., by 249%. In other words, the considerable increase in export prices more than compensated for the decline in export quantities.

b. Evolution of Cotton Yarn Exports According to Counts: We can summarize the evolution of Egyptian cotton yarn exports according to counts in Table 6. The data of this table can be related to the previous analysis to shed light on the unfavorable situation of cotton yarn industry in Egypt. We can see that the spinning industry utilize long and extra-long staple of cotton in producing coarse yarn. This is reflected in the table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Less than 41 C (LE mil)</th>
<th>From 41 to 61 C (LE mil)</th>
<th>61C and above (LE mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>4.0</td>
<td>18.5</td>
<td>13.5</td>
</tr>
<tr>
<td>1978</td>
<td>12.7</td>
<td>18.7</td>
<td>51.3</td>
</tr>
<tr>
<td>1980</td>
<td>56.2</td>
<td>40.0</td>
<td>78.3</td>
</tr>
</tbody>
</table>

Table 6: Structural Evolution of Cotton Yarn Exports According to Counts, 1964-80, Value in L.E. (Millions)

Source: Calculated from Year Book of Egyptian Federation of Industries.
in the structure of consumption of local mills analyzed before, and it is reflected also in analyzing yarn output according to counts.

We have seen also that the situation on the international market was not favorable; the quantity of exports diminished; it reached its peak in 1969. This unfavorable situation can be completed by consideration of exports according to counts. In fact, the period 1964-1974 witnessed favorable trends in this field. Exports of medium count cotton yarn (41-61 c) increased from LE 13.5 million to LE 51.3 million; its share rose from 62% to 75%. In this period the share of coarse cotton yarn (less than 41 c) remain constant. But during the last seven years (1974-1980), the situation changed unfavorably. Egyptian cotton yarn exports are now concentrated in coarse yarn of low grade or count. From 1974 to 1980, the low count cotton yarn exports (less than 41 c), grew in absolute and relative terms. These kinds increased from LE 1.7 million to LE 56.1 million, and their share became 40% instead of 18.7%.

The share of fine count cotton yarn exports declined also from 5.7% in 1974 to 4% in 1980. The situation of Egyptian fine and very fine yarn exports deteriorated during the last 15 years. Fine counts yarn constituted about 20% of total yarn exports in 1964, but this percentage is now 4% only.

This is a paradoxical situation in which Egyptian spinning industry is found. As analyzed above, consumption of long and extra-long staple varieties of cotton increased continuously since 1972. It was thus expected that export of fine and very
fine yarn would increase as a result of the structural change in the consumption and production, but the result is disappointing. About 4/5-ths of the cotton consumed by local mills is long or extra-long staple, but the share of fine and high level counts cotton yarn produced tended to decline. This unfavorable situation can be also shown from another side: the index number of average count of export quantity rose from 100 in 1964 to 123 in 1974, but it regressed to become only 107 in 1980.

4. Geographical Distribution of Cotton Yarn Exports:

Egyptian cotton yarn exports are principally concentrated in three areas: Western Europe, Eastern Europe, and North America. These three blocs absorbed about 85% of total Egyptian yarn exports in 1962, and this share remained the same in 1972 but it increased in 1979 to become about 90%.

However, there is a structural change within these groups which have to be considered. The share of Western Europe dropped from 37.5% in 1962 to 29.5% in 1979, and that of Eastern Europe rose from about 25% to 54%. The most structural change can be noticed on the American side, where the share of North American countries (USA and Canada) dropped from 23% in 1962 to only 7.3% in 1979. The loss of the American market must be considered if we adopt a new strategy for marketing the Egyptian cotton yarn because these countries have a very large market and highly demanded hard currencies.

We can illustrate the development and geographical structure of Egyptian cotton yarn exports in Table
7 below. This table shows that Egypt lost three important markets, the Western European markets, the American markets and the Asian markets. This can be shown in considering the growth of exports to these markets relative to other markets and to the total proceeds of cotton yarn exports. While the total exports of cotton yarn increased during 1962 and 1979 by 130%, exports to Western Europe increased by only 81%, exports to American countries decreased by 27% and exports to Asian countries decreased by 55%.

Table 7: Geographical Distribution of Egyptian Cotton Yarn Exports

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>7.31</td>
<td>10.16</td>
<td>13.24</td>
<td>81.1</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>4.86</td>
<td>26.84</td>
<td>24.14</td>
<td>396.7</td>
</tr>
<tr>
<td>Arab countries</td>
<td>1.18</td>
<td>1.38</td>
<td>2.77</td>
<td>134.7</td>
</tr>
<tr>
<td>Asia</td>
<td>1.56</td>
<td>1.31</td>
<td>.70</td>
<td>-55.2</td>
</tr>
<tr>
<td>Africa</td>
<td>.10</td>
<td>1.07</td>
<td>.37</td>
<td>270.0</td>
</tr>
<tr>
<td>America</td>
<td>4.47</td>
<td>1.92</td>
<td>3.25</td>
<td>-27.3</td>
</tr>
<tr>
<td>Others</td>
<td>.01</td>
<td>-</td>
<td>.41</td>
<td>4000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19.49</td>
<td>44.68</td>
<td>44.88</td>
<td>130.3</td>
</tr>
</tbody>
</table>

Source: Calculated from the data of CTCF.

On the other side, three markets were won: the Eastern Europe markets to which our exports of cotton yarn increased by 396.7%; that of the Arab countries to which exports increased by
134.7%, and that of other countries to which exports rose by 4000%.

In the beginning of the seventies, about half (or more) of fine cotton yarn exported by Egypt was imported by the Soviet Union and the Eastern European countries (URSS absorbed only 40%). But this percentage dropped; it became about 34% in 1978/79. The share of the Western European countries in fine cotton yarn exports increased from 12% in 1971/72 to 33% in 1978/79.

The share of the Eastern European countries in the medium count yarn exports dropped from 42% to 28%. The share of Western Europe countries in this group of cotton yarn exports remained approximately constant (around 23%).

Section V: Conclusion

Our conclusions to this study will be confined to the principal problems facing the Egyptian spinning industry in particular and the textile industry in general.

1. The industry suffers from obsolescence of machinery. This must be improved to satisfy the increasing local needs for clothing and to satisfy the demands of the world markets.

2. The industry suffered especially in the last five years from accumulation of stocks. This is due to the question of the policy of price fixing and of subsidies on one hand, and to the problems concerning the world market on the other hand.
3. As mentioned within the study, a problem of inefficiency and irrationality of the industry was noticed. The Egyptian cotton spinning industry utilizes long and extra-long staple cotton (which is precious and costly) in producing coarse cotton yarn. This is considered a misuse of this scarce national resource and this situation can have unfavorable repercussions on the financial position of the industry, on the competition of exports and on the profitability (private and social) of the textile industry as a whole.

4. We have lost important and traditional markets (the markets of Western Europe and North America). This was because of commitment under bilateral agreements with Eastern European countries. This situation caused difficulties to the spinning industry; it is limited by grades and varieties for a lapse of time and it is difficult under this situation to cope with international competition.

5. The productivity of the textile industry increased by less than the increase in wages.

6. Investments are insufficient to develop the existing capacity of the industry (replacement investments) or to create new factories (productive investments). The share of investments in the cotton spinning and weaving industry out of the total investments devoted to the industrial sector was only 12.5% in 1974 (LE 23 mil out of LE 184 mil).

7. The industry suffers from a shortage in spare parts. This
shortage affects not only the efficiency of the industry but also the quality of products.

8. The industry suffers from relative backwardness concerning the utilization of artificial fibers. In all the countries in which the textile industry is flourishing, there is a strong industry of artificial fibres.

9. There is no clear and long term strategy concerning the varieties given to the local mills. Sometimes the industry works on local long and extra-long varieties, and sometimes it works on imported inputs. The latter occurred during the last three years of the seventies (1976-1978/79).
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